



2023 SUSTAINABILITY REPORT

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A Message from the Chairman

KGI Life: Pioneers of Sustainability, Co-creating Value with Stakeholders

In 2023, the global economy gradually laid concerns of the pandemic and Russian-Ukrainian conflict to rest, but issues such as high global inflation and geopolitical unease in the Middle-East pose challenges to global development while opening doors to sustainable transition business opportunities.

Climate change has become a global issue of concern. KGI Life collaborates with its financial holding parent company in promoting green business operations and supporting green policies. Last year, the business group jointly planned, purchased, and adopted green energy, reducing a total of 2,500 tons of carbon emissions in 2023, while also participating in the Taiwan Carbon Solution Exchange's (TCX) first batch of carbon credit transitions. We not only strive to achieve net zero goals in alignment with our business group, but also work together to support regional revitalization teams nationwide. KGI Life offers support to youths returning to their hometowns and looks after the well-being of vulnerable children and elderly. For 2023, KGI Life's employees devoted a total of 49,816 hours in volunteer work, an increase of 66% compared with the previous year, displaying the passion of our employees and our proactive actions in promoting regional revitalization. Moreover, the Company was rebranded as "KGI Life Insurance" in Jan. 1, 2024; with our parent company's renaming as "KGI Financial Holding" scheduled for Oct. 9, 2024. This will elevate our brand recognition and overall business performance, upholding our "One KGI" spirit. In the future, we will integrate our group's resources and accelerate growth amongst all subsidiaries, enhancing the "KGI Life" brand image in becoming the "most recommended and trustworthy life insurance company."

In Sync with International Standards, Reaching New Heights in Sustainability Governance

We have enhanced the integration of our corporate sustainability governance with our long-term strategies. Furthermore, we upgraded the "Corporate Sustainability Development Committee" to a functional committee under the Board of Directors, reporting regularly to the Board of Directors to refine our sustainability strategies and reinforce our commitment to sustainable development. We have aligned with international trends to ensure that our sustainability strategies are closely connected to our business operation, maximizing performance synergy.

Climate change has become the focus of global attention. We have incorporated climate risks into our Risk Management Policy, and responded to international initiatives by dedicating our efforts to improving information transparency and strengthening climate resilience. Our grasp and management of climate change risks and opportunities received multiple recognitions from both domestic and oversea institutions, including "Green Leadership" from the Asia Responsible Enterprise Awards (AREA), and TSAA's "Best Climate Action Award."

Adopting Proactive Initiatives in Working Toward Net-zero

Carbon neutrality and net-zero emissions have become global consensus. KGI Life aligns with CDF's net zero goals for 2045 and closely follows carbon reduction trends in Taiwan and overseas. Focusing concrete "action," we continue to strengthen our environment-related carbon reduction management; from initiatives and commitment to actual implementation. We introduced the international standard for carbon footprint ISO 14067, obtained the Ministry of Environment's Carbon Label certificate, and became one of the first financial institutions to purchase carbon credits from the Taiwan Carbon Solution Exchange. At the same time, we also referenced the Science-Based Target Initiative (SBTi) when planning carbon

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reduction targets and was recognized by CommonWealth Magazine as a company that aligns with the Paris Agreement in ensuring temperature rise is kept under 1.5°C . KGI Life was the only life insurance company to be meet this criteria, a true testament to our excellence in reducing carbon emissions.

Green finance is an international market trend. KGI places emphasis on sustainability assessment when it comes to investment and implement prudent management of investments in high carbon emission industries while also funneling capital flow towards sustainable industries. Moreover, we support initiatives from international organizations and work global partners in promoting green finance development, generating positive impact.

Financial Inclusion and Treating Customers Fairly in Fulfilling Social Responsibilities

KGI Life has long embraced "treating customers as we would ourselves" as its corporate spirit, and actively adopt the government's policies in expanding the scope of our microinsurance coverage in achieving financial inclusion. KGI Life adopts continuous enhancement of friendly financial services for the vulnerable and elderly, including acquisition of accessibility certification for our digital platforms, as well as sign language and multi-lingual translation services; creating a friendly financial environment that ensures equal rights for all. By doing so, we align with global financial inclusion trends and treating customers fairly principles, expanding insurance safety net across society and realizing both CSR and sustainability values.

Since 2019, the Financial Supervisory Commission's (FSC) "Treating Customers Fairly Principles Evaluation" has ranked KGI Life as "excellent" for five consecutive years. We will continue to realize our treating customers fairly and social inclusion values by looking after our youths and the elderly, in addition to different social groups and industries, displaying our commitment to protecting policyholders.

A Dual-Core Approach: Enhancing Digital Transformation and Information Security to Strengthen Resilience

Digital finance has taken the world by storm. We continue to embrace digitalization and launch innovative FinTech services to enhance customer experience. Furthermore, we strengthen information security management and build a tight information security net to protect our customers' data. This not only improves service efficiency, but also meets international expectations in terms of digital transformation and information security of financial institutions, ensuring a more resilient future.

Looking towards the future, KGI Life will continue to pay attention to international trends in sustainable development and incorporate ESG into all aspects of its business operations. We will work with partners in all sectors to jointly create sustainable value, create a better future for Taiwan, and contribute to global sustainable development.

KGI Life Chairman

王銘陽

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About the Report

This Report is the 2023 Sustainability Report (hereinafter referred to as this "Report") of KGI Life Insurance Co., Ltd. (hereinafter referred to as "KGI Life").

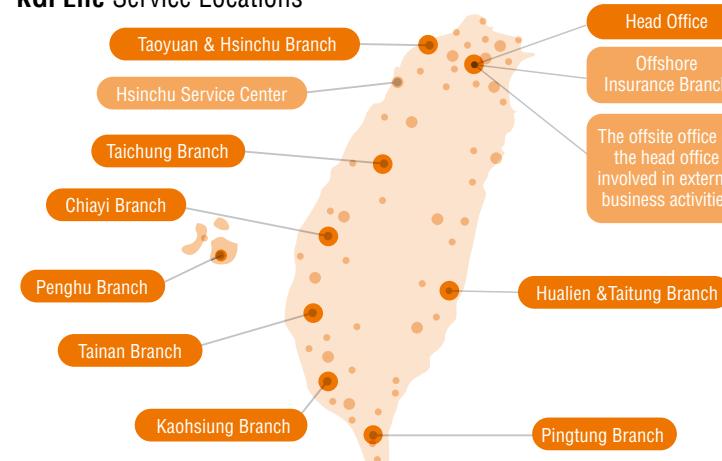
Reporting Period

This Report discloses information on sustainable development of KGI Life from January 1, 2023 to December 31, 2023. Due to data integration and transparency considerations, some of the content disclosed in this Report are not limited to 2023. The previous Sustainability Report was issued in June 2023. This year's sustainability report issuance date is August 2024, and the next Sustainability Report is expected to be issued in June 2025. Reports for each year can be downloaded from the Sustainable Development section on KGI Life's company website.

Scope and Boundaries of this Report

This Report describes sustainable development related practices and results, future strategies, and goal planning. Its scope covers KGI Life's business operations in Taiwan and overseas, including KGI Life headquarters, off-site office for external business activities, 1 customer service center, 9 branch offices, 6 customer services counters, and 137 agent offices.

KGI Life Service Locations



9 Branch

1 Service Center

6 Service Counter

137 Offices



For more information,
please refer to the
KGI Life website.

Reference Standards

This Report enhanced disclosures of sustainability practices according to or after referencing international and domestic regulations and standards.

Issued By



Sustainable
Development
section of
KGI Life

- Global Reporting Initiative, GRI
- GRI Universal Standard
- GRI Financial Services Sector Disclosures

International Integrated Reporting Council, IIRC

- Integrated Reporting, IR

United Nations, UN

- Sustainable Development Goals, SDGs
- United Nations Global Compact

United Nations Environment Programme, UNEP

- Principles for Sustainable Insurance, PSI
- Principles for Responsible Investment, PRI

Task Force on Climate-related Financial Disclosures, TCFD

- Recommendations of the Task Force on Climate-related Financial Disclosures

Sustainability Accounting Standards Board, SASB

- Insurance Sustainability Accounting Standard

International Sustainability Standards Board

- IFRS S1 General Requirement for Disclosure of Sustainability-related Financial Information
- IFRS S2 Climate-related Disclosures

International Organization for Standardization, ISO

- ISO 26000 Guidance on social responsibility

Taiwan Stock Exchange Corporation

- Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies
- Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

Financial Supervisory Commission

- Guidelines for Climate-related Risks and Financial Disclosures in the Insurance Industry

Jointly compiled by the Non-Life Insurance Association of the Republic of China and Life Insurance Association of the Republic of China

- Corporate Governance Best-Practice Principles for the Insurance Industry

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Report assurance

The contents of this Report were prepared according to quality principles (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability) of the GRI Standards, and complies with the Sustainability Accounting Standards Board (SASB) insurance industry standards. An independent third party assurance institution – Deloitte provided limited assurance of compliance according to TWSAE3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information (established with reference to ISAE 3000 Revised). Please refer to the appendix of this Report for the assurance statement.

Information Category	Standard	Verification Institution
Sustainability	<ul style="list-style-type: none"> ▪ Limited assurance of compliance according to TWSAE3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information 	Deloitte Taiwan
Environmental	<ul style="list-style-type: none"> ▪ ISO 14064-1:2018 GHG inventory ▪ ISO 14067:2018 Carbon footprint of products ▪ ISO 14001:2015 Environmental Management Systems ▪ ISO 50001:2018 Energy Management Systems 	British Standards Institution (BSI)
Information Security	<ul style="list-style-type: none"> ▪ ISO 27001:2013 Information Security Management System ▪ BS 10012:2017 Personal Information Management System 	SGS Taiwan
Risk Management	<ul style="list-style-type: none"> ▪ ISO 22301:2019 Business Continuity Management System 	SGS Taiwan

Stakeholder Communication, Opinions and Feedback

If you have any advice or recommendations regarding this Report or the sustainability planning and practices of KGI Life, please do not hesitate to contact us through the following methods, and we will respond and provide an explanation in a timely manner:



Sustainable Development Department, KGI Life Insurance Co., Ltd

Address: 5F, No. 135, Dunhua N. Rd., Songshan District, Taipei City 105

Tel: +886-2-2719-6678 ext. 1884

E-mail: ESG@kgilife.com.tw

About KGI Life

Established in 1963, KGI Life Insurance (formerly China Life Insurance) was renamed as KGI Life Insurance Co., Ltd. (hereinafter as KGI Life) in Jan. 1, 2024. Upholding a "customer-centric" approach, we continue to provide customers with diverse insurance products and services.

The road to recovery from the pandemic has been full of turmoil and uncertainty, including issues such as global political tension, market inflation, climate change, and AI revolution. In times of uncertainty, insurance companies play an important role in stabilizing society. The Company's performance in corporate governance, information security, green investment, and customer experience has received recognition from multiple benchmark awards, both domestic and international. In addition, through voting and ratings, the Company has been verified by its employees as a "Happy Company" for employees to work in.

The insurance industry will always be a "people-oriented" sector. We are committed to the happiness of our customers, employees, shareholders, and the general society; and pursue our sustainability goals, with aims of becoming the "most recommended and trustworthy life insurance company."



KGI Life's brand image video
"Committed to your Happiness"



KGI Life's "A Heartfelt New Beginning"

Basic Information of KGI Life Insurance

Official Company Name KGI Life Insurance Co., Ltd.

Location of Head Office 3, 4, 5, 6, 7F, No. 135, Rd. Dunhua N, Taipei City

Time of Establishment 1963

Investee Insurance Company in China CCB Life established 24 branches in China and the total number of branches reached 235 as of the end of 2023

Main Products Life insurance, annuity, universal insurance, health insurance, accident insurance, group insurance, travel insurance, micro insurance, and investment-linked products

Main Market Taiwan

Number of Employees 2,392 office staff and 15,160 sales agents

Net Sales Amount NT\$232,723 million (operating revenue)
NT\$159,553 million (premium income)

Equity NT\$ 148,337 million

Liabilities NT\$ 2,259,738 million

Total Assets NT\$ 2,408,075 million



Please refer to the 2023 Annual Report

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History of KGI Life Insurance

Formed a strategic alliance with Tokio Marine Newa Insurance, which is the first cross-group property insurance and life insurance collaboration in Taiwan.

Approved by the FSC to formally launch "Omni-channel Mobile Insurance with Biometric Authentication for Remote Insurance Application."

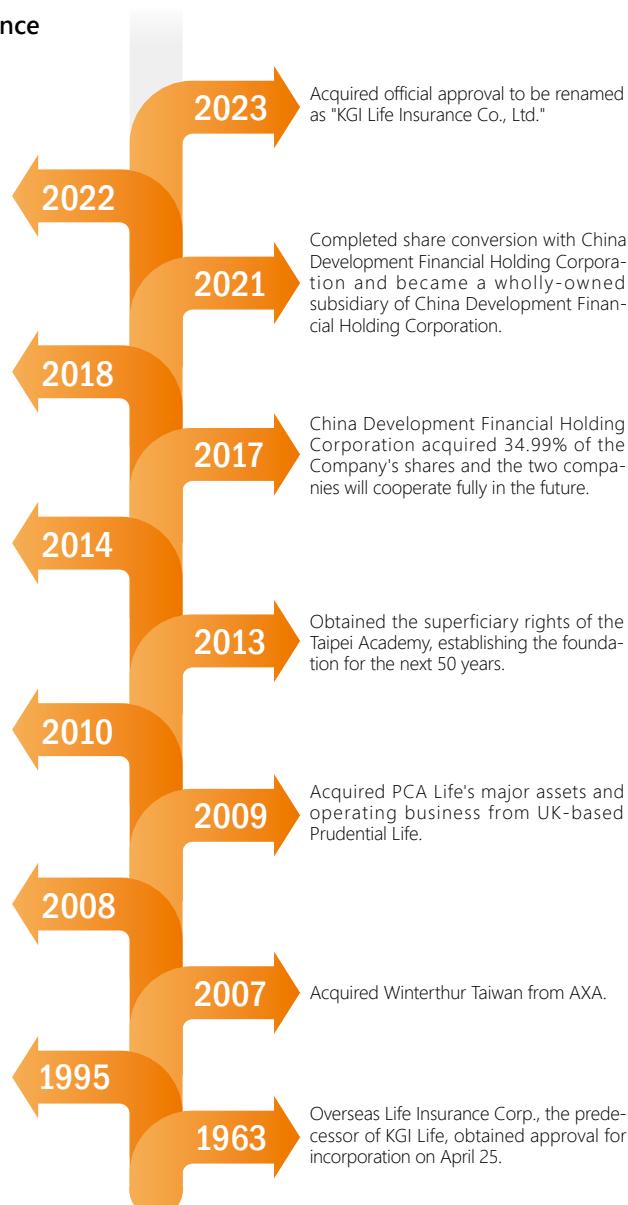
Completed acquisition of part of the traditional life insurance policies of Allianz Taiwan Life Insurance Co., a subsidiary of German insurer Allianz SE.

Assets reached the NT\$1 trillion milestone in the first quarter of 2014, marking the company's entry into the "Trillion NT Dollar Club" of life insurance companies.

Agreed to make a strategic investment in CCB Life, the insurance subsidiary of China Construction Bank. This marked the first ever joint venture between a mainland Chinese bank and a Taiwanese life insurer.

Was the only major insurance company in Taiwan to avoid the sub-prime mortgage crisis during the global financial tsunami.

Listed on Taiwan Stock Exchange under the ticker 2823.



Key Achievements in 2023

CORPORATE GOVERNANCE



Corporate Governance

- The Corporate Sustainability Development Committee was restructured into a **functional committee** under the Board of Directors in 2023 to launch innovative corporate sustainability programs from a broader perspective.
- The Company emphasizes management of assets and liabilities, continues to promote regular-premium products, and strives to increase the Company's long-term value. We have maintained a sufficient capital adequacy ratio in the market turmoil, and maintained stable return through a cautious investment portfolio.



Risk Management

- We included climate change risks into our "Risk Management Policy," formulated climate-related risk management guidelines, and established and **regularly track climate risk appetite metrics**.
- We defined high climate risk regions and high carbon emission industries, referenced international standards when setting climate scenarios, and conduct scenario analysis to assess the impact of climate change on investments, operations, and suppliers in different climate scenarios, so as to ensure that climate-related risks are effectively controlled or reduced.



Information Security

- The information security budget for 2023 **increased by more than 10%** compared to the expenses in 2022. The budget has grown every year in the past three years, showing the importance attached to information security.
- We co-organized the Information Security Month event with the Information Security Division of CDF in 2023, becoming **the first financial group in Taiwan to organize an information security month**.



Responsible Investment

- The total carbon emission from the investment balance at the end of 2023 was approximately 3.21 million metric tons, **down by approximately 28.5%** compared with the end of the baseline year of 2020, and investments in high carbon industries accounted for 18.1% of overall investments, achieving the goal of reducing it to less than 26% of the overall investment position.
- As of 2023, the amount of green investment was approximately NT\$33,840 million, **up by approximately 10%** compared with 2022. Investment items include green bonds, sustainability bonds, renewable energy, ESG-themed funds, and green energy technology.



Digital Finance

- KGI Life has focused on digital and data infrastructure to face the trend of FinTech, and invested abundant resources for a digital leap, formulating a comprehensive digital innovation strategy based on "**AI**," "**Agile Culture**," "**Driven by Data**," and "**Cloud Services**."
- Application of AI assistant "Afu"**, an AI assistant customized for life insurance using natural language processing technology. We continued to optimize the AI assistant with each iteration in 2023, resulting in a 2.3-fold increase in question answering coverage, 3.1-fold increase in usage, 2.1-fold increase in number of users, and **76.8% increase in NPS** compared to last year.

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Treating Customers Fairly

- We referenced the FCA Guidance for Firms on the Fair Treatment of Vulnerable Customers and amended the Company's Fair Customer Treatment Policy, Fair Customer Treatment Strategy, and Guidelines for Implementing the Fair Customer Treatment Principles. **The amendments expanded the scope to vulnerable groups (groups whose first language is not the official language)**, and included contents of friendly financial services and the Convention on the Rights of Persons with Disabilities (CRPD) into the training of directors, responsible persons, senior managers, and all employees.
- KGI Life is the first financial institution to provide "multi-lingual real-person translation service for new immigrants." Translation services are provided in nine languages, including Vietnamese, Malay, Thai, Indonesian, Burmese, Filipino, Japanese, Korean, and English, allowing new immigrants to communicate in their native language and fully understand their rights and interests.



Sustainable Insurance Practices

- Expanded the scope of microinsurance, and allowed insurance to serve its function of stabilizing society through premium donations. Won the Care for the Physically and Mentally Challenged Award for **four consecutive years**, won the Performance Award in the Microinsurance Contest for **nine consecutive years**, and won the Microinsurance Promotion Excellence Award for **two consecutive years**.
- Launched the **discretionary management account with ESG as the core** in the banking channel together with Barings SICE, further expanded to the agent channel in 2023, and linked the account to different types of investment-linked products, providing customers with diverse options and upholding a sustainability spirit.
- Launched "MAHUDA," **the industry's first** long-term "dementia+life insurance" policy, which fully prepares the policyholder for the massive treatment and care expenses incurred in the event of dementia.



Innovative Talent Cultivation

- Implemented the Workday human resources system, CBI interviews, personality assessment, AI and big data analysis tools**, and talent recruitment projects. We plan to establish talent recruitment indicators and exclusive recruitment models through data analysis, and precisely select talent with competencies.
- Continued to implement the internship program to enhance interns' professional abilities through internship experience, so that they will better understand their future career development blueprint. In 2023, we **hired 35 interns**.
- Encouraged employees to continue improving and obtaining professional certifications. Office staff on average had 3.03 certificates in 2023, and the **number grew every year in the past 5 years**.



A Diverse and Inclusive Workplace

- KGI Life responded to the United Nations Sustainable Development Goals by implementing **gender equality** in the workplace, in which **47.04%** of all supervisors at KGI Life are **female**; **64.41%** of all employees in non-managerial positions are **female**.
- Offered the course "**Human Rights Policy and Friendly Workplace**" in 2023, achieving a **100% training completion rate**.

ENVIRONMENTAL



Climate Governance and Strategies

- KGI Life established the Climate-related Risk Management Guidelines in 2023 according to relevant laws and regulations and the Company's Risk Management Policy, specifying the Company's procedures for managing climate-related risks.



Green Operations

- Introduced the international standard for carbon footprint ISO 14067 and obtained the **Ministry of Environment's Carbon Label certificate**.
- KGI Life and CDF jointly purchased 3,000 tons of carbon credits and became one of the financial and insurance companies in the "**first batch** to purchase international carbon credits".
- Introduced the electronic procurement system in 2023 and e-services **reduced paper consumption by more than 8.94 million sheets**. This equates to reducing carbon emissions by approximately 161 metric tons.



Sustainable Supply Chain

- Prioritized suppliers with excellent ESG performance and purchased products with energy conservation and environmental protection labels and Forest Stewardship Council certification; the **green procurement amount reached NT\$54.92 million** in 2023.
- Received a letter of appreciation for "implementation of the Private Enterprise and Organization Green Procurement Promotion Project" for the **8th consecutive year** and was recognized with the "excellence in promoting green procurement and green consumption."

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Corporate Sustainability

- Insurance Asia Awards
- ESG Initiative of the Year
- Taiwan Corporate Sustainability Awards (TCSA)
- Corporate Sustainability Report Platinum Award, Top 100 Sustainable Companies Award, Information Security Leadership Award, Talent Development Leadership Award, Social Inclusion Leadership Award, Innovative Growth Leadership Award

Corporate Governance Enhancement

- CommonWealth Magazine's Top 2000 Business Survey
- 5th in the finance industry
- Enterprise Asia
- Asia Pacific Enterprise Award - Inspirational Brand Award
- 1111 Job Bank - Happy Enterprise
- Gold Award
- The National Brand Yushan Award
- Most Popular Brand Category - "Life in the Gym" Brand Video

Striving For Social Inclusion

- "Commonwealth Magazine"
- "CHR Healthy Corporate Citizen" Commitment Certification
- Taiwan Insurance Institute
- Taiwan Insurance Excellence Awards - Silver Award for best performance in talent training project
- 2023 Excellence and Best Rating Survey by Excellence Magazine
- Excellence in Talent Cultivation Award

Promoting Sustainable Finance

- Taiwan Sustainable Investment Awards
- Influential Institution Division "Life Insurance Group Merit Award," Sustainability Themed Investments "Gold," Shareholders' Action Award "Gold"
- Insurance Asia Awards
- Digital Insurance Initiative of the Year
- "Commercial Times" Digital Financial Service Award
- Digital Inclusion Gold Award
- Taiwan Financial Award
- FinTech Innovative Application Excellence Award
- Financial Supervisory Commission
- Excellent performance in "investment in 5+2 innovative industries and public infrastructure"
- The National Brand Yushan Award
- Best Product Category - Digital AI training tools
- 2023 Excellence and Best Rating Survey by Excellence Magazine
- Excellence in Technological Innovation Award, Excellence in Product Innovation Award, Excellence in Digital Banking Award

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- Ministry of Economic Affairs
- "Buying Power – the Social Innovation Product and Service Purchase Award" First Prize
- Ministry of Environment, Executive Yuan
- Excellence in promoting green procurement and green consumption in 2022. The employee restaurant received the "Eco-Friendly Restaurant" certification

Achieving Financial Inclusion

- Taiwan Sustainability Action Award (TSAA)
- Social Inclusion Bronze Award
- The Asset Magazine
- ESG Awards - Best Diversity and Inclusion Initiative Award
- Financial Supervisory Commission
- 2023 Microinsurance Contest - Business Excellence Award, Care for the Physically and Mentally Challenged Award
- 2023 Insurance for the Elderly Contest - Award for Excellent Performance
- Treating Customers Fairly Evaluation - "Excellent" rating for five consecutive years
- Outstanding performance in "Enhancing Insurance Coverage for Taiwanese People" and "Conducting Microinsurance Business"
- Taiwan Contact Center Development Association (TCCDA)
- Customer Service Excellence Awards (CSEA) - Best Customer Experience Enterprise Award
- Taiwan Insurance Institute
- Taiwan Insurance Excellence Awards - Policyholder Service Project Excellence Award Gold Award, Microinsurance Promotion Excellence Award Silver Award
- The National Brand Yushan Award
- Best Product Category - "MAJIZB"
- Enterprise Asia
- Asia Responsible Entrepreneurship Awards - Green Leadership Award
- British Chamber of Commerce
- Better Business Award, Best Corporate Climate Action Award

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Creating a Sustainable Future by Treating Customers Fairly: KGI Life's Actions and Commitment

At KGI Life, we firmly believe that fairness and empathy are at the heart of financial services. The Financial Supervisory Commission attaches great importance to the Fair Customer Treatment Principles in the financial industry. We believe that this is not only a regulatory requirement, but also a manifestation of corporate culture and social responsibility. As a life insurance company that has focused on Taiwan's market for more than 60 years, our mission is not only to operate a stable life insurance company in the long-term, but also to build a financial ecosystem that is inclusive, fair, and empathetic.

Developing a Fair Corporate Culture - Accountability Map and Employee Participation

KGI Life has long regarded integrity as the foundation of corporate governance. By establishing an accountability system and accountability map, we have strengthened channel management responsibilities and effectively protected the rights and interests of customers. In addition, we encourage all employees in a number of ways to internalize treating customers fairly in every day work. For example, we have requested proposals from employees for five consecutive years, and not only commended and implemented outstanding proposals in treating customers fairly, but also allowed employees to gain deeper understanding and a sense of participation in fair customer treatment. This approach aims to lay a cultural foundation from the inside out and is an important cornerstone of our commitment to treating customers fairly.



Since the competent authority began conducting the "Treating Customers Fairly Evaluation" in 2019, KGI Life has been recognized by the competent authority for excellent performance in the "Treating Customers Fairly Evaluation" for five consecutive years from 2019 to 2023. KGI Life is among very few insurance companies to win awards every single year since the evaluation was first conducted in 2019.

Financial Inclusion and Social Inclusion - Providing Strong Support for Disadvantaged Groups

In terms of financial inclusion, KGI Life actively promotes microinsurance, with the number of insured people reaching 97,403 in 2023, and the claim amount exceeding NT\$12.39 million. This not only provides timely protection for disadvantaged groups, but also shows our commitment to social responsibility. At the same time, we pay attention to the financial service needs of the elderly, new immigrants, people from rural areas, and people with disabilities, and led the industry in offering numerous friendly financial services. We aim to eliminate the financial gap caused by age, physical condition, or language, and practice the core spirit of diversity and inclusion.

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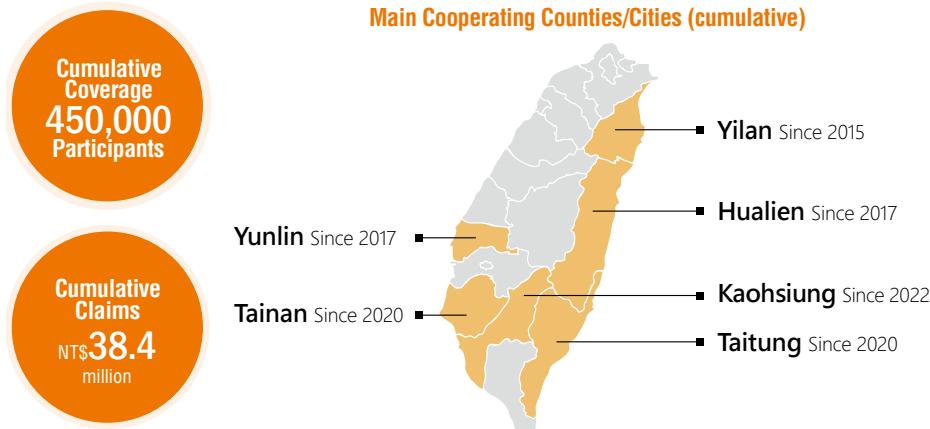
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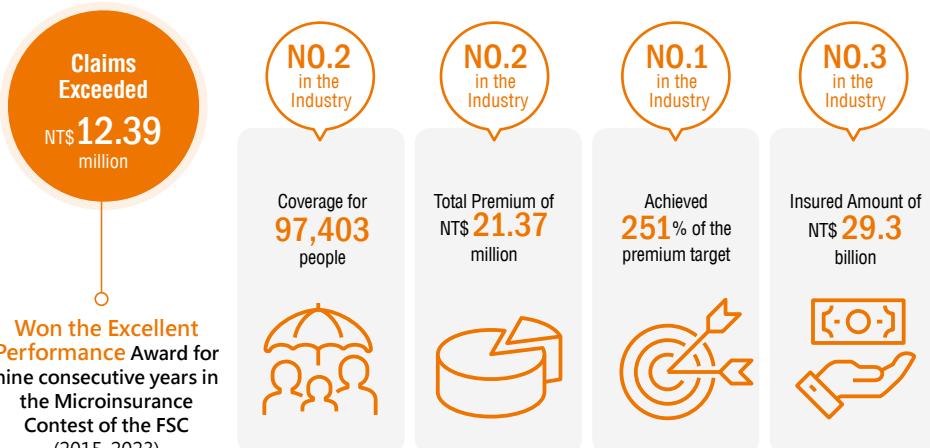
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Achievements in Microinsurance Over the Years



Microinsurance Results in 2023



Digital Transformation and Innovative Services - Digital Technology and Health Management

In line with digital transformation trends, KGI Life is actively integrating generative AI, big data applications, and blockchain technology to provide customers with comprehensive digital insurance services. This not only improves the efficiency and quality of customer service, but also enables us to more accurately meet the diverse needs of customers. In 2023, we were recognized with the Customer Service Excellence Awards (CSEA) for our customer service quality.

In addition, we are also fully aware that health is the most important wealth of our customers. Therefore, KGI Life actively extends the core value of insurance coverage from ex-post claims to ex-ante health promotion and prevention. We partnered with World Gym to create new services to promote health, and also partnered with Chi Mei Medical System to launch fully digital smart health journey management services for policyholders, extending health management to disease prevention and providing customers with one-stop health management solutions. This not only reflects on our commitment to comprehensively care for customers, but also shows our leadership in innovative services.

Fraud Prevention and Empowerment through Financial Knowledge - Protection for the Elderly and Disadvantaged, Financial Education for the Youth

Financial fraud is a growingly severe issue due to the rapid development of digital banking services. KGI Life responded to the Executive Yuan's fraud prevention strategies by implementing three major actions: "Fraud Prevention Reminders," "Frontline Fraud Blocking," and "Fraud Awareness Promotions," in an effort to maintain the last line of defense for policyholders' financial security. Furthermore, we also focus on providing youth with financial knowledge, and jointly offered financial and insurance knowledge lectures with numerous colleges and universities to improve the youth's financial literacy, laying a solid foundation for their future financial management ability.

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Results of Active Fraud Prevention Efforts



Fraud Prevention Reminders



Fraud Awareness Promotion

Provide important information on payments at various points of contact with customers when processing policies, and remind customers to protect themselves from fraud.

ONLINE

1. The original [age-friendly website] promotes financial security knowledge and fraud prevention concepts.
2. Produced [age-friendly micro animations] to promote fraud prevention concepts using short videos in Chinese and Taiwanese, which are posted on social media.
3. Filmed a series of videos for "Insurance Academy" to explain the characteristics of different insurance types.

OFFLINE

1. Established a volunteer group and partnered with over 20 local organizations, disadvantaged groups, and police units to co-organize fraud prevention activities.
2. A total of 22 sessions were organized in 2023.
3. The subjects included six major groups: The elderly, people with physical and mental disabilities, economically disadvantaged people, indigenous peoples, new immigrants, and young students.
4. Visited Keelung, Yilan, Taipei, New Taipei, Taoyuan, Miaoli, Taichung, Changhua, Yunlin, and Tainan.

CASE 1 Actual Cases of Customer Service Center Personnel Blocking Fraud

An elderly policyholder requested a cash check of NT\$3 million after applying for a loan for the first time on September 15, 2023. The customer service personnel was concerned and asked what it was for. The policyholder claimed it was for a down payment to buy a house for his child. The customer service personnel strongly advised that the policyholder remit the amount to obtain documents that can be used as evidence, so the payment was made by remittance. A few days later, he came to the counter again and wanted to borrow the remaining balance of NT\$450,000. He strongly expressed that he wanted a cash check and insisted that it was for buying a house and not a scam. He came to the counter for a third time on September 21 and asked about the loan amount of NT\$1.5 million available for his spouse's insurance policy, stating that he placed an incorrect order to purchase stocks and needed to make up for the shortfall. The customer service personnel observed whether the spouse was aware and also suggested that he call the police. The policyholder eventually gave up on the loan and left.

A few days later, the policyholder's family member called to thank the customer service personnel for dissuading the policyholder in time, and the policyholder personally came to the counter in person to thank the customer service personnel for stopping the loss. Subsequently, the police followed the lead and successfully arrested the money mule.

CASE 2 Actual Cases of Sales Agent Blocking Fraud

When a sales agent was serving a customer, the customer mentioned that there was a very good investment channel with an interest rate of 1% a month and 12% a year. He already invested a small amount and received interest for several months, so he wanted to terminate all of his savings insurance contracts with many insurance companies and invest it along with his bank deposits to earn interest. The sales agent was alerted that this was an investment fraud and did everything to dissuade the customer. The customer was very dissatisfied and could not understand why he was not assisted in terminating the contracts. After communicating with the customer several times, the customer finally accepted the suggestion and kept his insurance policy at KGI Life, and he would go to terminate other policies on his own.

A few months later, the investment company went out of business and the customer lost his life savings and insurance coverage. Fortunately, he began to collect survivor annuity from the insurance policy at KGI Life, which was not terminated, allowing the customer to have something to live on. The sales agent gained the customer's gratitude and trust for helping him hold on to the last line of defense.

A Positive Change to Society

KGI Life's business goal is not only to pursue business success, but more importantly to bring positive changes to society through our actions. On this journey, KGI Life will continue its exploration and practices as a pioneer in the industry, and ensure that our services not only meet current needs, but also contribute to a sustainable and inclusive tomorrow. We firmly believe that our continuous efforts and innovation will create more value and happiness for our customers, employees, and society. Let us work together to create a sustainable future with fair customer treatment at the core.

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Sustainable Governance Corporate Culture

KGI Life utilizes the strengths and resources of its core business to align with the United Nations (UN) Sustainable Development Goals (SDGs), Taiwan's sustainable development goals, and global ESG initiatives and trends. The Company has set four sustainable development themes: "Low Carbon Transition," "Achieving Financial Inclusion," "Promoting Sustainable Finance," and "Corporate Governance Enhancement," in striving for sustainability and making a positive impact.

KGI Life's four sustainable development themes cover ten ESG goals, namely "Climate Risk Governance," "Green Operations and Carbon Management," "Transition to Low Carbon Products and Services," "Promotion of Inclusive Product Services," "Social Participation," "Digital Finance Innovation Development," "Continuous Talent Cultivation," "Sustainable Investment Development," "Corporate Governance Enhancement," and "Sustainable Supply Chain Management Optimization." These goals comprehensively fulfill the corporate social responsibilities of a life insurance company. We set many short-term, mid-term, and long-term goals and embed ESG into our corporate culture, which improves our ESG performance and allows us to produce sustainability results that meet stakeholders' needs and expectations.

Sustainable Governance Framework

The Board of Directors is the highest supervisory body of the Company's sustainable governance framework. The "Corporate Sustainability Development Committee" is a functional committee under the Board of Directors, and the "Sustainable Development Department" is responsible for integrating and implementing various sustainability measures, urging all "Operation Departments" to implement sustainable development goals. The Board of Directors' responsibilities for sustainable development include approving sustainable development policies, systems, or related management policies, and approving specific sustainable development implementation plans.

I Sustainable Governance Framework



Implementation Status of Sustainable Governance Bodies

Board of Directors

A total of 8 items were reported/submitted for review to the Board of Directors in 2023, matters include amendments of internal regulations related to sustainable development, green electricity plans, and the progress of climate-related risk management goals for each quarter of 2023.

Corporate Sustainability Development Committee

- Members are appointed by resolution of the Board of Directors. The Corporate Sustainability Development Committee was formed by 6 Board members in 2023, including 2 independent directors, with a director ratio of 100%, and the chairman of the Board of Directors serves as the chairman of the committee. Each director has expertise and practical experience in his or her respective field, which helps to improve the committee's decision-making, strengthens internal supervision mechanisms, and improves sustainability performance.
- Six task forces:
The "Corporate Sustainability Development Committee" has six task forces: "Corporate Governance," "Social Philanthropy," "Environmental Sustainability," "Responsible Finance," "Customer Rights and Interests," and "Employee Care," which cover all aspects of sustainability actions to assist in the Company's overall ESG-related affairs.
- The Corporate Sustainability Development Committee convened a total of 4 meetings in 2023, and further reported or submitted important proposals to the Board of Directors for review.

Sustainable Development Department

The dedicated department for sustainability affairs. Assists the Company in formulating sustainability policies and implementing sustainable development strategies, and references the sustainable development policy blueprint of the competent authority in carrying out the Company's sustainability actions.

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Organizational Structure and Duties of the Corporate Sustainability Development Committee

Corporate Sustainability Development Committee

Sustainable Development Department



KGI Life's Sustainable Development Milestones

- Established baseline data for insurance service carbon footprint and obtained ISO 14067 third party verification
- Voluntarily published the first TCFD Report

2022

- Established the Responsible Investment Policy

2020

- Included TCFD disclosures in the Corporate Social Responsibility Report

2018

- Established an English version CSR section on the company website
- Published the English version of the CSR Report
- Incorporated the spirit of integrated reporting (IR) into the Corporate Social Responsibility Report

2016

- Established the Corporate Social Responsibility Committee
- Established the Corporate Social Responsibilities Policy

2014

- The "Corporate Sustainability Development Committee" upgraded to being a functional committee under the Board of Directors, with six subordinate task forces
- Amended the Sustainable Development Policy and Sustainable Development Best Practice Principles
- The "Corporate Sustainable Development Department" was renamed the "Sustainable Development Department"
- Established the "Climate-related Risk Management Guidelines" and three lines of defense for the effective monitoring of climate-related risks

2023

- Renamed the Corporate Social Responsibility Committee as the "Corporate Sustainability Development Committee"
- Established the "Corporate Sustainable Development Department" dedicated to sustainability affairs
- Included SASB disclosures in the Corporate Social Responsibility Report
- Enhanced TCFD management mechanisms and passed the highest level third party compliance inspection
- Enhanced sustainable investment measures, implemented climate action plans, and became the world's first company to obtain ISO 14097 third party assurance

2021

- Became a TCFD Supporter

2019

- Voluntarily complied with the UN Principles of Sustainable Insurance (PSI) and Principles for Responsible Investment (PRI)

2017

- Established a CSR section on the company website
- Established Corporate Social Responsibility Best Practice Principles
- Set ESG goals and continued to carry out improvement reviews
- The Corporate Social Responsibility Report was verified according to the AA1000 Assurance Standards

2015

- Voluntarily published the first Corporate Social Responsibility (CSR) Report

2008

KGI LIFE Sustainable Development Milestones

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Sustainable Development Strategy

KGI Life utilizes its strengths and resources in its core business to align with the UN SDGs, and set four sustainable development themes: "Low Carbon Transition," "Achieving Financial Inclusion," "Promoting Sustainable Finance," and "Corporate Governance Enhancement," in striving for sustainability and making a positive impact, while at the same time responding to global ESG trends. All sustainability goals set by KGI Life have been met for 2023. Looking forward, we will continue to set schedules and goals for the four sustainability themes, and steadily move towards a sustainable future.

	Implementation Status in 2023	Short-term Goals	Mid to Long-term Goals
 Low Carbon Transition	<h3>Improve Risk Management Mechanisms</h3> <ul style="list-style-type: none">Established "Climate-related Risk Management Guidelines"Assessed incorporating climate-related physical risks into the real estate investment processCompleted scenario analysis for climate-related physical risks and transition risks	<ul style="list-style-type: none">Include new real estate investment targets in the assessment of climate-related physical risks, with the goal of reducing high-risk cases to less than 10% after adjustmentsImplement "IFRS S1/S2 climate-related disclosure requirements"	<ul style="list-style-type: none">Regularly review the safety and potential impact of climate risks on investment property, strengthen flood prevention facilities/backup measures or property insurance coverage, with the goal of reducing high-risk cases to less than 3% after adjustmentRelease climate-related information in accordance with "IFRS S1/S2 climate-related disclosure requirements"
 Promoting Sustainable Finance	<h3>Enhance Green Operations and Carbon Management</h3> <ul style="list-style-type: none">Expand the scope of ISO 14064-1 inventory to cover 100% of KGI Life's agent officesReduce carbon emissions from operations of office staff by 130%The HQ building used approximately 1,006,000 kWh of green electricity, an achievement rate of 143%Completed evaluation of water conservation plans at office staff and agent workplaces, and 43% of equipment have the water conservation markObtained the eco-friendly restaurant certification from the Ministry of Environment	<ul style="list-style-type: none">HQ building becomes a carbon neutral green building by 2024Reduce carbon emissions of office staff and agents, with the carbon emissions target set at 5,620 tons for domestic operations by 2024<50% of equipment used in office staff and agent workplaces have the water conservation mark	<ul style="list-style-type: none">Continue to maintain the HQ building as a carbon neutral green buildingGradually increase the use of equipment with the water conservation mark in office staff and sales agent workplaces: 60% and above in 2025 and 70% and above in 2027
 Achieving Financial Inclusion	<h3>Transition to Low Carbon Products and Services</h3> <ul style="list-style-type: none">Obtained the Carbon Label for insurance services from the Ministry of Environment	<ul style="list-style-type: none">Carry out insurance service carbon footprint reduction	<ul style="list-style-type: none">Evaluate and apply for the carbon reduction label from the Ministry of Environment based on insurance service carbon footprint reduction

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Achieving Financial Inclusion



Implementation Status in 2023

Promotion of Inclusive Product Services

- Micro insurance premiums amounted to NT\$14.39 million, ranking third in the industry
- Ranked in the top 25% among insurance companies in the "Fair Customer Treatment Principles" evaluation for the fifth consecutive year
- Operated and managed points of contact with bottom up NPS YOY growth of 44%
- The Experience Engineer Team proposed 36 improvement suggestions based on customer needs, 28 of which have been completed or have been scheduled.
- The percentage of properly handled Financial Ombudsman Institution (FOI) cases was 97.85%, higher than the target (90%)

Short-term Goals

- Maintain micro insurance premium income as top 3 of the industry
- The percentage of properly handled Financial Ombudsman Institution (FOI) cases reaches 90% and above
- Place 2nd overall in top down NPS

Mid to Long-term Goals

- Maintain micro insurance premium income as top 3 of the industry
- The percentage properly handled by The Financial Ombudsman Institution (FOI) cases reaches 92% and above
- Place 1st overall in top down NPS

Promote Social Participation and Support Regional Revitalization and Development

- Co-organized 22 "Fraud Prevention and Financial Knowledge Promotion Lectures" with local community development associations and social welfare organizations, attracting participation from approximately 840 financially disadvantaged people.
- Match the core competencies of life insurance companies with the needs of various parties, and help underprivileged groups become self-sufficient
 - Beneficiaries of charity events reached 20,000
 - Office staff volunteer service hours reached 49,816 hours

- The number of volunteer activity partners and the number of events held increase by 10% compared with the previous year
- Beneficiaries of charity events reached 20,000
- Co-organize at least 16 "Fraud Prevention and Financial Knowledge Promotion Lectures" with local community development associations and social welfare organizations for 2024
- Collaborate with 2 universities in priority areas for regional revitalization, and implement financial education and internship programs
- Jointly participate in 2 regional revitalization volunteer events with policyholders through life insurance consultants throughout Taiwan

- Gradually increase the number of volunteer service hours, and increase the number of partners and the number of events held by 10% compared with the previous year
- Beneficiaries of charity events increase by 5% each year
- Co-organize at least 36 "Fraud Prevention and Financial Knowledge Promotion Lectures" with local community development associations and social welfare organizations in 2027-2028
- Continue to promote financial education in priority areas for regional revitalization
- Expand policyholder volunteer activities to increase participation

Digital Finance Innovation Development

- Online self-service utilization rate has increased to 30%
- Obtained app accessibility certification

- Optimize and simplify the online membership application process for customers, accelerate online insurance enrollment, and improve customer experience
- Collaborate with KGI Bank to provide customer options through online banking to simplify the identity verification process
- Place 3rd in digital NPS
- Reach 35% online service utilization rate

- Provide policyholders with simpler and more convenient services through different technologies, such as AI and virtual identity, in coordination with the lifting of regulatory restrictions and the development of new technologies
- Place 1st in digital NPS
- Reach 40% online service utilization rate

Continue Talent Cultivation

- Expanded the development of supervisors' leadership, and developed leadership competencies for sustainability transition, with training hours growing 123% to 3,619 hours
- Implemented the annual internship program, with the total number of people increasing 9.3% to 35

- Establish a personnel decision-making mechanism based on corporate values
- Strengthen employees' understanding of the importance of human rights through training courses, with training completion rate of 100%

- Establish a culture based on corporate values and become a diverse and inclusive organization in all aspects
- Prepare key positions and increase the depth of the succession bench

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Implementation Status in 2023

Sustainable Investment Development

- Completed the carbon inventory of 100% of the investment portfolio based on the PCAF methodology
- Used the SBT method to compile the carbon inventory of the investment portfolio, and reduced carbon emissions of the investment portfolio by approximately 28% compared with the end of 2020
- The amount of green investments in 2023 was NT\$34.17 billion, an 11-fold increase compared with 2020
- Investments in high carbon industries accounted for 18.1% of the overall investment position in 2023



Short-term Goals

- Maintain investments in high carbon industries under 26%
- Compared with the end of 2020, increase the green investment position by 20% by the end of 2024

Mid to Long-term Goals

- Maintain investments in high carbon industries under 26%
- Increase the green investment position by 40% compared with the end of 2020 by the end of 2028



Enhance Corporate Governance

- Unified meeting procedures and document formats for the Board of Directors and functional committees
- The total number of education hours for the 23rd-term Board of Directors met regulatory requirements, and each person took at least 3 hours of elective courses related to sustainable development



- Improve the performance of the Board of Directors and functional committees
- The number of educational training hours for directors complies with regulations; periodically conduct performance evaluations and submit director development plans

- Strengthen governance by the Board of Directors, and promote sustainability, integrity, and governance
- Assist the parent company to continue improving its ranking in the Corporate Governance Evaluation and continue to be selected as a constituent stock of the DJSI Sustainability Index

Optimize Sustainable Supply Chain Management

- Continue to optimize sustainable supplier management and deeply embed the concept of sustainability in the industry value chain
 - Announced the Corporate Social Responsibility Commitment and added international conventions, such as the Universal Declaration of Human Rights
 - Began to use 3 suppliers that have committed to net zero emissions
 - Purchases from suppliers that have committed to net zero emissions reached NT\$26.1 million, surpassing the goal of NT\$10 million
- Support the EPA's green office by engaging in green purchasing
 - The amount of green purchasing reached NT\$19.27 million in 2023, reaching the standard of Taipei City Government Department of Environmental Protection
 - The amount of social innovation purchases reached NT\$34.78 million, exceeding the target of NT\$10 million



- Net Zero Emissions**
 - Encourage 4 suppliers to commit to net zero emissions
 - Purchases from suppliers that commit to net zero emissions reach NT\$12 million
- Promotion of Sustainable Procurement**
 - Support the environmental protection authority by continuing to engage in green purchasing and win at least one award
 - Encourage suppliers to join social innovation organizations and purchases from social innovation organizations reach NT\$12 million

- Net Zero Emissions**
 - Purchases from suppliers that commit to net zero emissions reach NT\$15 million
- Promotion of Sustainable Procurement**
 - Support the EPA by continuing to engage in green purchasing
 - Encourage suppliers to join social innovation organizations and purchases from social innovation organizations reach NT\$15 million

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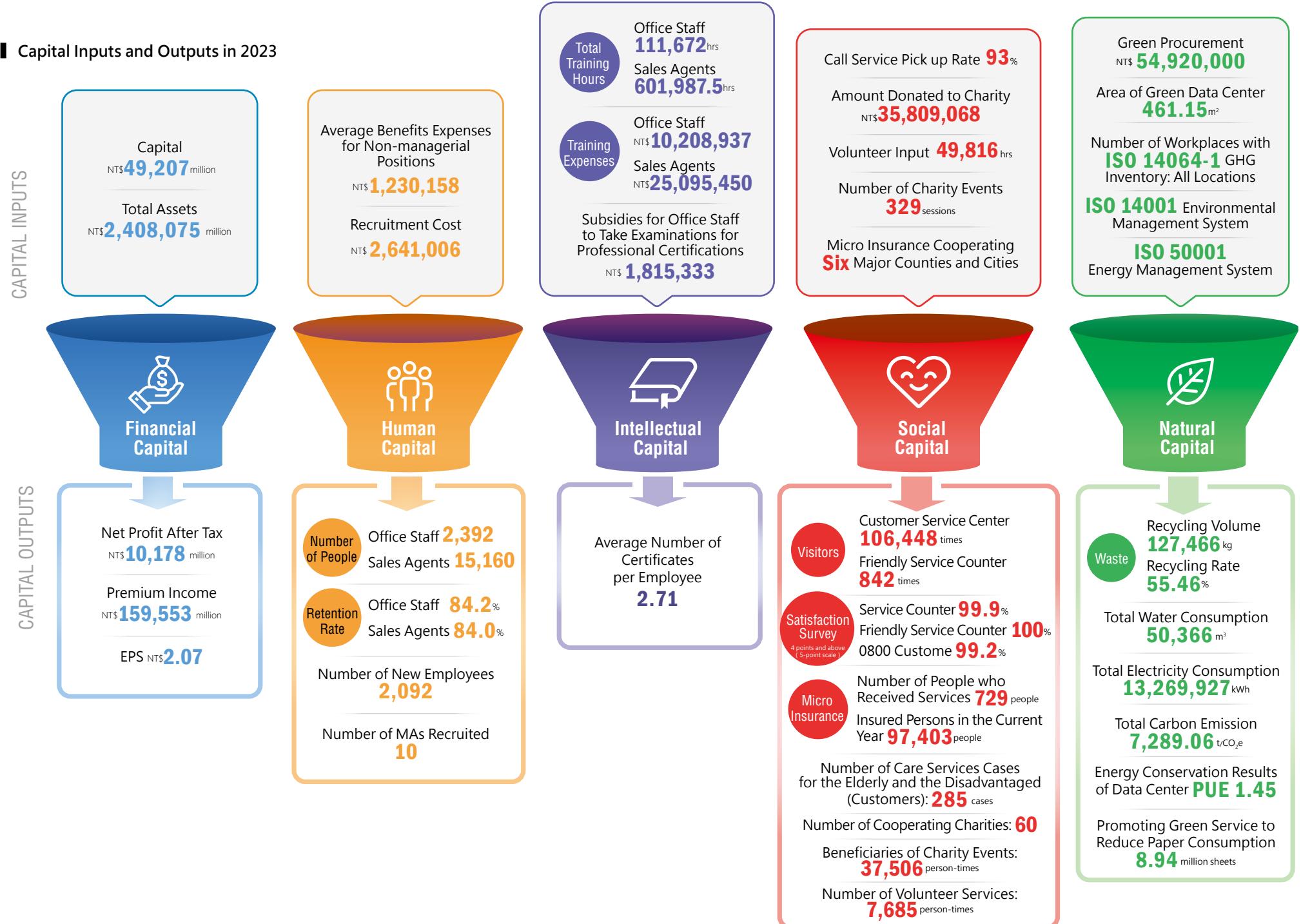
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■ Capital Inputs and Outputs in 2023



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Competent Authority

Ethical corporate management of the insurance business complies with regulations of the competent authority

Communication Channel and Frequency

- Provide reports or descriptions of related businesses to the competent authority
- Irregularly participate in forums and seminars held by competent authorities, and provide suggestions to stay up-to-date on the latest regulations and promotional matters
- Disclosures required by law are disclosed on the official website

Communication Performance

Participated in discussions held by the competent authority, including the following:

- Insurance Industry AML / CFT Working Group Meeting
- Insurance industry risk management discussion meeting, risk management trend forum
- Promotional event on the Manual on Climate-related Financial Disclosure Practices of the Insurance Industry
- Discussion meetings on carbon emissions of the insurance industry's investment portfolios
- Insurance industry internal audit forum
- Corporate governance seminar
- Promotional meeting on the applicability of the Consumer Protection Act to insurance products
- Meeting discussing sustainable finance evaluation for the insurance industry
- Discussion meetings and seminars on the revision of regulations to align with IFRS17
- Meetings related to information security in the insurance industry
- Meetings related to the Outsourcing Directions for Insurance Companies
- Meetings on Internal Controls for Preventing Insurance Agents at Insurance Broker Companies and Insurance Agent Companies from Embezzling Funds of Policyholders



Shareholders (Parent Company / Investors)

Stable business performance growth and strict risk management to create the best value for the parent company

Communication Channel and Frequency

- Investor conference
- Official website
- Market Observation Post System

Communication Performance

- China Development Financial Holding Corporation held investor conferences
- The Company's Chinese and English version financial statements and annual reports are periodically announced in the financial information section on the official website
- The Company's financial highlights, business overview, and corporate governance information are periodically updated on the Information Disclosure section on the official website
- Periodically update the Company's sustainable development results in the Sustainable Development section of the official website
- Periodically update financial statements, annual reports, corporate governance, and sustainable development information on the Market Observation Post System and Market Observation Post System of the insurance industry



Employees

Employees are KGI Life's most important assets. For this reason, the Company provides training plans, as well as competitive salaries and benefits

Communication Channel and Frequency

- Quarterly labor-management meetings
- Diverse training and courses
- Workday employee learning section
- Published an internal publication for employees
- Electronic communication channels: i-Agent digital communication bridge, i-Link app, internal and external LINE@life circle "KGI Life E-family" and "KGI Life iTalk," electronic bulletin board
- The intranet provides employee complaint channels, and complainants can access the information to file a complaint

Communication Performance

- Organized 4 labor-management meetings to report and fully communicate and discuss labor trends, business overview, and labor related matters
- Published 12 internal publication for employees

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Policyholders

Provide a wide variety of high quality insurance products and thoughtful after-sale services to meet the needs of different policyholders

Communication Channel and Frequency

- Inquire or file a complaint with the Company via mail, fax, telephone, online message, visit a service counter in person, personal visit, or other channels (including but not limited to the Financial Ombudsman Institution, Financial Supervisory Commission Insurance Bureau, and county / city governments)
- Company website: Inquiries and comments, policyholder section, online insurance enrollment section, stakeholders section, AML section, and free subscription to e-newsletter
- Social media: Facebook, Instagram, Line
- Online interaction tools: i-game, i-inquiry
- Toll-free customer service hotline 0800-098-889
- Overseas consultation hotline: International call prefix +886-4-36083600

Communication Performance

- Issued the policyholder e-newsletter 12 times with a total of 102 articles
- Provided a policyholder sharing card with 2,820 contracted institutions that provide discounts
- Received 1,228 complaints in 2023, in which 176 complaints were from elderly, disabled, and disadvantaged people, accounting for 14.3% of all cases
- A total of 571,851 incoming calls were received in 2023
- A total of 7,206 comments were left on the company website in 2023, and first contact with the commenter was made within 5 hours after the case was assigned
- A total of 20 overseas emergency assistance services were provided in 2023
- Multilingual translation services:
 - "Multi-language translators" have been installed in customer service centers across Taiwan to provide new immigrants with a barrier-free experience
 - "Service counter interpretation reservation service" connects with interpreters through three-way calls to provide timely assistance



Cooperating Channels

Build close relationships with channels to provide high quality products and create a win-win cooperation model

Communication Channel and Frequency

- Insurance broker and agent consultation hotline: 0809-008-800
- Bancassurance financial advisor consultation hotline: 0800-580-919

Communication Performance

- Established relationships with 28 banks and 15 securities firms as cooperating channels
- Jointly implemented mobile insurance application projects with 12 cooperating channels, making digitalization results a leading indicator in the industry
- The first insurance company in the industry to collaborate with banking channels to offer zero-contact, paperless remote insurance enrollment services. Collaborated with Hua Nan Bank, First Bank, E.SUN Bank, and KGI Securities in remote insurance enrollment, making KGI Life first in market share in terms of number of digital insurance enrollment partners. It also supports the Company's digital insurance policy and ESG sustainable governance
- Sales performance of the bancassurance channel reached NT\$27.92 billion for the year, in which premiums from six year and above insurance was NT\$10.06 billion. KGI Life is the only life insurance company in the industry to achieve long-term product performance of NT\$10 billion in the bancassurance channel for two consecutive years



Social Welfare Organizations / NGOs

Invest company resources to work with charity organizations in organizing community involvement activities, and show gratitude by giving back to society

Communication Channel and Frequency

- Organize monthly corporate volunteer service activities
- Irregularly sponsor or donate to underprivileged groups
- Irregularly organize charity events based on the topic
- Communication on social media: Facebook, Instagram, Line

Communication Performance

- A total of approximately 1,686 financial fraud prevention and elderly-friendly items (water bottles, whistles, reflective hanging ornaments, portable alcohol spray bottles, etc.) were provided to 21 foundations
- Cooperaed with 60 charity organizations, organized 329 charity events, benefited 37,506 participants, and provided 49,816 volunteer service hours

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Media

Maintained good interaction with the media, and actively provided press releases to enhance KGI Life's brand image

Communication Channel and Frequency

- Established a dedicated unit
- Published monthly press releases as well as irregular publications on special topics
- Hosted media events
- Maintained relationships with the media and irregularly organized lunch gatherings or dinner parties
- A note of recent events and highlights is provided to the media for press releases
- Social media: Facebook, Instagram
- Information disclosures on company website "Latest News"

Communication Performance

- The Public Relations Department is the dedicated unit for daily communication via e-mail, telephone, and messaging software
- Issued 105 press releases and the number of news reports where KGI Life actively sent the manuscript, data, or arranged for the spokesperson to be interviewed reached 2,931; 100% of the reports were positive
- Hosted 2 media events
- Published 425 posts on Facebook and Instagram, actively created exposure on social media, raised brand awareness, and reached 15 million users



Suppliers / Contractors

Actively carry out supplier management and jointly fulfill the commitment to social responsibility with suppliers

Communication Channel and Frequency

- Information disclosure on "Supplier CSR Section" of company website
- Suppliers sign the "Supplier Corporate Social Responsibility Commitment"
- Supplier Evaluation
- Sustainable Supply Chain Management and ESG EDM

Communication Performance

- The green procurement amount was NT\$54.92 million, received a letter of appreciation from the Department of Environmental Protection, Taipei City Government for "implementation of the Private Enterprise and Organization Green Procurement Promotion Project" for the 8th consecutive year, and was recognized by the Ministry of Environment for the third time for "excellence in promoting green procurement and green consumption."
- 100% of suppliers of general procurement contracts and construction contracts signed the Supplier Commitment to Corporate Social Responsibility
- Completed the sustainability audit of 13 key suppliers
- The Supplier Commitment to Corporate Social Responsibility signing rate reaches 100% for construction contracts
- In the construction category, 32 suppliers were eliminated, 14 suppliers were added, and the number of qualified suppliers decreased to 70 in 2023



Investees

Implement the Stewardship Principles for Institutional Investors, continue to observe and communicate with investees, and fulfill responsibilities when making investments to increase long-term investment benefits

Communication Channel and Frequency

- Periodically attend shareholders' meetings and board meetings
- Pay attention to investor conferences of investees and irregularly look into material topics

Communication Performance

- Publish monthly investment reports that review the performance and track the operating status of investees, and submit the reports to senior managers for review; monitor 100% of investees each month
- Participated in 100% of shareholders' meetings of domestic public investee companies within the scope permitted by law

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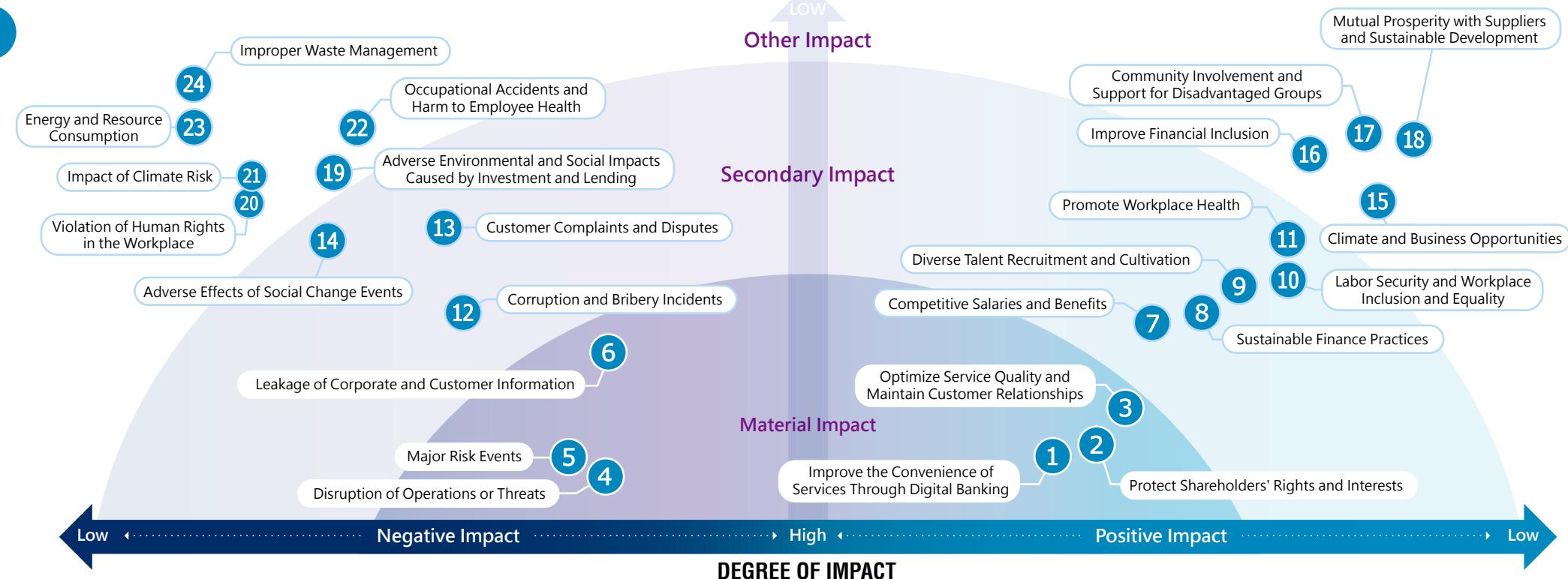
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Material Topic Identification Process

KGI Life identifies material topics each year while referencing the internal opinions of the parent company, and divides topics into positive/negative impact based on the latest GRI Standards. We conduct an internal questionnaire survey to comprehensively assess topics with positive/negative impact based on "degree of impact" and "potential financial impact." In 2023, the Corporate Sustainability Development Committee distributed questionnaires for assessing the impact of topics to the heads and members of the six task forces for identification, in generating the material topic matrix and ranked topics for 2023.

Material Topic Matrix Diagram for 2023



Material Topic Analysis Process

Impact Assessment

The questionnaire to assess topics of impact was distributed to the heads and members of the six task forces in 2023. The 12 topics with positive impact and 12 topics with negative impact were assessed and calculated based on "degree of impact" and "potential financial impact." At the same time, the probability of occurrence is taken into consideration to generate a matrix of material topics with positive and negative impact.

» **Degree of Impact :** The subjects and significance of impact, and whether the impact can be mitigated or remedied through management measures for the topic are comprehensively assessed.

» **Potential Financial Impact :** The financial impact on the Company when the impact occurs and the probability of occurrence are comprehensively assessed.

Sort by Materiality

The 12 topics with positive impact and 12 topics with negative impact are divided into three levels: material, secondary, and other topics, to generate the material topic matrix and ranking of material topics for 2023.

» **Positive Impact :** The three topics "Protect shareholders' rights and interests," "Improve the convenience of services through digital banking," and "Optimize service quality and maintain customer relationships" have the most significant positive impact.

» **Negative Impact :** The three topics "Disruption of operations or threats," "Major risk events," and "Leakage of corporate and customer information" have the most significant negative impact.

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	Topic	Aspect	Description
MATERIAL TOPICS	① Protect Shareholders' Rights and Interests	Positive	KGI Life continues to maintain high business performance and profitability, and protects the rights and interests of shareholders, employees, and related stakeholders.
	② Improve the Convenience of Services Through Digital Banking	Positive	KGI Life improves the convenience and accessibility of the financial environment through digital services, making it easier for customers to access financial services. At the same time, digital banking services and products reduce the impact on the external environment by reducing waste of paper and other related resources.
	③ Optimize Service Quality and Maintain Customer Relationships	Positive	KGI Life treats every customer fairly, establishes transparent claims mechanisms, lowers the application process threshold, and provides assistance services for different groups, ensuring that customer rights and interests are protected.
	④ Disruption of Operations or Threats	Negative	If KGI Life's daily business and operations are threatened or interrupted due to unpredictable external events, such as natural disasters (e.g., earthquakes), infrastructure failures (e.g., power outages), or political unrest (e.g. wars or political sanctions), it will have a material impact on the Company's financial position and damage the rights and interests of customers and related stakeholders.
	⑤ Major Risk Events	Negative	If KGI Life fails to properly manage external emerging risks (such as potential risks caused by AI and geopolitics), market risks or internal credit, operational, liquidity, and other risks, resulting in business exceeding the Company's risk appetite or idle capital, which cause a severe violation or operating losses; it will impact the rights and interests of customers, shareholders, and other stakeholders.
	⑥ Leakage of Corporate and Customer Information	Negative	If KGI Life leaks the personal information of customers or sensitive information of the Company due to information security vulnerabilities, hacker attacks, human errors, or employees' failure to comply with personal data privacy protection, it will damage the rights and interests of customers, shareholders, and other stakeholders.

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	Topic	Aspect	Description
SECONDARY TOPICS	⑦ Competitive Salaries and Benefits	Positive	KGI Life provides good job and development opportunities by providing competitive salaries and a comprehensive welfare system to protect the rights and interests of employees.
	⑧ Sustainable Finance Practices	Positive	KGI Life directs funds to human rights, green, low-carbon, and economic activities that contribute to climate adaptation through investments, reducing environmental impact as well as energy & resource depletion, and increasing the resilience of the overall economic system to climate change.
	⑨ Diverse Talent Recruitment and Cultivation	Positive	KGI Life provides multiple employment channels and training programs to provide employees of different backgrounds and talents with the opportunity to join the Company, and undergo further develop in the working environment.
	⑩ Labor Security and Workplace Inclusion and Equality	Positive	KGI Life continues to improve the workplace environment, provide employees with a good and healthy workplace, and help them stay healthy and safe while working here. At the same time, we also provide a friendly and good working environment for women, disadvantaged people, and diverse ethnic groups, creating job opportunities.
	⑪ Promote Workplace Health	Positive	KGI Life continues to optimize the safety, health, and sanitation of the workplace environment, provide employees with a good and healthy working environment, and ensure the physical and mental health of employees at work.
	⑫ Corruption and Bribery Incidents	Negative	If incidents of dishonesty, corruption, or fraud occur at KGI Life due to poor corporate governance performance, employees' failure to abide by the code of conduct, or failure to implement ethical corporate management, and it further impacts the Company's overall operations, it will damage the rights and interests of customers, shareholders, and other stakeholders.
	⑬ Customer Complaints and Disputes	Negative	If KGI Life receives a customer complaint or is involved in consumer dispute due to failure to treat customers fairly, complexity of the financial product claims mechanism, poor service quality, non-transparent product information, forced sales, or discrimination, it will damage the rights and interests of customers and related stakeholders.
	⑭ Adverse Effects of Social Change Events	Negative	If KGI Life does not adjust products and services corresponding to changes in customer needs caused by social changes (such as aging, declining birth rates, and widening gap between urban and rural areas), it will damage the rights and interests of customers, communities, and people as they will not be able to obtain corresponding products or services.

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OTHER TOPICS

	Topic	Aspect	Description
15	Climate and Business Opportunities	Positive	KGI Life strengthens its grasp of climate change opportunities, guides funds into low-carbon and economic activities that contribute to climate adaptation through investment and lending, and strengthens the overall economic system's ability to respond to climate change.
16	Improve Financial Inclusion	Positive	KGI Life provides discounts or additional services to disadvantaged or special groups, making it easier for the groups to access and use the Company's services.
17	Community Involvement and Support for Disadvantaged Groups	Positive	KGI Life organizes public welfare and charity activities, or works with charity groups, young entrepreneurs, and small farmers to help them increase job opportunities and generate revenue, driving the overall economic development of the community.
18	Mutual Prosperity with Suppliers and Sustainable Development	Positive	KGI Life raises suppliers' awareness and management of ESG through meetings, lectures, or other engagement methods, and further drives the sustainable development of the overall financial supply chain.
19	Adverse Environmental and Social Impacts Caused by Investment and Lending	Negative	If KGI Life fails to fully consider ESG factors in its investment and lending activities and provides funds to companies with poor ESG performance (such as industries with high carbon emissions), it will cause the Company's operating activities to have a negative impact on the environment and society.
20	Violation of Human Rights in the Workplace	Negative	If KGI Life violates human rights in the workplace (such as sexual harassment, forced labor, or discrimination) due to poor internal management mechanisms, training, or promotion, it will damage the rights and interests of employees.
21	Impact of Climate Risk	Negative	If KGI Life fails to effectively reduce GHG emissions, it will increase the impact of climate change, increase the negative impact on the external environment, and cause climate-related disasters (such as heavy rainfall and high temperatures) to become more frequent.
22	Occupational Accidents and Harm to Employee Health	Negative	If KGI Life fails to provide a safe, healthy, and friendly working environment, and causes employees to suffer work-related injuries, occupational accidents, overtime work, or forced labor, it will affect the health and rights and interests of employees.
23	Energy and Resource Consumption	Negative	If KGI Life fails to effectively manage or introduce energy-saving products, it will cause energy and resource consumption to increase, and further increase the burden on the external environment, affecting the living environment of people.
24	Improper Waste Management	Negative	If KGI Life fails to effectively manage the Company's waste, resulting in low efficiency in waste reduction, recycling, and reuse, it will increase the burden on the external environment and affect the living environment of people.

• Topic Adjustments

Comparing 2023 with 2022, KGI Life adjusted its method for identifying material topics, and identifies materiality based on corresponding positive/negative topics. This allows the positive/negative impact of each topic to be seen. Furthermore, in addition to assessing the degree of external impact of topics, the financial impact of topics was also considered in 2023. Due to changes in identification method, the number and description of material topics are significantly different from those in 2022. Among them, the 2023 material topics "Improve the convenience of services through digital banking," "Optimize service quality and maintain customer relationships," "Major risk events," and "Leakage of corporate and customer information" still correspond to four 2022 material topics "Digital finance and innovation," "Treating customers fairly and customer relationship maintenance," "Risk management," and "Information security and personal data protection."

Year	Contents of Material Topics	Quantity
Material Topics in 2022	Information Security and Personal Data Protection, Treating Customers Fairly and Customer Relationship Maintenance, Corporate Governance and Ethical Corporate Management, Responsible Investment, Green Operations, Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT), Risk Management, Digital Finance and Innovation, Compliance, Financial Inclusion, Business Performance, and Community Involvement	12 items in total
Material Topics in 2023	Protect Shareholders' Rights and Interests, Improve the Convenience of Services Through Digital Banking, Optimize Service Quality and Maintain Customer Relationships, Disruption of Operations or Threats, Major Risk Events, Leakage of Corporate and Customer Information	6 items in total

Material Topics and Impact Boundaries

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Material Topics with Negative Impact	Meaning of Material Topics to KGI Life	Response Measures for Material Topics	Value Chain						Chapter	Page	
			Internal		External						
			Direct Impact	KGI Life	Policyholders	Suppliers/Contractors	Cooperating Channels	Investees	Social Welfare Organizations/NGOs		
Protect Shareholders' Rights and Interests <small>Specific GRI Topics / Self-defined Topics</small> GRI 201-Business Performance	Stable operation and growth are our most fundamental commitments to shareholders and policyholders. We provide a wide variety of products, make cautious investments, and strictly manage risks, generating high profits and driving the Company to engage in innovation and move forward.	We developed a wide variety of products to meet customer needs, and expanded diverse and thoughtful services to ensure the Company's long-term advantages.	●	●				●		CH 2 29~30	
Improve the Convenience of Services Through Digital Financing <small>Specific GRI Topics / Self-defined Topics</small> Self-defined Topics - Digital Finance and Innovation	Apply innovative digital technologies based on policyholders' needs, improve the quality of services, and give policyholders a new experience following the arrival of the digital era.	Develop the digital finance blueprint, implement digital transformation with respect to employees, technologies, and processes, and maintain competitiveness in face of FinTech trends.	●	●	●			●		CH 3 55~57	
Optimize Service Quality and Maintain Customer Relationships <small>Specific GRI Topics / Self-defined Topics</small> Self-defined Topic - Treating Customers Fairly	Exert every effort to provide policyholders with the best services, thoughtful care, and ensure that we look after policyholders in every stage of our operations, from product sales, after-sales services, to complaint handling. We protect the rights of policyholders through tailored services and considerate care.	Establish a Treating Customers Fairly Committee and periodically summarize and report measures for treating customers fairly to the Board of Directors.	●	●	●		●			CH 4 59~63	
Disruption of Operations or Threats <small>Specific GRI Topics / Self-defined Topics</small> Self-defined Topic - Business Continuity Management	Ensures that key services are not suspended when operations are disrupted due to emergencies, ensure that operations are resumed within the shortest time possible to reduce losses caused by the suspension of services.	Established a complete risk management policy and organization, and periodically examine and revise risk indicators and standards based on the operational risk dashboard.	●	●	●	●	●	●	●	CH 2 38	

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Material Topics with Negative Impact	Meaning of Material Topics to KGI Life	Response Measures for Material Topics	Value Chain						Chapter	Page	
			Internal		External						
			Direct Impact	KGI Life	Policyholders	Suppliers/Contractors	Cooperating Channels	Investees	Social Welfare Organizations/NGOs		
Major Risk Events <small>Specific GRI Topics / Self-defined Topics</small> Self-defined topics - Risk Management	To protect asset safety, improve service quality, comprehensively establish a rigorous risk management system, and manage related risks through risk identification, measurement, monitoring, response, and reports.	Established a complete risk management policy and organization, and periodically examine and revise risk indicators and standards based on the operational risk dashboard.	●	●			●	●		CH 2 37	
Leakage of Corporate and Customer Information <small>Specific GRI Topics / Self-defined Topics</small> GRI 418-Customer Privacy	Establish an information security management system and personal data protection system, face information security and personal data protection with a conscientious and careful attitude, and ensure that personal data is not leaked, so that policyholders will not have any worries.	Establish an Information Security Committee and Personal Data Protection Committee, continued to monitor the feasibility of overall mechanisms, and achieve the goal of no major information security and personal data incidents.	●	●			●			CH 2 41~44	

Corporate Sustainability Awareness Training

KGI Life provides comprehensive sustainability training to employees and managers, and guides the implementation of sustainable development through educational training. The Company's employees received a total of 23,468 hours of training on ESG topics in 2023 combined, including topics such as human rights policy, treating customers fairly, information security, ethical corporate management, climate risks, and climate-related financial disclosures.

Directors continue to undergo educational training on sustainability-related topics, which enhances the Company's ability to identify, manage, and respond to climate-related risks and opportunities. As for external sustainable development training courses, topics include risk management, corporate governance, green finance and IFRS17, anti-corruption and whistleblower protection, and treating customers fairly & friendly financial services. The Company's directors participated in a total of 157 hours of courses in 2023 combined. Through training, directors can enhance their understanding of sustainability, and take action in contributing to sustainable development.

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Chapter.2

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Business Performance

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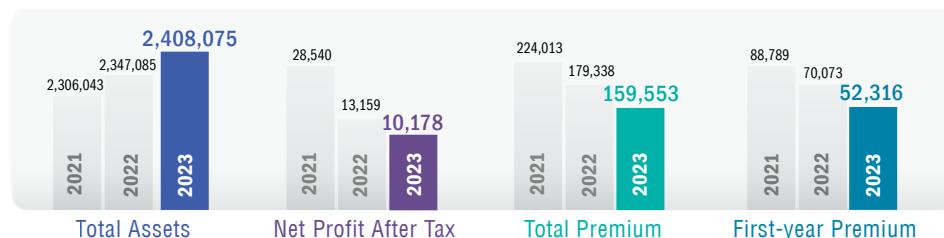
Sound asset and liability management is the core of KGI Life's operations and has produced fruitful business results over the years. In an environment with persistent economic uncertainty and in preparation of new financial disclosure standards in the new future, KGI Life continues to achieve great financial and business performance through implementation of a rigorous governance system, steady investments, optimized product structure, and wide range of digital services.

Financial Performance Indicators

In 2023, KGI Life's first year premium revenue reached NT\$52.3 billion and total premium revenue was NT\$159.6 billion, after-tax net profit was NT\$10.178 billion, EPS was NT\$2.07, and total assets reached NT\$2.41 trillion at the end of 2023. KGI Life has delivered remarkable operational performance over the last eight years with total assets growth over 80%. Despite the turmoil in the global financial market and the impact of sustainability risk and opportunities brought by climate change and the pandemic, KGI Life delivered impressive performance in business expansion, profitability and asset quality.

Based on the principle of stable operation, KGI Life has developed a variety of products to meet the needs of different groups. As a result, our overall business has seen continuous growth and we have maintained a steady financial status in ensuring the rights and interests of policyholders and shareholders. We have gained recognition from the competent authority for appropriate management of assets and liabilities and maintained a good capital adequacy ratio.

Important Financial Performance Indicators^①



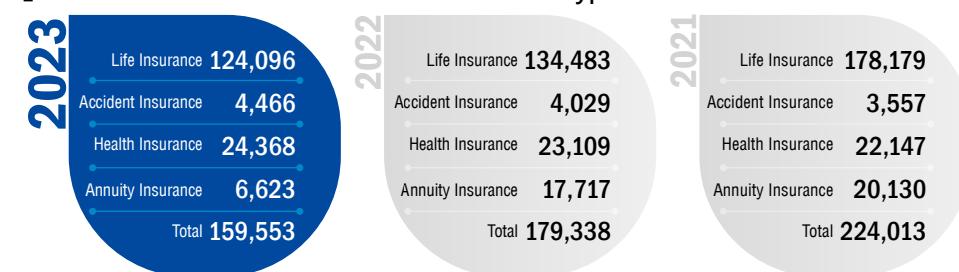
Economic Value (Unit: Million NTD)

	2023	2022	2021
Operating Revenue	232,723	239,765	300,244
Profit and Loss After Tax	10,178	13,159	28,540
Earnings Per Share ^② (Unit: NTD)	2.07	2.67	5.8
Economic Value Distributed to Stakeholders Employee Salaries and Benefits	3,836	3,663	4,868

Tax Amount (Unit: Million NTD)

	2023	2022	2021
Income Tax Paid (Refunded) ^③	0	0	3,456
Taxes as a Percentage of Operating Revenue ^④	0%	0%	1.15%

Total Premium Income from Each Insurance Type (Unit: Million NTD)



Total Fair Value of Securities Lending Collateral Assets SASB FN-IN-500a.2



^① The value of total assets is as of December 31 of the given year; net income after tax, total premium, and first-year premium values from 1 to December of the given year.

^② EPS is calculated by making retroactive adjustments for capital increases in the past.

^③ Considering that the amount of income tax paid (refunded) each year may include income tax for the current year and previous year, the "income tax paid (refunded)" in the three years in this table all refer to the "income tax payable in the current year."

^④ Taxes as a percentage of operating revenue = Income tax paid (refunded)/Operating revenue.

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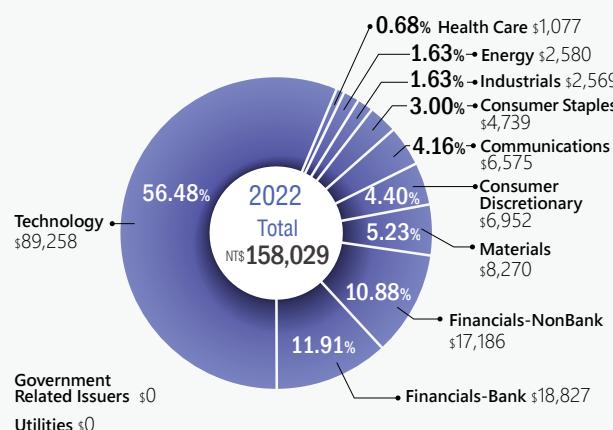
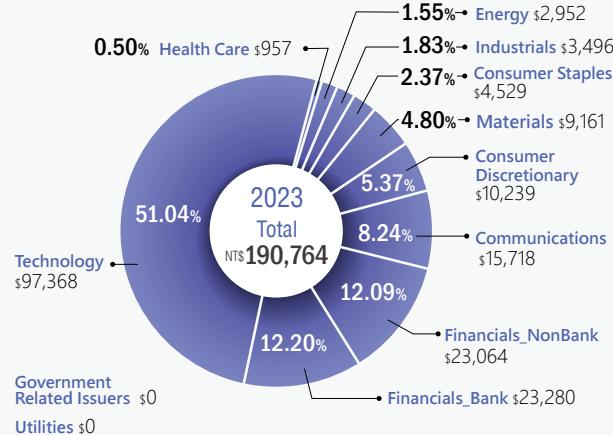
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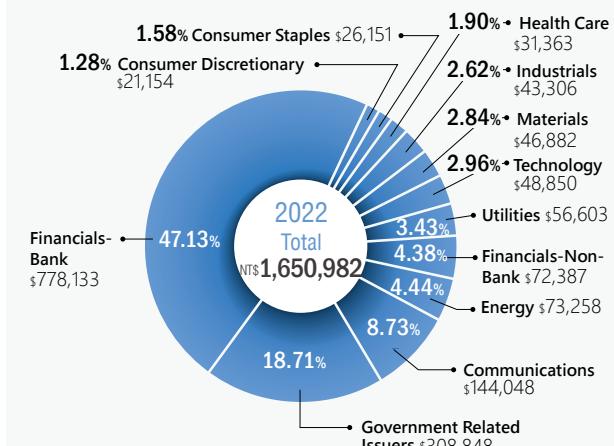
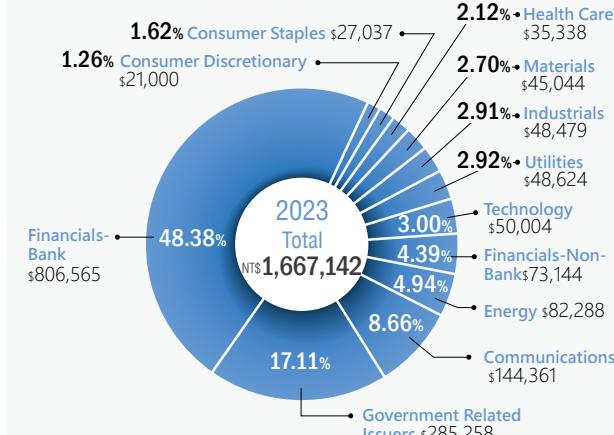
Distribution of Industries and Stock Investment Amount and Percentage (SASB FN-IN-410a.1)

(Unit: Million NTD)



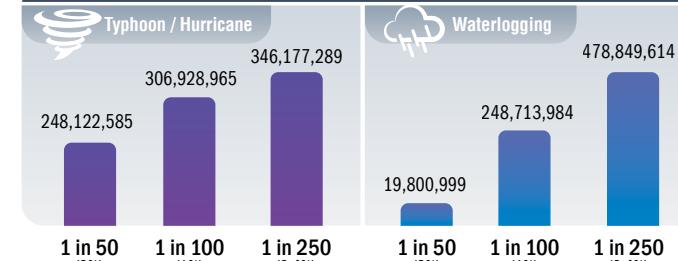
Distribution of Industries and Bonds Investment Amount and Percentage (SASB FN-IN-410a.1)

(Unit: Million NTD)

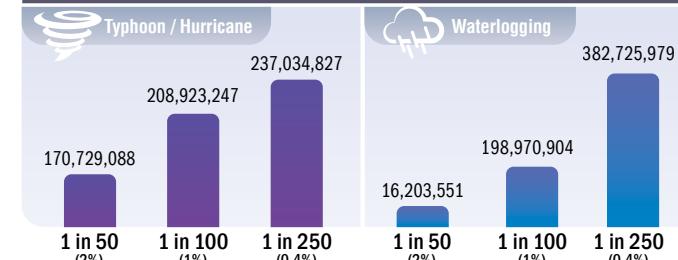


Probable Maximum Loss(PML) (Unit: NTD) (SASB FN-IN-450a.1)

Gross PML



Net PML



KGI Life uses demographic data of the Ministry of the Interior from 1958 to 2022 and the report on statistics of natural disaster losses in Taiwan as data source to analyze the probable maximum loss (PML)^⑤. Statistics of the casualty rate of disasters each year is used as the basis, and the probability (2%, 1%, 0.4%) of disasters occurring in each statistical interval is further used for calculation. The gross PML is the estimate of claim sum for the insurance amount of effective contracts at the end of the year, which is calculated by multiplying the probability of occurrence in the abovementioned disaster scenario. The net PML is the estimate of claim sum at the end of the year calculated by multiplying the effective retention amount with the probability of occurrence in the abovementioned disaster scenario. With consideration to the Company's assets and scale, the gross PML and net PML above are limited and still within the Company's acceptable scope.

^⑤ The statistics mainly reflect the number of people affected by natural disasters in Taiwan.

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Comprehensive Governance Framework

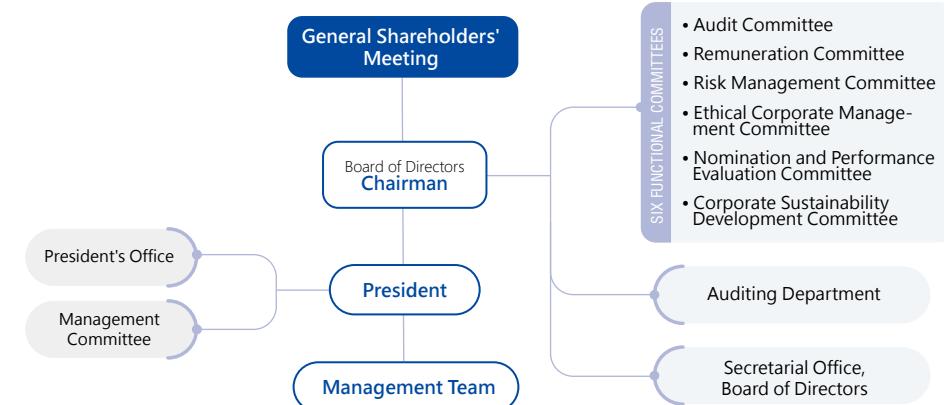
KGI Life has a sound corporate governance framework, with the shareholders' meeting being responsible for acknowledging annual dividend distribution, financial statements, and issuance of new shares for the capitalization of profits. The Board of Directors is responsible for reviewing important business decisions, such as the Company's business plans and appointment of important managers. To fulfill our commitment to ethical corporate management and avoid conflict of interest, directors recused themselves according the Rules of Procedure for Board of Directors Meetings and Corporate Governance Best Practice Principles if they or the entity they represent have an interest in any agenda items during the board meeting. Directors who recuse themselves may not exercise voting rights on behalf of other directors, which complies with relevant laws and regulations.

In 2023, the Company actively responded to competent authority policies as well as domestic & overseas regulatory trends, and dedicated efforts to improving corporate governance operations and strengthening the corporate governance organizational structure; including focusing on corporate governance policies and systems of the financial holding company, and completing the planning, establishment, and unification of procedures and systems of its functional committees. In addition to the five existing functional committees under the Board of Directors, including the Risk Management Committee, Audit Committee, Remuneration Committee, Ethical Corporate Management Committee, and Nomination and Performance Evaluation Committee, the Company upgraded the Corporate Sustainability Development Committee to being a functional committee under the Board of Directors in the amendment to the "Corporate Sustainability Development Committee Charter," which was passed in the 16th meeting of the 22nd-term Board of Directors (March 30, 2023), in order to strengthen Board functions. As such, the Board of Directors has six functional committees for audit, risk management, remuneration, ethical corporate management, nomination and performance evaluation, and sustainable development. The functional committees assist the Board of Directors by reviewing proposals in advance according to their division of labor by specialization, and effectively perform their duties. In addition, the Company passed amendments to the charters of the six functional committees in the 25th meeting of the 22nd-term Board of Directors (May 4, 2023) and the 26th meeting of

the 22nd-term Board of Directors (May 25, 2023). We referenced the financial holding company's sound corporate governance policy and set the Secretarial Office, Board of Directors to serve as the "procedural unit" of each functional committee, and relevant departments serve as the "staff unit," in order to achieve consistency in procedures and document specifications, and continue to optimize the business operations of committees. The implementation of relevant measures in 2023 greatly improved the procedural and operational efficiency of the Board of Directors.

KGI Life actively responded to the FSC's "Corporate Governance 3.0 - Sustainable Development Roadmap" and "Corporate Governance 4.0 - Sustainable Development Action Plans for TWSE- and TPEx-Listed Companies," and complies with the "Corporate Governance Best Practice Principles for the Insurance Industry" and the Company's "Corporate Governance Best Practice Principles." The Company appointed a full-time corporate governance officer in 2019 as the highest level supervisor for corporate governance-related affairs to strengthen corporate governance operations. The corporate governance officer provides directors with the information needed to fulfill their duties and remain compliant with regulations. In addition the corporate governance officer is also tasked with assisting directors with their affairs and improving the Board's overall efficiency, enabling the Company to achieve great corporate governance performance.

■ KGI Life Corporate Governance Organizational Chart



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Board of Directors

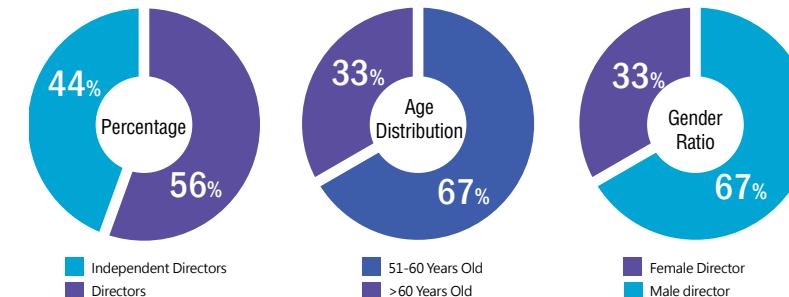
The 23nd-term Board of Directors was appointed by the single institutional shareholder China Development Financial Holding Corporation (CDF)^⑥. Their term starts from May 27, 2023 and ends on May 26, 2026. The current 23rd-term Board of Directors has 9 members, of which 4 are independent directors (accounting for 44% of board members and none have served more than three terms) and 3 are female directors. Hence, the ratio of female directors has reached one-third of all directors. The Board consists of directors with an even age distribution, and all of them possess in-depth knowledge, experience, and cultural understanding of domestic and overseas financial industries. The Board's composition is rich and diverse, with qualities and values that complement each other for maximized performance.

The Company's directors have experience in the banking, securities, insurance, investment, and international (multinational) industries, respectively, and each director has knowledge, years of experience, and skills in accounting, insurance, investment, finance, risk management, information technology, and business management, all of which are necessary to perform their duties. The Company's directors have demonstrated their professional capabilities, industry experience, and cultural background. Besides meeting the principles of board diversity and equality, members all have a wealth of practical experience and professional competence, which helps improve the quality of board decisions, strengthens internal supervision mechanisms, and improves company performance.

KGI Life has continued to purchase "Liability Insurance for Directors, Supervisors, and Key Personnel" since 2004 to provide liability insurance protection for the legal liabilities of directors within the scope of their duties during their term of office, in order to reduce the risk of error or negligence by directors from causing significant damages to the Company and shareholders. Important content such as the insured amount, coverage, and insurance premiums of the directors and supervisors liability insurance in 2023 were discussed and approved in the 18th meeting of the 22nd-term Board of Directors (December 15, 2022). For 2024, important content such as the insured amount, coverage, and insurance premiums of the directors and supervisors liability insurance were discussed and approved in the 10th meeting of the 23rd-term Board of Directors (December 15, 2023).

^⑥ Statistics on Board composition is updated to 31 December 2023, Please refer to the "[Information Disclosure](#)" section of KGI Life's company website for the latest information on directors.

Number of Directors and Distribution by Age and Gender



List of Board Diversity
(Please refer to "Implementation of Board Diversity" on p.23 of the 2023 Annual Report for details)

Educational Training for Directors

The Board of Directors is the highest level decision-making organization of KGI Life and decides the Company's business strategy as well as the direction of its business development. The management team periodically attends board meetings, and maintains good communication and interaction with directors to help the Board of Directors better understand the Company's business situation. Furthermore, the Board of Directors continues to supervise the identification, management, and response to climate-related risks and opportunities, and periodically receives training on topics such as climate change, ESG, green finance, corporate governance, IFRS 17, information security, treating customers fairly, ethical corporate management, anti-corruption, and anti-money laundering. Among these courses, ESG and green finance courses covered the topics: "From green finance to net-zero finance" and "Corporate risk response and financial industry positioning in the context of net zero." Moreover, the attendance of directors reached 100% for the "Observations of transitioning to IFRS17 and asset and liability management under IFRS17 & ICS" course taught by external lecturers, showing that directors attach great importance to and actively participate in the topic. Furthermore, courses offered by external institutions (excluding courses offered by KGI Life) account for over 60% of all educational training hours, showing that directors are highly interested in and attach importance to the topics above, with total training volume reaching over 157 hours.

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Board Performance Evaluation

The Board performance evaluation is an important mechanism for self-examination, improvement, and sustainable management. KGI Life established the "Board of Directors Performance Evaluation Guidelines" to ensure the effective operation of the Board of Directors, the Company's sustainable development, and to create an excellent corporate governance culture. KGI Life conducts performance evaluations for the Board of Directors, individual directors, and functional committees each year.

The Company's Board of Directors pays close attention to sustainable development and treating customers fairly issues, and added "Attention to ESG issues" and "Actively implements the principles for treating customers fairly" to self-evaluation items of the Board performance evaluation in 2019, fully displaying KGI Life's consistent push for sustainable development, and determination to protect policyholder's rights and interests. In addition, the Company added three ESG evaluation items when amending the "Board of Directors Performance Evaluation Guidelines" in January 2024, including: "Board members understand the major ESG issues and their developments within the Company's industry," "The Board of Directors continues to support corporate sustainability and provides guidance for effective ESG implementation to fulfill corporate social responsibilities," and "The Board of Directors regularly reviews the implementation of

the Company's ESG issues." Related items were added as the sixth assessment aspect "Participation in ESG" of the questionnaire.

To meet the requirements on evaluating the performance of responsible persons in concurrently held positions set forth in Article 5 of the Regulations Governing Qualification Requirement and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of Insurance Enterprises, the Company added "Directors do not concurrently hold positions in multiple companies (including director and supervisor seats). If directors concurrently hold any positions, the directors have ensured effective performance in their concurrent positions, that they do not have any conflict of interest, and that they do not violate internal controls of each institution."

The Secretariat of the Board conducts performance evaluations of the Board of Directors, individual directors, and functional committees. The Board performance evaluation questionnaire assesses six aspects, including "level of participation in company operations," "improving the quality of Board decisions," "Board composition and structure," appointment of directors and their continuing education," "internal controls," and "participation in ESG." The average score in the 2023 Board performance evaluation was 100% with a rating of "Excellent." Performance evaluations of individual directors are divided into self-evaluation and peer-evaluation, in which the average score was 99.71% and 99.63%, and the ratings were both "Excellent." The average score in functional committee performance evaluations was 100% and the rating was "Excellent" for all.

Results of the 2023 Board of Directors and functional committee performance evaluations were reported at the 16th meeting of the 23rd-term Board of Directors on March 28, 2024. Evaluation results will be used as the basis for selecting or nominating directors, and also for determining the individual remuneration of directors and functional committee members, in order to continue improving Board performance. Going forward, the Company will actively cooperate with the competent authority's corporate governance blueprint, as well as promotion and implementation measures for important issues, in order to enhance the effectiveness of Board operations, drive the Company's sustainable development, and create an excellent corporate governance culture.

Remuneration Policy for Directors

Pursuant to Article 24 of the Company's Articles of Incorporation, remuneration of the Company's directors is determined by the Board of Directors based on their participa-

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tion in the Company's operations, value of their contribution, their responsibilities, as well as industry standards. However, the remuneration of independent directors is a fixed amount decided by the Board of Directors. The Company's "Director Remuneration Guidelines" specify the structure of directors' remuneration (including director's remuneration, compensation, and attendance fees) and the factors referenced when determining directors' remuneration, including the director's participation in the Company's operations, the value of their contributions and their responsibilities, the industry standard in Taiwan and overseas, and the Company's future risks. The remuneration of directors is discussed and approved by the Remuneration Committee and then submitted to the Board of Directors for approval.

Functional Committees

Audit Committee

Formed by all independent directors^⑦

Independent Directors : 4 people / **Total Number of People :** 4 people

Composition Overview » Supervises and ensures the effective implementation of the Company's internal controls, compliance with related laws and regulations, and management of the Company's existing and potential risks

Operating Status in 2023

- A total of 16 meetings were held
- Reviewed the final accounts report
- Appointed CPAs
- Proposals related to the internal control system

Important Agenda Items and Implementation Status » 2023 Annual Report p.40-78, p.70

Ethical Corporate Management Committee

Consists of 8 members, including 4 independent directors and 4 directors, in which the chairman serves as the convener

Independent Directors : 4 people / **Total Number of People :** 8 people

Composition Overview » Responsible for the supervision and management of ethical corporate management related affairs to make the governance structure more well-rounded

Operating Status in 2023

- A total of 5 meetings were held
- Passed the amendment to the Company's "Ethical Corporate Management Best Practice Principles" and "Code of Conduct for Ethical Corporate Management"
- Reported the implementation status and risk assessment results of ethical corporate management

Important Agenda Items and Implementation Status » 2023 Annual Report p.82-88

Remuneration Committee

Formed by all independent directors

Independent Directors : 4 people / **Total Number of People :** 4 people

Composition Overview » Responsible for periodically evaluating, establishing, and reviewing the remuneration and performance of the Company's directors and senior managers

Operating Status in 2023

- A total of 11 meetings were held
- Evaluated and reviewed the annual work performance and remuneration of directors and senior managers, and reviewed the amount allocated for directors' remuneration and employee bonuses
- Passed the amendment to the Company's Remuneration Committee Charter.
- Passed the amendment to the Company's "Office Staff Performance Management Guidelines" (formerly the Office Staff Performance Management Regulations)

Important Agenda Items and Implementation Status » 2023 Annual Report p.71-73

Risk Management Committee

Consists of 6 members, including 4 independent directors and 2 directors, in which an independent director with a professional background in insurance and finance serves as the convener

Independent Directors : 4 people / **Total Number of People :** 6 people

Composition Overview » Responsible for formulating the Company's risk management policy, establishing qualitative and quantitative management standards, and ensure the consistency, appropriateness, stability, and transparency of risk management mechanisms, in order to implement risk management in everyday routine operations

Operating Status in 2023

- A total of 15 meetings were held
- Executed the Board's risk management decisions and periodically examined the development, establishment, and implementation performance of the Company's overall risk management mechanisms
- Assisted and supervised departments in carrying out risk management activities
- Passed the amendment to the Company's "Reinsurance and Catastrophic Disaster Risk Management Regulations"
- Passed the amendment to the Company's "Market Risk Management Guidelines" and added the "Directions for the Implementation of Market Risk Management"
- Amended the Company's Credit Risk Management Guidelines

Important Agenda Items and Implementation Status » 2023 Annual Report p.76-81

^⑦ In response to amendments to the Money Laundering Control Act, Counter-Terrorism Financing Act, and their sub-laws and self-regulations, KGI Life analyzed the difference before and after amendments to ensure that operations are adjusted in a timely manner.

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Nomination and Performance Evaluation Committee	Consists of 4 members, in which an independent director serves as the convener
Independent Directors : 3 people / Total Number of People : 4 people	
Composition Overview » Responsible for reviewing the president selection and succession plan; vice president candidate, annual performance, and promotion; succession plans for class 1 supervisors under the president	
Operating Status in 2023	
▪ A total of 9 meetings were held ▪ Passed the amendment to the Nomination and Performance Evaluation Committee Charter ▪ Reported the plan and implementation status of development of the Company's important managers	
Important Agenda Items and Implementation Status » 2023 Annual Report p.74-75	
Corporate Sustainability Development Committee	Consists of 6 members, including 2 independent directors and 4 directors, in which the chairman serves as the convener
Independent Directors : 2 people / Total Number of People : 6 people	
Composition Overview » Deliberates on and approves annual sustainable development plans and strategic directions, sustainable development projects, and activity plans. Tracks and reviews the implementation results of annual sustainable development plans, strategic directions, projects, and activity plans. Reviews ESG reports on a regular basis	
Operating Status in 2023	
▪ A total of 4 meetings were held ▪ Reported the achievement of the Company's climate-related risk management goals in each quarter of 2023 ▪ Reported the Company's "Achievement of sustainable development goals in 2023 and future implementation plans" ▪ Approved the continued support of CDF's green power usage plan, and implemented the phase II green power procurement plan	
Important Agenda Items and Implementation Status » 2023 Annual Report p.89	



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Five Major Governance Themes

- Establish a standardized review process using the "regulatory change management system" to assist with monitoring and integration
- Convene regular communication meetings for the second line of defense every six months to establish a clear horizontal communication mechanism
- KGI Life did not receive any fines from the FSC in 2023

- Establish a vice president-level chief information security officer to be in charge of the "Information Security Department"
- Renew information security insurance and obtain feedback from professional information security consultants of the insurance company
- Established an "Information Security Incident Handling Team" to immediately look into and support the response to information security incidents

- KGI Life has set strict risk management as a business goal of concern for the future, and established as well as periodically reviewed the risk management policy, which is the highest guiding principle of internal risk management mechanisms
- The risk management organizational structure covers the Board of Directors, Risk Management Committee, chief risk officer, risk management units, and related businesses and audit units, building a comprehensive network
- Continue to pass the ISO 22301:2019 management system periodic review to ensure the Company's post-disaster recovery ability

Corporate governance is an important cornerstone of KGI Life's corporate culture. With a clear governance structure complete implementation actions, KGI Life was rated in the Top 5% of the Corporate Governance Evaluation six times by TWSE. We are also the first company to receive an "Excellent" rating in the "CG6012 (2019) Corporate Governance System Assessment" organized by Taiwan Corporate Governance Association two consecutive times. After becoming a wholly-owned subsidiary of CDF, KGI Life still adheres to the strict self-discipline standards of a listed company, and continues to promote and deepen the five major governance themes of integrity and governance, risk management, anti-money laundering, information security, and legal compliance. Facing the variety of potential emerging challenges in the future, KGI Life will keep pace with the times and maintain steady development under the continuous improvement of governance strategies.



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Ethical Corporate Management Policy

KGI Life attaches importance to ethical corporate management and the "Ethical Corporate Management Best Practice Principles" serves as the highest guiding principles. We also established the "Code of Conduct for Ethical Corporate Management" and "Guidelines for Whistleblowing on Illegal, Immoral or Unethical Conduct" to implement the Company's ethical corporate management policy.

In 2023, all directors, senior managers, office staff, and sales agents signed the statement on ethical corporate management. All office staff and sales agents have completed ethical corporate management training courses. Furthermore, KGI Life established a complete whistleblowing system to address unethical conduct within the organization, and established numerous whistleblowing channels to protect the rights of whistleblowers. No unethical conduct was found after investigation of unethical reportings for 2023, and there were no violations of ethical corporate management and anti-corruption. Additionally, we distributed questionnaires to all office staff to understand the implementation status of ethical corporate management in 2023, and used survey results and recommendations from employees as the basis for review of ethical corporate management policy and implementation measures.

Furthermore, KGI Life introduced the accountability system in 2022 and launched accountability mechanisms in 2023 to strengthen the responsibilities of supervisors, determine responsibilities of incident occurrences, strengthen managerial competencies, and improve the Company's overall governance.

Ethical Corporate Management Committee

To strengthen supervision and management functions of the Board of Directors and improve ethical corporate management, KGI Life established the Ethical Corporate Management Committee as a functional committee under the Board of Directors in 2017, and expanded the scale of the committee to 8 members in 2021, with half of all members being independent directors. In 2023, we specified that the chairman and independent directors ex officio members of the committee and that the chairman shall serve as the convener. The Ethical Corporate Management Committee convened a total of five meetings in 2023, in which the attendance rate was 100%. The committee approved the implementation status of ethical corporate management for 2022, as well as the ethical corporate management risk assessment results, the ethical corporate management plan for 2024, and the amendments to the "Ethical Corporate Management Best Practice Principles" and "Code of Conduct for Ethical Corporate Management" during said meetings, optimizing KGI Life's ethical corporate management system.

Ethical Corporate Management Training

KGI Life has adopted a top-down approach in creating an ethical corporate management culture through publicly-announced commitments, information communication, and periodic training.

To deeply embed the Company's ethical corporate management and legal compliance, we not only disclose ethical corporate management regulations on the company website, but also disclose ethical corporate management information on the company website and intranet. In 2023, all office staff and sales agents received ethical corporate management training (including classroom and online courses), receiving a total of 2,392 hours and 7,440 hours of training, respectively. In addition, we not only provided teaching materials on topics related to ethical corporate management for directors to read, but also invited external lecturers to teach legal education courses on anti-corruption and whistleblower protection for directors and senior managers in 2023.

Risk Management

Risk Management Policy

Risk management is a materiality issue for the insurance industry. KGI Life has set strict risk management for all business operations, and established and periodically reviewed the risk management policy, which is the highest guiding principle of internal risk management mechanisms. The policy clearly states overall risk management goals and strategies, organization and duties, capital adequacy assessment, risk appetite and limit, and identifies major risk categories and management processes. Besides matching the trend of Enterprise Risk Management (ERM), it is also the basis for establishing regulations, mechanisms, and implementation practices.

Risk Management Organization Structure

KGI Life established risk control and supervision units for each corporate level. The Company's Risk Management Organizational Structure includes the Board of Directors, Risk Management Committee, chief risk officer, risk management units, and related business units (each unit has risk management personnel) and audit units, not only building a comprehensive network of risk management information, but also extending risk management needs and results to all business units to ensure compliance with risk management regulations.



Identification and Response to Main Risks SASB FN-IN-450a.3 SASB FN-IN-550a.1



Manage the price risk of interest rates, exchange rates, and equity securities according to the internal Market Risk Management Guidelines. Related mechanisms include market risk limit and warning indicator management, sensitivity analysis, stress test, and back testing. The Company also established an Asset and Liability Risk Management Unit responsible for measuring and monitoring risks related to assets and liabilities.



Monitor issuers, counterparties, and other institutions and investment positions in accordance with the internal Credit Risk Management Guidelines. Related control mechanisms include country risk management, credit risk limit monitoring, credit rating change monitoring, and concentration management.



Manage funds and market liquidity risks according to the internal Liquidity Risk Management Guidelines. Related mechanisms include using cash flow model to assess liquidity risks and stress tests.



Use the three management tools for operational risks, namely Risk and Control Self-Assessment (RCSA), Key Risk Indicators (KRI), and Loss Data Collection (LDC) to continuously supervise and manage overall operational risks.



Mainly divided into physical risks and transition risks. Physical risks arise from extreme weather that may be caused by climate change, which cause the supply chain or operations to immediately sustain losses, or the long-term impacts and losses sustained by the Company's operations due to sea level rise and global warming caused by long-term climate change. Transition risks originate from the impact of policies and regulations, low carbon emission technologies, and social preferences, as well as potential changes in operating costs in the process of transitioning to a low carbon economy.

We included climate change risks into the Company's "Risk Management Policy," formulated climate-related risk management guidelines, and established and regularly track metrics for climate risk appetite. In addition, the Company defined high climate risk regions and high carbon emission industries to analyze the physical risks and transition risks of climate change. We referenced international standards when setting climate scenarios, and conduct scenario analysis to assess the impact of climate change on investments, operations, and suppliers in different climate scenarios, so as to ensure that climate-related risks are effectively controlled or reduced. In the future, we will continue to improve climate change risk identification, assessment, and response plans to reduce future impacts, and respond to external stakeholders' expectations for the Company's climate change risk management.

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Risk Management Technology and Automation

The market risk management system outputs value at risk, stress test, and back testing results, which are used for planning and application of an automated and visualized internal report analysis platform.

We use an automated process to update data and analyze information, reducing errors from manual operations so that users can choose graphs to present data according to their needs. To improve the quality and efficiency of analysis, we utilized the manpower freed from the use of technology to increase output and added value from research and analysis.

Business Continuity Management

To ensure personnel safety and protect customer rights, business reputation, and assets, KGI Life has made a commitment to minimize damages and prevent the suspension of operations when a risk event occurs, and thus implemented business continuity management mechanisms in 2021. The Company also announced a business continuity management policy and statement that all employees are required to comply with. We adopted a systematic approach in establishing relevant management procedures and response plans for catastrophic disaster risks, and continue to strengthen and improve the procedures and plans to improve understanding and the implementation of responses, ensuring that the Company is able to continue providing key services under the acceptable minimum service level.

The Company obtained the ISO 22301:2019 management system certification in 2022. After improving the business continuity management system, we passed the periodic review for the ISO 22301:2019 management system in 2023, ensuring our post-disaster recovery ability based on international standards for business continuity.

In 2023, the Company held evacuation drills, remote work drills, information system disaster recovery drills, and 6 business continuity training sessions to help personnel of responsible units become familiar with post-disaster operations and response procedures, in the event of a catastrophic disaster, ensuring the personal safety of employees and business recovery ability after a disaster occurs. This reduces the impact of catastrophic disasters on the Company, achieves the goal of uninterrupted key services, such as policyholder services, claims, and new contracts, and fulfills our commitment to sustainability.

Anti-Money Laundering (AML)

AML/CFT Policy

KGI Life periodically examines internal AML/CFT regulations and operations, and reviews monitoring patterns and reporting standards when appropriate, in order to improve the quality of suspicious transaction reports (STRs), better prevent crimes, and occurrence reporting. In 2023, KGI Life amended the "Money Laundering and Terrorism Financing Risk Assessment and Prevention Policy," "Directions for Assessment and Prevention of Money Laundering and Terrorism Financing Risks," "Guidelines Governing Anti-Money Laundering and Countering Terrorism Financing,"^⑥ "Detailed Guidelines for Anti-Money Laundering and Countering Terrorism Financing," and "Guidelines for Sharing Data on Anti-Money Laundering and Countering Terrorism Financing" in alignment with laws and practices.

AML/CFT Organizational Structure

The Company established the AML/CFT risk management framework for corporate governance, system design, control and procedure, risk management, and independent audits. AML/CFT awareness is incorporated into the corporate culture through information system usage, process management, and the development of employees' professional competencies.

^⑥ In response to amendments to the Money Laundering Control Act, Counter-Terrorism Financing Act, and their sub-laws and self-regulations, KGI Life analyzed the difference before and after amendments to ensure that operations are adjusted in a timely manner

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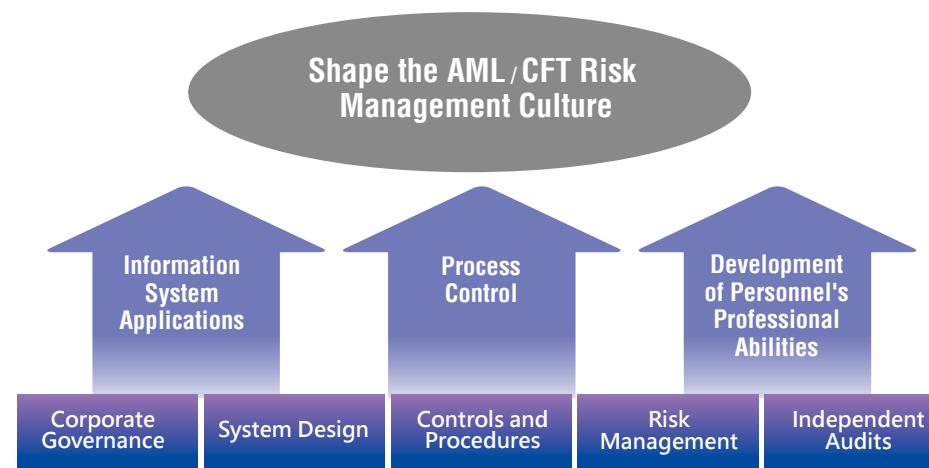
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To further implement AML/CFT mechanisms, the chief compliance officer serves as the AML/CFT officer and oversees related operations. The AML/CFT officer reports related matters to the Board of Directors and Audit Committee at least once every six months. The Board of Directors oversees related matters, risk assessments, and operations of projects.

Furthermore, we also established a dedicated AML/CFT unit to oversee related matters, and a supervisor is appointed for each business unit. The position is held by senior employees or section chief and above supervisors with professional qualifications in AML/CFT, ensuring that business units serve their function as the first line of defense.

Continue to Improve the AML/CFT Process

KGI Life's methodology for comprehensive evaluation of money laundering and terrorism financing risk is in alignment with the method used by the CDF group. We also referenced domestic and foreign risk management reports and trends, and established indicators for inherent risks and control results that are repeatable and comparable. We also strengthened the theoretical foundation for assess residual risk, and used measurement results of indicators as the basis for monitoring changes in risk trends, in order to

understand the Company's overall exposure and the correlation with national risk assessment. We referenced our customers, products, and trading policy when setting the risk limit and risk appetite, and continued to monitor money laundering and terrorism financing risks to create a complete risk profile.

Assessment results of overall money laundering and terrorism financing risks in 2023 were within KGI Life's risk limit and risk appetite. We test the watch list filtering and transaction mechanisms during semi-annual compliance self-assessments according to the optimization items recommended in the "Comprehensive ML/TF Risk Assessment Report and Prevention Plan," verifying the effectiveness of system logic to further improve the AML/CFT system.

AML / CFT Educational Training

We continue to raise the AML/CFT awareness of directors, senior managers, office staff, and sales agents. Moreover, we periodically organize training, and communicate/discuss changes in laws and operations, as well as questions on relevant practices and cases. A total of 24 training sessions with 17,283 participants were organized in 2023.

We launched the annual fee and re-certification fee subsidy program for employees that already have the CAMS certificate, and encourage and subsidize employees in business units involved in AML operations to obtain professional certifications in Taiwan and overseas. Office staff obtained 67 new certificates in 2023, and the number has grown every year in the past 5 years.

100% of personnel in the dedicated AML / CFT unit obtained professional certifications in Taiwan or overseas

Over **840** certifications obtained company-wide

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■ AML/CFT Educational Training Measures



Board of Directors

To bear the ultimate responsibility of ensuring that suitable and effective AML / CFT internal controls are established and maintained, it is necessary to understand money laundering and terrorism financing risks and response measures.

In 2023, we invited a prosecutor of Taiwan High Prosecutors Office who concurrently holds the position of executive secretary of the Executive Yuan Anti-Money Laundering Office to give a lecture on "International trends in anti-money laundering development and the strengthening of anti-money laundering and counter-terrorist financing efforts in the insurance industry." Topics include international AML regulations and development trends, sanctions for terrorism financing and proliferation, FinTech applications and AML, country risk assessment results for money laundering, terrorism financing, and proliferation and enhancing the work of the insurance industry, and introduction the latest laws and regulations in Taiwan and the AML policy.



Dedicated Officer, Dedicated Personnel, and Business Unit Supervisors

Required to take courses^④ and complete tests on related topics in accordance with the law. KGI Life organizes classroom courses with external professional training institutions, and organized 2 on-the-job courses for AML/CFT personnel, which focus how to prevent financial crime and AML practices in the financial industry. Over 70 participants took the courses and received over 949 hours of training with a 100% completion rate.



Customers and External Personnel

The implementation of AML / CFT not only involves matters that need to be executed by the Company, the understanding of customers and external personnel is also crucial. KGI Life actively raises awareness and communicates AML concepts with customers and external personnel through different channels.

- 1.Established an "AML Section" on the Company's official website.
- 2.Official Facebook posts.
- 3.Provided links to related websites, promotional materials, and letters from the competent authority.
- 4.Put up physical posters at the counter of the Customer Service Center and offices.
- 5.Front-line employees provide explanations for any questions customers have regarding AML / CFT.



Office Staff and Sales Agents

A suitable number of basic training hours is provided via online courses and after-class tests to communicate AML / CFT laws and important concepts. 100% of office staff completed training and nearly 100% of sales agents completed training.

^④ Course topics include: The latest AML/CFT regulations and standards in Taiwan and overseas, trends and patterns of money laundering and terrorism financing risks, AML/CFT patterns and case analysis (including examples of predicate crimes and threats, anti-proliferation), AML/CFT customer review and evaluation, ethical corporate management and ethics, and whistleblowing system.

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Information Security

Information Security Policy

KGI Life has compiled information security policies and established information security management systems to ensure the confidentiality, comprehensiveness and availability of information operations & services meet compliance requirements. In response to the expansion and diversity of the insurance business, we made information security internal controls and related regulations applicable to the entire company in 2021. As such, business units not only play the role of user, but also play the role of the responsible unit and maintenance unit, which further enhances the Company's overall information security management.

Information Security Organization

The Company implemented a management system according to the international information security management framework to ensure solid information security, and continues to maintain the effectiveness of the ISO 27001 Information Security Management System certification to ensure the information security of information assets. We also established an Information Security Committee, in which managers serve as committee members and directly supervise operations of the information security management system. KGI Life established an Information Security Department in 2018 as the dedicated unit for information security. The department is headed by the Chief Information Security Officer, who is a vice president level executive. The Information Security Department is positioned as the second line of defense in internal control, and is responsible for supervising and assisting units on the first line of defense. Furthermore, each department has information security personnel to serve as contact persons for information security affairs, and cooperate with asset inventory taking, continuity of information operations, and training, thereby improving protection for customers' rights and interests.

Information Security Measures and Actions

The Company increases the information security budget each year to continuously enhance information security management and the overall maturity of information security. We also

continue to recruit experienced personnel internally and externally. The Information Security Department has 9 dedicated personnel, and there are 77 information security personnel company-wide serving as contact persons for each unit. The information security budget for 2023 increased by more than 10% compared to the expenses in 2022. The budget has grown every year in the past three years, showing the degree of importance that the Company attaches to information security.

■ Cyber Security Budget of the Past Three Years (UNIT:NTD)



Aside from improving information security equipment and management measures for different aspects, the Company began purchasing information security insurance in 2018 to fulfill our corporate social responsibility and reduce the impact of information security incidents. Besides examining the Company's overall information security situation, we also received feedback from professional information security consultants of our Company's insuring company, aligning with international information security concepts..



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Participation in Information Security Joint Defense

The Company actively participates in the joint defense of financial institutions, and submitted an application to join the Financial Information Sharing and Analysis Center (F-ISAC) of the FSC, becoming one of the first members in 2017. We continue to share detection and blocking intelligence from our information security equipment after deidentification for the F-ISAC to conduct integrated analysis. KGI Life ranked first place in the Insurance Division in 2023 and was recognized by the F-ISAC for excellent performance in intelligence sharing in 2023. This allows us to prevent incidents from occurring, take caution against small matters during incidents, and minimize the damage afterwards. The Company has attended 22 FISAC conferences and seminars as of 2023.

Establishing a Security Operation Center (SOC)

The Company established a Security Operation Center (SOC) to monitor, detect, and discover information security incidents 24/7, increasing information security incident monitoring capabilities. KGI Life integrated the SOC with the information security log incident management and analysis system to conduct multi-dimensional association analysis. Information security analysts perform the analysis and provide recommendations to achieve precise reporting and warning of information security incidents in real-time.

The immediate reporting of information security incidents will significantly improve the effectiveness of subsequent tracking, response, and handling, properly handling information security incidents to reduce the hazard.

System Backup and Incident Response Drills

The Company regularly conducts core information system disaster recovery drills, computer system information security assessments, external website penetration tests, and company-wide social engineering drills in response to the ever changing external attack methods and to reduce the impact of information operation interruptions due to emergencies or abnormalities, so as to ensure the security of the Company's information facilities and product sensitive data as well as customers' personal data.

The websites of government agencies and important livelihood services are often the target of Distributed Denial of Service (DDoS) attacks launched by hacker organizations, resulting in the websites of some agencies going offline. To strengthen defense and response capabilities for DDoS attacks, the Company conducted DDoS drills in 2023 to verify the ability of its website or servers to withstand DDoS attacks, and verify the effectiveness of defense plans.

Supplier Information Security Management and Performance

To ensure that the information security level of third-party partners is consistent with that of the Company, we not only review the information security of vendors we do business with and their employees, but also require them to comply with the Company's information security regulations. The Company has also established "Information System Operation Outsourcing Management Regulations" to standardize planning, bidding, contract, performance, acceptance, warranty, and verification, and thereby protect the rights and interests of the Company and customers.

For current suppliers, the Company periodically evaluates services provided by the supplier and further introduced the Security ScoreCard mechanism in 2021, which examines the information security maturity of the supplier's external systems, and includes them as evaluation items to make supplier attach greater importance to information security. We also periodically supervise and audit contractors every year (which includes information security review matters), to verify the overall service abilities and standards of contractors, which serves as the basis for subsequent contractor selection.

Information Security Education and Training

The Company's dedicated information security personnel receive at least 15 hours of professional information security training each year. Information security personnel of each department must take at least 6 hours of courses on information security communication and operations. For office staff, the Information Security Department plans 3 hours of information security training each year, online information security training for new employees, and irregularly sends company-wide e-mails promoting information security, in order to continue improving the information security literacy of the Com-

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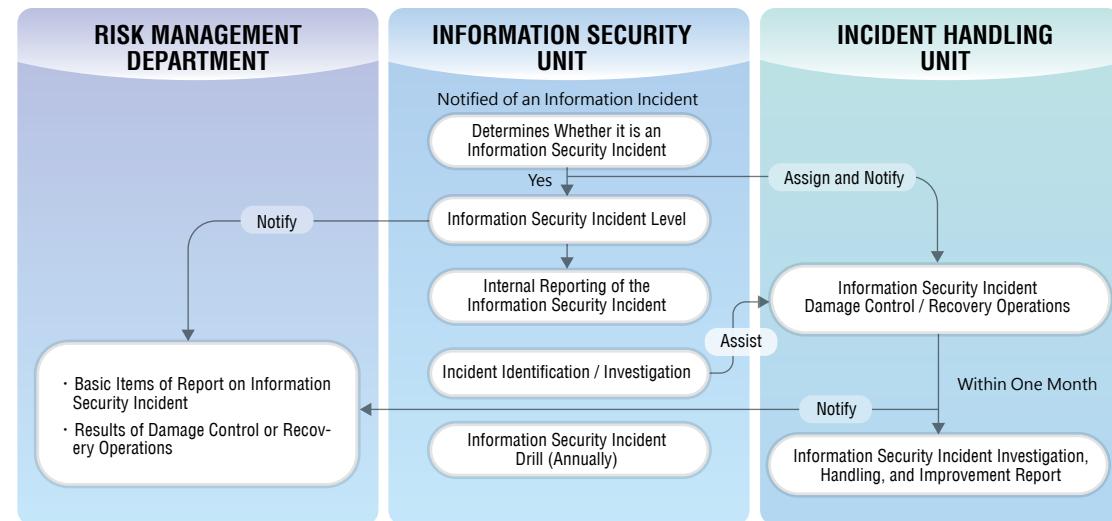
pany's employees. Training completion among employees was 100% in 2023. The Company and the Information Security Division of CDF co-organized the Information Security Month event in 2023, becoming the first financial group in Taiwan to organize an information security month. We arranged for external information security companies to offer 16 information security-related courses to information security personnel of different departments and personnel of information security units, thereby raising the information security awareness and capabilities of the Company's employees.

According to the list of information security certifications announced by the Executive Yuan, the Company's dedicated information security unit personnel, including the Chief Information Security officer, hold an average of 2.0 certificates. The Company encourages employees to continue to receive professional training and obtain relevant certificates, with the goal of building the most professional information security team.

Information Security Incident Reporting and Handling Mechanisms

In response to the increasingly severe information security threats, the diversification of information sources, and the "Financial Information Security Action Plan" implemented by the FSC, the Company established an internal cross-departmental "Information Security Incident Handling Team" and joined the "Computer Information Security Incident Response Team" established by CDF, in order to promptly gain information and support the response of CDF members to information security incidents, and reduce the damage caused by information security incidents. In addition, major information security incidents often affect more than a single institution. The Company has joined the Financial Information Sharing and Analysis Center (F-ISAC) to strengthen risk management through joint defense mechanisms with other institutions, which strengthen the horizontal reporting, response, support, and coordination mechanisms and abilities across financial institutions to achieve joint defense synergy. There were no major information security incidents in 2023.

Information Security Incident Reporting, Handling, and Response Process



Personal Data Protection and Management System

KGI Life continues to strengthen mechanisms for protection of customers' personal data, rights, and interests, and introduced the personal information management system (PIMS) in 2017 according to BS 10012:2017 Personal Information Management System Standard, embedding personal information protection and management into its corporate culture. KGI Life expanded the scope of verification to all units in 2020, and completed an applicability evaluation mechanism for the European Union's General Data Protection Regulation (GDPR). We continued to hire external verification institution each year and passed the review for the BS 10012 certification in 2023. This shows the Company's spirit of continuously improving PIMS.

KGI Life has established a Personal Information Management Committee with the president as the convener. The committee meets every six months and the overall operating status of personal information protection is reported to committee members. Contents of the meetings include the implementation of personal data protection, technology development, management system supervision and review, and personal information incident management. The meetings discussed private and information security issues, and aim to continue promoting, managing, and supervising the effective operation of PIMS.

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Furthermore, the Company established a Personal Data Protection Working Group that examines if personal data management, management procedures, and safety management mechanisms are implemented according to plans; personnel who have the PIMS Lead Auditor certificate assist with internal audits of personal data protection.

KGI Life established procedures for responding to and reporting personal information incidents, so that it can promptly respond to and properly handle personal information incidents. KGI Life also has a Personal Information Incident Emergency Response Team that carries out reporting procedures and response measures based on the responsibilities of each member and the level of the incident. The team implements damage control and engages in review discussion of corrective and preventive measures after handling an incident. In addition, if a personal information incident occurs and a customer is involved, the Company will notify the customer in accordance with the Personal Data Protection Act. Contents of the notification include the facts of the incident and the response measures taken by the company, and provide a consulting service hotline for customers to call for consultation and assistance. The Company has a system for the parties involved to exercise their rights and file complaints. When customers exercise their rights or file complaints, the Company will properly handle the situation and reply to the customer within the time limit specified by the law.

KGI Life did not receive any fines from the competent authority as a result of personal data protection issues in 2023, and did not have any confirmed information leakages/theft, or loss of customer data.

Personal Data Protection Education and Training

Since the Company implemented BS 10012 Personal Information Management System, we have improved the efficiency of personal data security mechanisms based on the concept of constant reviews and continuous optimization. We integrated the resources needed by the personal information management system and organized 11 training sessions on personal data protection in the form of classroom courses and online courses in 2023, with a total of 3,103 participants who completed the training, raising the personal data management awareness of every employee.

Legal Compliance

Compliance Risk Management System

In response to the increasingly strict financial regulation of the competent authority in Taiwan, the Company established the "Compliance Risk Management and Supervision Framework" and conducts compliance risk assessments according to the "Guidelines for Compliance Risk Assessment Procedures and Methods" every year. We assess the existing risks, control results, and residual risk of each department, and subsequently examine the management measures and operating procedures of high risk departments based on assessment results, in order to improve control results and assist monitoring and integration through the "regulatory change management system." We established standardized examination procedures to understand the progress and implementation of action plans related to internal regulations and systems of departments in response to regulatory changes.

The Compliance Department periodically convenes communication meetings for the second line of defense every six months. Attendees include units of the second line of defense (including the Risk Management Department and Information Security Department), corporate governance officer, and the Auditing Department. The units of the second line of defense communicate with each other on matters such as internal control, legal compliance operations, and compliance deficiencies found in internal and external audits, so as to establish a clear horizontal communication mechanism. Units of the first line of defense are invited to attend the meetings depending on the issue, in order to ensure that all lines of defense are up to date on the Company's corporate governance issues.

Furthermore, the Compliance Department participates in the planning of new products and services and provides complete compliance opinions in a timely manner, rapidly responding and effectively managing compliance risks. We conduct compliance inspections on an annual basis, track improvements, and arrange relevant training. We also established management mechanisms for fines that were imposed on peers in the industry, and conduct sampling self-inspections to lower the probability of similar deficiencies.

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Compliance with the Regulation Governing Common Reporting and Due Diligence Review by Financial Institutions

Pursuant to the Regulation Governing Common Reporting and Due Diligence Review by Financial Institutions, due diligence must be carried out for all new accounts starting in 2019, and reporting must be completed between June 1 and 30 the following year. KGI Life completed the first report in June 2020, and completed due diligence for existing accounts and the accounts of relatively low net worth individuals before the end of the given year. We completed reporting within the period every year thereafter.

Compliance Education and Training

To further deepen sustainability actions, we organized training sessions for different subjects, including employees' confidentiality obligations, the principles for treating customers fairly, ethical corporate management (including anti-corruption), financial consumer protection, personal data protection, related party transactions, Foreign Account Tax Compliance Act (FATCA), Regulation Governing Common Reporting and Due Diligence Review by Financial Institutions, analysis of fines imposed on peers in the industry, amendments to laws and self-regulation.

Furthermore, the Company requires sales personnel to comply with laws and regulations when soliciting business and providing services, in order to strengthen the compliance concepts of sales personnel, so that they do not violate ethical corporate management, anti-corruption, or the Code of Conduct. We also regularly organize legal training for office staff, business personnel, and senior managers, and organize theme-based educational and promotional events when appropriate, ensuring that the Company's routine operations comply with the Ethical Corporate Management Best Practice Principles, shaping the compliance culture, and raising the compliance awareness of the Company's employees.

Compliance Self-assessment

The Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises stipulates that each department must conduct a compliance self-assessment every six months to find any deficiencies in their operations, in making the required corrections to become compliant with the law. Each department conducted a compliance self-assessment in the first and second half of 2023, each department conducted a self-assessment of legal compliance, and no deficiencies were found.

Fines and Improvement Measures

The Company did not receive any fines from the FSC in 2023^⑩. For violations by peers in the industry that were punished by the FSC, the compliance unit collects relevant information and sends the information to responsible units, which then examine internal control measures and regulations. This allows us to monitor the FSC's attitude and prevent similar violations from occurring, ensuring that the Company is in compliance with the government's latest laws and regulations when soliciting business, selling products, and providing after-sale services. Regarding the management of fines imposed on peers, we assess items with higher risk and discover similar deficiencies through self-examination by relevant units supplemented by sampling methods. We hope to rectify deficiencies on our own and avoid fines from the competent authority. We then evaluate whether to include them as compliance audit items, in order to improve our compliance performance.

The Compliance Unit compiles information of relevant fines and reports it to the Board of Directors every quarter, so that the board of directors can understand the key points of supervision by the FSC, and then review, evaluate, and adjust related compliance operations in seeking continuous improvement and optimization. Furthermore we hold internal compliance educational training to raise compliance awareness and reduce relevant risks.

^⑩ Please refer to the "Information Disclosure" section on the company website for fines received by KGI Life from the FSC in 2022.

Internal Audit

The internal audit unit is subordinate to the Board of Directors and audits finance, sales, information, and other management units at least once a year according to the annual audit plan and "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises." Project audits are conducted according to actual needs, the principles of treating customers fairly are included as key audit items for the financial services industry. The internal audit unit follows up on improvements in response to inspection opinions and audit deficiencies found by the competent authority, accountants, internal audits (including the internal audit unit of the financial holdings corporation), and self-inspections. Furthermore, communication between independent directors and chief internal auditor are disclosed on the company's website.

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■ Operating Status of the Internal Audit Unit



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Realizing the Value of Sustainable Investment

Following the development of global capital markets, the power of capital flow in shaping the globe has gradually increased. As a life insurance company with a considerable amount of assets, KGI Life continues to make good use of investment strategies, in hopes of achieving the vision of a sustainable ecosystem through financial support for industries.

From socially responsible investments (SRI) to ESG investments, KGI Life actively aligns with international development trends by continuing to engage in sustainable investment, this includes the initial adoption of the responsible investment policy for negative filtering of investment target, as well as incorporating ESG factors into the investment process for positive filtering of investment targets. At the same time, we exercise shareholders' rights to comply with the Stewardship Principles for Institutional Investors, implement climate actions, and support the development of renewable energy with theme-based investments. While exerting the investment influence, we also create stable investment returns and continue to realize the value of sustainable investment.

Responsible Investment Policy

KGI Life Insurance Co., Ltd. (hereinafter referred to as the "Company") established the "Responsible Investment Policy" (hereinafter referred to as the "Policy") according to the Taiwan Stock Exchange Corporation (TWSE) Stewardship Principles for Institutional Investors and the United Nations Principles for Responsible Investment (UN PRI) in to achieve responsible investment. The Company incorporated environmental, social, and governance (ESG) into the Policy to fulfill its corporate social responsibilities and achieve the goal of sustainability.

The Company takes into account sustainability factors, such as ESG, in the investment target assessment, investment decision-making, and investment management stages, and fulfills its stewardship function to increase the value of its investments and drive the sound development of its investment business. Furthermore, we established exclusion standards to exclude companies that are involved in environmental pollution, social disputes, or poor corporate governance when evaluating potential investment targets, excluding them from the Company's direct investments.

We continue to monitor, analyze, and evaluate information on investment targets after making investments. If any investment target is involved in matters listed in the exclusion standard, we immediately examine and evaluate if the investment target has made any improvements or plans, and provide explanations for response measures taken by KGI Life in the evaluation report, such as changing our investment strategy or lowering the investment limit. Going forward, the Company will continue to adjust its investment portfolio with an emphasis on the implementation of ESG initiatives, in hopes of driving carbon reduction in the industry value chain through climate actions.



Responsible
Investment Policy

Investment Evaluation Principles

The Company formulates responsible investment policies for different types of investments, and incorporates ESG issues into the investment analysis and decision-making process. We set clear "investment exclusion criteria" and comprehensively evaluate the development, profit performance and sustainability actions of the target industry, increasing the value of investment assets and actively developing climate risk and carbon emission management mechanisms. If the main business items of a company involve environmental pollution, social disputes, or poor corporate governance, the company is excluded from KGI Life's direct investment. We also consider lists or indexes of companies with excellent sustainable development performance selected by well-known or credible domestic and foreign institutions or government agencies.

Negative List

SASB FN-IN-410a.2

ENVIRONMENTAL

- Tropical Forest Lumbering Industry
- Tobacco Industry
- Polychlorinated Biphenyls
- Nuclear Weapons

SOCIAL

There is evidence proving involvement in:

- Illegal Gambling
- Terrorism Financing Activities
- Pornography
- Slave Labor
- Drugs
- Employment of Child Labor
- Money Laundering
- Violations of Human Rights

GOVERNANCE

There is evidence that the Board of Directors violated the law, Articles of Incorporation, or resolutions of the shareholders' meeting when performing its duties and it had a significant impact on the rights and interests of shareholders or investors.

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For private equity funds and ETF issuers overseas, we not only evaluate their ESG policy, but also include whether they are a signatory to the PRI in our selection standard.

■ Investment Evaluation Principles SASB FN-IN-410a.2



Considers the company's implementation of environmental protection, such as: whether the materials and processes for making products comply with environmental protection standards, and whether the company implements energy conservation, carbon reduction, and waste disposal measures in its operations



Considers the company's labor rights, human rights protection measures, social service input, and contribution to society, or if its products are a matter of social security, improved efficiency, or if the company is an industry leader



Considers the company's ethical corporate management, compliance, information transparency, independence of directors and supervisors, and CSR report preparation, etc.

For private equity funds, we not only evaluate its ESG policy, but also include whether the fund management company is a signatory to the PRI in the selection standard.

Lists or Indexes of Excellent Sustainable Development Performance Selected by Well-known or Credible Domestic and Foreign Institutions or Government Agencies



Responsible Investment Process

KGI Life established the Responsible Investment Policy, investment policy, and operating guidelines after referencing the United Nations' Principles for Responsible Investment (PRI). We incorporated ESG issues into the investment analysis and decision-making process for different asset categories. We take into account ESG factors when making investment decisions, and use the MSCI and Bloomberg databases to assess the ESG and financial performance of investment targets. Whether investments are increased or decreased is determined based on assessment results. The percentage of individual stock investment reports that include ESG evaluation reached 100%. An investment evaluation report that references the investment target's ESG report and other information must be prepared before making an investment. The report considers a number of ESG aspects, including environmental protection, labor-management relations, corporate governance, climate action, and other sustainability activities. We also consider the climate transition risks of investment targets, and use carbon emissions as the standard for determination; higher carbon emissions indicate higher transition risks. By compiling a list of high-carbon emission industries, we can further examine whether investment targets have implemented or prepared transition plans for climate risks.

When evaluating investments in green bonds, we not only reference the investment target's ESG report and other relevant information, but also review its green bond fund management plan, control methods, and expected environmental benefits. This ensures that we achieve our expected influence goals and serve as reference for adjusting investment decisions. We also use the ESG checklist and investment evaluation report to select investment targets with sustainability value.

After making an investment, we continue to monitor, analyze, and assess relevant information on the company. We periodically review trends in operations or the industry chain of investees, and report investment performance to the highest level supervisor. Investment results are also disclosed in the Sustainability Report. We strictly review reports on use of funds from green, social, and sustainability bonds to verify if they are aligned with our green investment policy, and ensure that funds are used to support sustainable development of the environment or society. In addition, we regularly calculate the total carbon emissions and carbon emission intensity of

Integrating ESG Factors into Investment Decision-making

KGI Life established an ESG review mechanism to reduce the overall risk of its investment portfolio. The ESG checklist integrates factors in the three aspects of ESG into investment analysis reports to assess the sustainability actions of the investment target. When investing in listed/OTC-traded stocks and bonds, we take into consideration the investee company's financial performance, and also cautiously consider its ESG performance, using external resources, such as: the MSCI ESG database, to understand the investment target's performance in terms of financial carbon emissions and ESG ratings. In addition to assessing the carbon emissions of the investment portfolio, we also examine relevant negative controversial news and whether the investment target is included in domestic and overseas lists of companies with outstanding sustainable development performance.

The Company plans to incorporate climate risk factors into its investment process reviews, so as to effectively assess and manage the climate risks of investment targets. We will enhance the review mechanism for investment targets involving higher climate-related risks, and regularly assess changes in the climate-related risks of investment targets, using it as the basis for adjusting investment positions.

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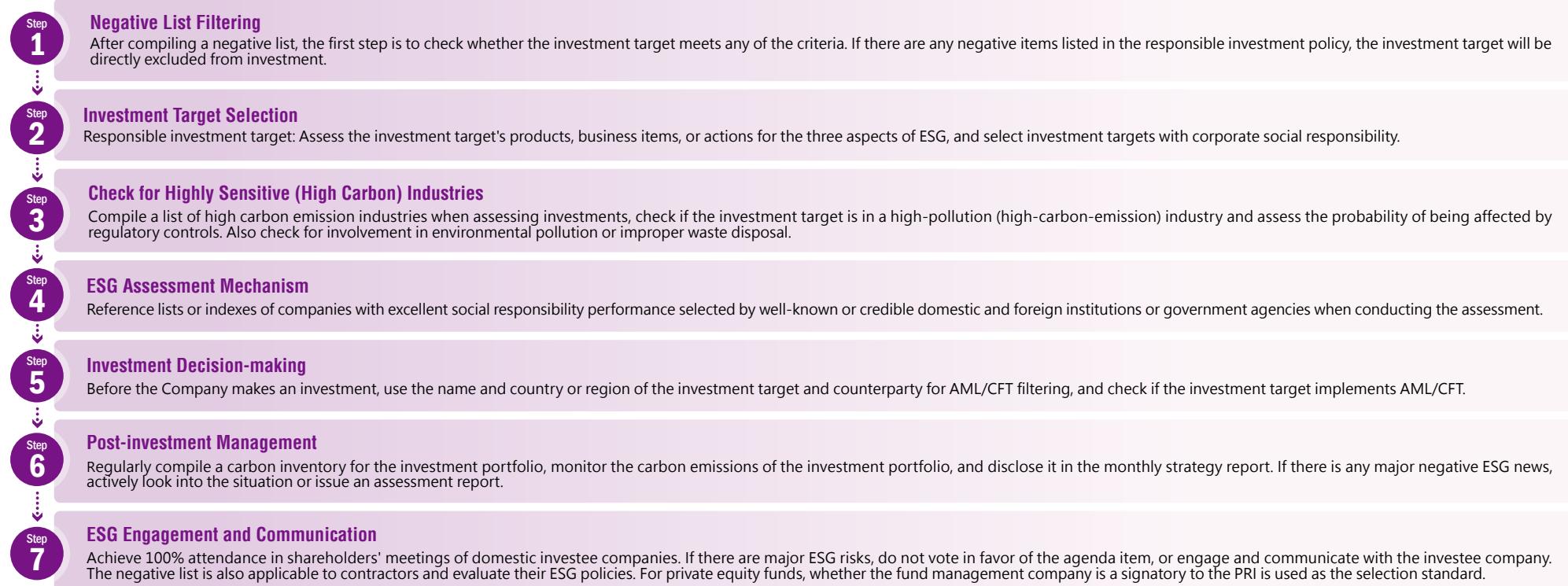
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our investment portfolio based on the carbon emissions of investment targets announced in the MSCI database, and use it for internal assessment and management to gradually adjust and reduce the carbon emissions of our investment portfolio, so as to achieve our environmental protection goals. The scope of responsible investment includes listed and unlisted stocks and bonds in Taiwan and overseas, overseas funds, overseas ETF issuers, and fund management companies.



KGI Life plans to inspect or review ESG topics in the investment process, decide on investment targets based on macroeconomic analysis, industry research, and investment reports, and make investment decisions within the investment limit. We monitor and manage investments by periodically compiling the carbon emission inventory of our investment portfolio, and irregularly look into or prepare investment reports on ESG issues or major negative news involving investment targets. The responsible unit then determines whether engagement and communication is necessary based on its materiality.

For overseas funds, ETFs, and fund management companies, we not only evaluate if its investment policy complies with the Company's responsible investment policy, but also factor in whether the overseas fund management company is a signatory to the PRI in our selection standard.

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Stewardship Principles for Institutional Investors

KGI Life actively implements the Stewardship Principles for Institutional Investors, and signed the "KGI Life Stewardship Principles" compliance statement on June 21, 2018. We established the "Stewardship Policy" in 2023 to properly serve our role as an institutional investor, and further look into and communicate with investee companies regarding the risks they face in the industry or their strategies by attending shareholders' meetings, exercising voting rights, and engaging in dialogue and interaction with directors or managers of investees. We aim to build a consensus with investee companies in long-term value creation, and participate in the corporate governance of investment targets, in hopes of influencing investee companies through our role as an institutional investor, fulfilling our stewardship.

KGI Life actively exercises its rights as an institutional investor and participates in 100% of domestic investee companies' shareholders' meeting, within the scope permitted by law. With the exception of waiving voting rights for certain agenda items due to certain regulations, KGI Life voted on 100% of agenda items during shareholders' meetings of domestic listed/non-listed companies. Furthermore, KGI Life also participated in the Investment Research Working Group of the Life Insurance Association of the Republic of China, and implemented the PRI principles. We further encouraged investors to accept and implement the PRI. 100% of overseas funds and ETF companies and 69%^① of fund management companies of overseas private equity funds held by KGI Life are signatories to the PRI, a clear indication of KGI Life dedication to promoting the UN's PRI.

■ Six Principles of PRI

Principle 1 Incorporate ESG issues into investment analysis and the decision-making process

Implementation Results

- Formulated the Responsible Investment Policy, investment policy, and operating guidelines to ensure ESG factors are considered when making investment decisions
- Evaluated investment targets based on ESG checklist before making investments and conducted periodic assessments after making investments for management
- Theme-based investments (renewable energy, energy technology development, green buildings and transportation, and sustainable water resources management)
- Complied a carbon inventory of investment positions based on the list of high carbon emission industries compiled according to relevant procedures using external resources
- If an investee company faces a major fine, the Company will issue a research report to evaluate the case and continue to track the investee's status

Principle 2 Actively exercise ownership and incorporate ESG issues into ownership policies and practices

Implementation Results

- Participation in the shareholders' meetings of domestic public investee companies was 100%, and KGI Life voted on 100% of agenda items at the shareholders' meetings
- Non-public investee companies are included in the evaluation report and post-investment management. Participation in shareholders' meeting was 100%, and KGI Life voted on 100% of agenda items (except for the directors and supervisors election, which we waived the right to vote due to the Insurance Act, we voted on all other matter items)

Principle 3 Require investees to appropriately disclose ESG information

Implementation Results

- The investment evaluation report references the ESG report and other relevant information of the investment target

Principle 4 Encourage the investment industry to accept and implement PRI

Implementation Results

- 100% of foreign fund and ETF issuers and 69% of the foreign private equity funds held by the Company are signatories of the UN PRI. We set a PRI threshold for investments in private equity funds, and examine the ESG implementation status of foreign bond issuers we invest in according to the ESG checklist

Principle 5 Establish cooperation mechanisms and improve the effectiveness of implementing the PRI

Implementation Results

- Encouraged foreign private equity fund companies to sign the PRI
- Participated in the Life Insurance Association of the Republic of China and discussed investment practices of life insurance companies with the industry
- Participated in ESG forums organized by external organization and cooperated with competent authorities in discussing sustainability-related issues
- Invited external institutions to share experience in sustainable finance and ESG data analysis

Principle 6 Separately report on activities and progress with regard to PRI implementation

Implementation Results

- Periodically reported the carbon inventory of the investment portfolio to the Responsible Finance Working Group and reported and reviewed the percentage of investments in high carbon emission industries
- Periodically reviewed the increase in green investment
- Presented the implementation results of responsible investment to stakeholders through sustainability reports and institutional investor stewardship reports

^① The change in 2023 was due to the disposal of funds. As of the end of 2023, the proportion that signed the PRI was 69%.

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■ Breakdown of Engagement and Interactions with Domestic Investee Companies on ESG Issues in 2023^②

	(E) Environmental Issues	(S) Social Issues	(G) Governance Issues	Overlapping ESG Issues
Number of Times	93	93	289	93
Ratio	20%	20%	60%	59%

■ Interaction Methods and Proportion of Visits to Domestic Investee Companies in 2023

Visits		Visited a total of 171 investee companies with an average of 1.39 visits per company
Shareholders' Meetings	Listed/OTC Companies	Attended the shareholders' meetings of 79 listed/OTC investee companies, with an attendance rate of 100%, voted on 381 agenda items, and voted 382 times by type of agenda item during shareholders' meetings.
Shareholders' Meetings	Non-listed /Non OTC Companies	Attended the shareholders' meetings of 22 non-listed/OTC public investee companies, with an attendance rate of 100%, voted on 107 agenda items, and voted 107 times by type of agenda item during shareholders' meetings.



Statement of Compliance with the Stewardship Principles for Institutional Investors, Stewardship Report, disclosure of voting in investees' shareholder meetings, engagement records each year

^② Includes the distribution of engagement questionnaires and shareholder actions.

Dedicated Responsible Investment Personnel and Educational Training of ESG Issues SASB FN-IN-410a.2

We have appointed dedicated responsible investment management personnel, provided investment managers with ESG training, and provided sustainability talent training on domestic and overseas development trends in sustainable finance, legal framework, and climate change risk management, ensuring that ESG values are implemented in the Company's investment practices. The total number of training hours reached 402 hours. We invested approximately NT\$32,800 to cultivate dedicated ESG responsible investment talent.

■ Duties of Dedicated Responsible Investment Personnel



Continuously monitor international trends in sustainable development



Research international benchmarks for responsible investment methods



Ensure the implementation of ESG in responsible investment



Gradually influence the future outlook of trading counterparts, investees, and stakeholders by internalizing responsible investment

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Three Major Climate Actions

We understand that climate change has become a global risk. As an asset owner, KGI Life hopes to work with investees and jointly generate influence in climate actions through the guidance of funds and capital flow. After discussions in cross-departmental meetings, investment departments propose potential climate actions based on analysis of carbon emissions of our asset portfolio, including: adjusting positions and investment targets, participation in shareholders' meetings, forums, and workshops. After considering feasibility, we selected three major climate actions, "Investment in renewable energy power plants," "Investment in green bonds," and "High carbon emission industry Engagement" as our current operating goals.

The Company's Responsible Investment Policy checks investment items one by one and evaluates the results in investment research reports, deciding whether to invest or adjust investment decisions based on evaluation results.

Prior to investing in green bonds, we reference the ESG report or other relevant information of the investment target, and examine the green bond fund management plan, management method, and expected environmental benefits disclosed by the investment target. We use the ESG checklist and investment evaluation reports to screen for investment targets with sustainability value. The report considers ESG aspects, including environmental protection, labor-management relations, corporate governance, climate action, and other sustainability activities.

In addition to continuing to pay attention to, as well as analyze, and assess company-related information, we also review the fund utilization reports for every green, social, and sustainability bond to ensure that the funds are used to support environmental or social sustainable development. We regularly calculate the total carbon emissions and carbon emission intensity of our investment portfolio based on the carbon emissions of investment targets announced in the MSCI database each month, and use it for internal assessment and management to gradually adjust and reduce the carbon emissions of our investment portfolio, so as to achieve our environmental protection goals.

If the main business operations of a company involve major negative controversies, such as environmental pollution, social disputes, or poor corporate governance, the company is excluded from KGI Life's direct investment.

Investment in Renewable Energy Power Plant

To realize the value of corporate sustainability and support the development of Taiwan's renewable energy industry, KGI Life's Investment and Sustainability Team carefully evaluates qualifications, risks, and related opportunities of investment targets. KGI Life has invested approximately NT\$1.508 billion in renewable energy power plants (up 9% compared to the previous year) as of 2023. Renewable energy from the power plants helped reduce carbon emissions by approximately 338,000 tons in 2023. Based on the proportion of KGI Life's expected investment amount, the investments will reduce carbon emissions by approximately 107,000 tons. As of 2023, the renewable energy power plants the Company invested in are expected to have a total installed capacity of 774 MW (up 20% compared to the previous year), and electricity generation is expected to reach 1.03 billion kWh (up 20% compared to the previous year).

KGI Life is actively investing in the renewable energy industry. In addition to increasing the percentage of renewable energy investment, KGI Life will continue to search for investment opportunities with development potential and concrete environmental benefits.

Green and Sustainable Investment

KGI Life actively invests in iconic green bonds, sustainability-related funds, and ETFs in Taiwan and overseas, and expects the funds to be invested in renewable energy, the improvement of energy efficiency, green transportation, sustainable water resource management, and green buildings. As of 2023, KGI Life's green and sustainability investment amount was approximately NT\$34.17 billion, up approximately 11% compared to 2022. Investment items include green bonds, sustainability bonds, renewable energy, sustainability themed funds, and green energy technology.

The amount invested in green bonds and sustainability bonds increased by approximately 5% compared to 2022. This is expected to reduce GHG emissions by 436,000 metric tons per year.

KGI Life supports the government's Green Finance Action Plan 3.0, a policy that promotes the development of green financial products, and invested approximately 2.3

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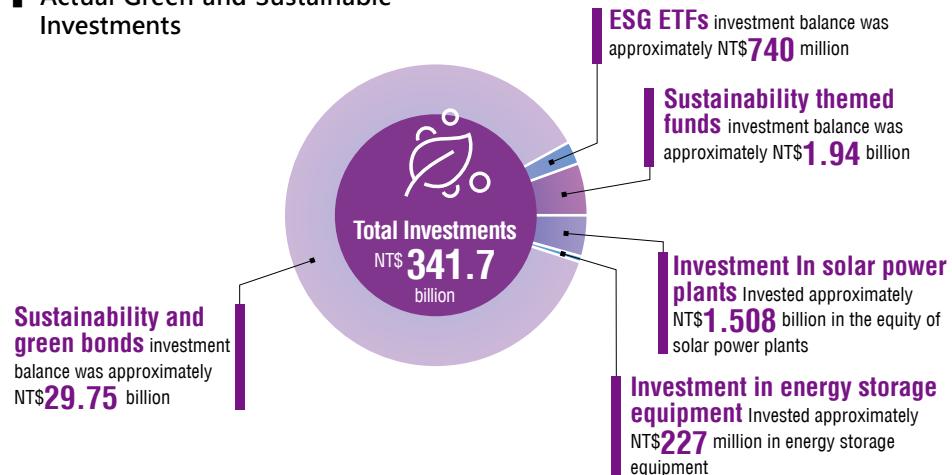
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billion in green bonds recognized by the Taipei Exchange and approximately NT\$740 million in ESG ETFs to support the development of clean energy in Taiwan, putting ESG investment into practice through financial actions.

Actual Green and Sustainable Investments



Engaging High Carbon Emission Industries

After identifying high carbon emission investment positions ^③, KGI Life distributed 93 questionnaires to high carbon emission investment targets in 2023, with the goal of jointly engaging in climate action with investees, and encouraging investees to actively conduct GHG emission inventory management. Set reduction goals, carry out reduction actions, and track emission reduction results. Through analysis, we are able to better grasp the scale and industries of investee carbon emissions, as well as their current carbon reduction measures, climate actions, and future carbon reduction goals. We continue to track their carbon emissions and other climate actions to verify if investees are able to achieve the goals they set for each given year.

^③ High carbon emission industries that we identified include electricity and gas supply, quarrying of stone, sand, clay and other mining, other non-metallic mineral products manufacturing, manufacture of other chemical products, electronic parts and components, oil and natural gas mining, and manufacture of plastic products.

Investees that Participate in Climate Engagement

79.2% already have a dedicated committee responsible for managing the company's climate change issues



95.8% have compiled Scope 1 and Scope 2 emissions



25% have committed to the SBTi initiative
25% plan to commit to the SBTi initiative



62.5% reduction in GHG emissions compared with the previous year



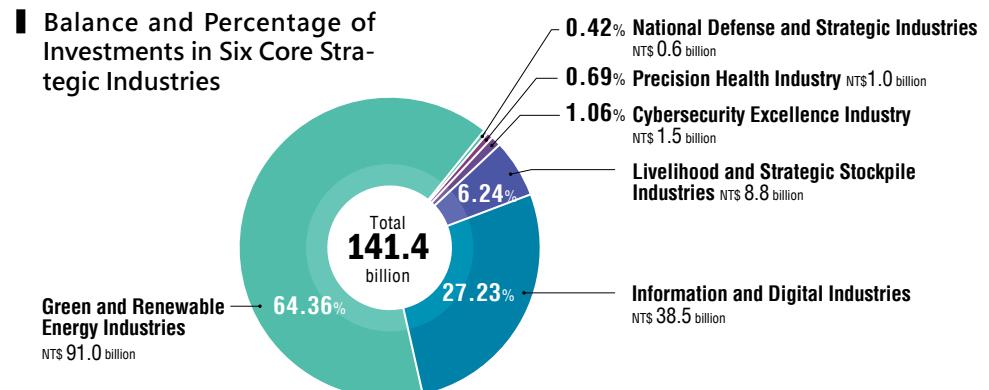
58.3% have carried out climate-related financial risk disclosures (TCFD Report)



Support for the Government's Industry Policies Actively Investing in Six Core Strategic Industries

After the Five Plus Two Industry Innovation Plan, KGI Life continued to actively invest in and support natural gas power plants, green energy, and information security companies under the government policy to invest in six strategic industries. The balance of direct and indirect investments in six strategic industries reached NT\$141.4 billion in 2023.

Balance and Percentage of Investments in Six Core Strategic Industries



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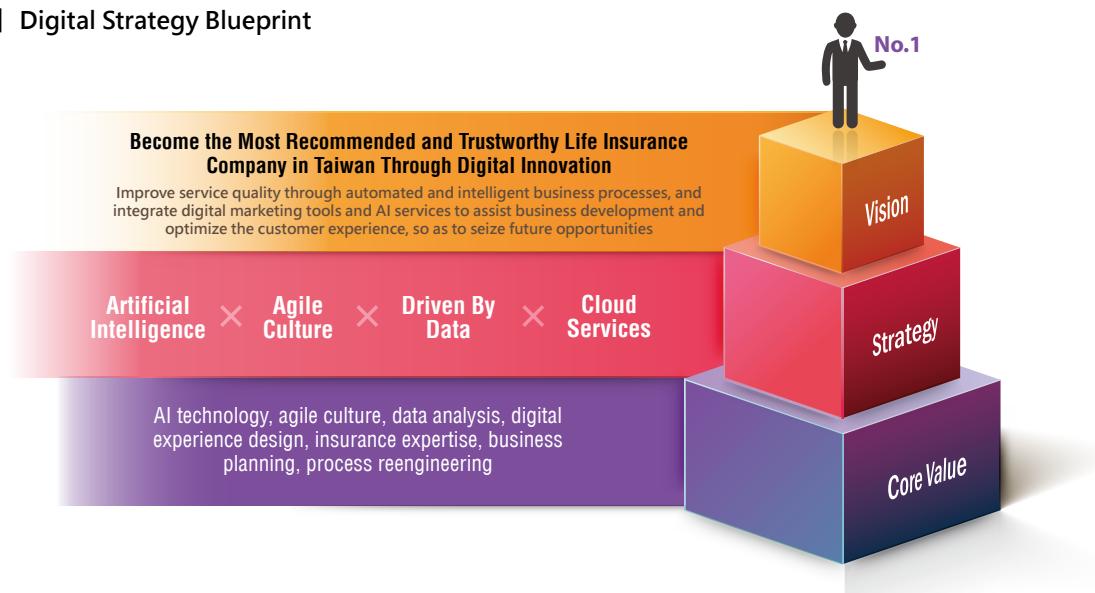
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Digital Finance Innovation Development

Digital Finance Strategy Blueprint

In face of Fintech trends, KGI Life has invested heavily in digital and data infrastructure and allocated abundant resources in accelerating its digital capabilities. By using "AI," "Agile Culture," "Driven by Data," and "Cloud Services," we have implemented a comprehensive digital innovation strategy to provide thoughtful services through innovative technologies. We strive to become the most recommended and trustworthy life insurance company in Taiwan.

Digital Strategy Blueprint



(I) Artificial Intelligence

We continue to improve our AI technical capabilities, expand application scenarios, and use AI algorithms to optimize resource use, reduce carbon emissions, improve operational efficiency, and strengthen risk management, providing sustainable and innovative financial solutions.

• AI Assistant "Afu"

"Afu" is a life insurance AI assistant customized by KGI using natural language processing technology to help insurance agents quickly obtain the information they need. Using the system API, "Afu" not only provides insurance agents with customer service information, but also gives insurance agents opportunities to provide thoughtful services, improving the quality of customer services, reducing the number of calls from customers requesting consultation, in addition to reducing waiting time. "Afu" is the most trusted and most considerate AI assistant that insurance agents can depend on.

In 2023, we continued to optimize "Afu" through continuous iterations, and added as well as optimized more than 300 knowledge points throughout the year, and developed and launched 7 new functions, resulting in a 2.3-fold increase in question answering coverage, 3.1-fold increase in usage, 2.1-fold increase in number of users, and 76.8% increase in NPS compared to last year.

• "Smile to Sign" Remote Insurance Enrollment Using Facial Recognition

KGI Life was the first to apply facial recognition technology into its insurance enrollment process, and implemented the most rigorous information security and personal data protection measures. We were the first in the industry to receive approval for trial basis implementation across all channels, and developed an AI-based identity verification mechanism, eliminating the constraints on time and place of conventional in-person insurance enrollment. This reduced the consumption of paper and resources during transportation, leading the industry into a new era of using facial recognition for new insurance enrollments. Since

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its launch, the number of cases has exceeded 39,000, improving administrative efficiency by 25%.

● KGI Life "i-Life" APP

KGI Life upholds the philosophy of being "customer-centric" and launched three services: "convenient self-service," "immediate access to past history," and "lifestyle of abundance and health" at the start of 2022. Through KGI Life app, policyholders have direct access to policy services, health management, policyholder discounts, and reminder notifications through the KGI "i-Life" APP, providing customers with convenient and easy digital insurance services.

The KGI Life "i-Life" APP has an intuitive, simple, and clear interface to provide users with insurance and steward services for daily life. This platform links insurance, health, healthcare, life, and technology together, and is a convenient self-service platform that provides one-stop insurance services based on customers' needs. The platform has a friendly financial service section and also provides an accessible interface and voice recognition services under the policy to provide friendly financial services. The KGI Life "i-Life" APP obtained the app accessibility certification of Taipei Parents' Association for the Visually Impaired, making KGI Life the first insurance company in Taiwan to obtain this certification, achieving the policy of friendly financial services by providing visually impaired people with friendlier services.

As of the end of 2023, the number of members using the KGI Life "i-Life" APP has exceeded 200,000, and the cumulative number of uses has exceeded 2.3 million. The app continues to lead competitors in ratings on the app download platform, showing that the app's digital services are highly recognized by policyholders and members. The KGI Life "i-Life" APP provides over a hundred functions since it was released, including functions like policy inquiry and change, online payment, claims application and inquiry, policy loan repayment, health management, policyholder discount, and counter service reservation. The app embeds health management and lifestyle information into customer services through cross-sector cooperation. If customers need to seek medical attention or receive a health examination, they can use the consultation services and exclusive health examination plan of partnering hospitals. We also extend-

ed from policy services to health and lifestyle services, and expanded the breadth and depth of customer services to meet the different needs of their life journey.

(II) Agile Culture

Facing the rapid changes of the industry, as well as breakthroughs in technology and business models, digital user experience is becoming increasingly important. KGI Life established the Agile Academy to embed agile culture into its corporate DNA, in order to rapidly respond to changes, accelerate delivery of software, increase team productivity, optimize teamwork, improve software quality, and improve customer satisfaction.

In 2023, the <Agile Academy> provided consultation to 8 agile product teams, helping them achieve their project goals using agile working methods; organized 32 professional courses, workshops, or related activities, and promoted academic knowledge on agile development and cultural literacy; provided digital tools to support cross-departmental operations of the teams; and implemented user-centric and data-driven management concepts.

(III) Driven by Data

We use big data to gain a comprehensive understanding of customers, which helps us provide them with customized products and services that meet their needs. At the same time, we use big data analysis to identify excellent insurance agents who can provide customers with better services in the long-term.

● Big Data Platform

Compiles data from the Company's systems and uses it as the basis for data analysis and development, identifying important and critical customer information. We have also created a data dictionary to develop data lineage and complete data monitoring mechanisms.

● Customer Analysis Data Market

To provide customers with better services, we established a 360-degree comprehensive customer analysis data market. We periodically update the basic information, attributes, behavior, and transaction records of customers, summarize and analyze the data, and then label the data to

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comprehensively understand customers' needs with the goal of optimizing the customer journey.

• List of Target Customers for Protection Products

We prioritize customer protection and use big data analysis and machine learning models to generate a list of target customers for the promotion of protection products, allowing insurance agents to prioritize target customers when it comes to sales visits for the promotion of health insurance, dementia insurance, and life insurance products.

• Aptitude Test for Potential Prediction

Aiming to provide customers with an excellent experience, we developed an aptitude test questionnaire and conducted data analysis to understand their personality traits and identify insurance agents with potential. We further provide suitable cultivation plans to assist in the cultivation, growth and retention of talents, and maintain stable, long-term relationships with customers, offering them complete and quality experiences.

(IV) Cloud Services

• Cloud Data Analysis Platform

KGI Life is committed to adopting data-driven strategies to flexibly expand various analysis scenarios through the use of cloud services and a complete application ecosystems. We also utilize machine learning technology to improve operational efficiency and accuracy, and reduce the initial costs and maintenance manpower required to deploy basic computing facilities. This enables KGI Life to continue to stay ahead and remain the leader in development of digital transformation in face of ever-changing digital trends.

Digital Innovation Applications

We are looking into new technologies and existing operating procedures in search of scenarios for improvement and optimization. KGI Life actively forms strategic alliances within the industry and engages in cross-industry cooperation to create a better customer experience.

Cross-industry Collaboration with World Gym - Get Healthy Together

Health is the foundation of well-being. As the guardian of customer well-being, KGI Life's promotes its corporate value proposition of "committed to your happiness." We collaborated with World Gym, the largest fitness brand in Taiwan, and the Chi Mei healthcare system to encourage customers to manage their own health and pursue their well-being. We organized online and offline customer guidance and business matching activities, used a digital platform for pan-health cross-domain cooperation, as well as encouraged customers to exercise regularly and enrich their health knowledge. This will accumulate health capital and allow the transition from focusing on insurance claims to health promotion and illness prevention, providing customers with a more diverse insurance service experience.

Furthermore, customers can also add KGI Life's official LINE account, fill out an insurance needs questionnaire, and make an online appointment for a consultant to review their coverage, helping people realize a healthy and happy life.

KGI Life will continue to be a proponent of health maintenance and continue to enrich as well as expand its insurance coverage, health management, and medical care services, and accompany customers on their journey to happiness.

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ACHIEVING FINANCIAL INCLUSION

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Treating Customers Fairly

Sound corporate governance and ethical corporate management are the cornerstones of KGI Life's sustainable development. We treat financial consumers fairly, fulfill our long-term commitment to customers through sustainability practices, and implement KGI Life's business philosophy of "fairness, empathy, and treating customers as we would ourselves," fulfilling our responsibility of financial consumer protection to achieve the mission of sustainable financial development in the long term.

We referenced the FCA's Guidance for Firms on the Fair Treatment of Vulnerable Customers and amended the Company's Fair Customer Treatment Policy, Fair Customer Treatment Strategy, and Guidelines for Implementing the Fair Customer Treatment Principles in 2023, in order to embed the culture of treating customers fairly and services. The amendments expanded the scope to vulnerable groups (groups whose first language is not the official language), and included contents of the friendly financial services and Convention on the Rights of Persons with Disabilities (CRPD) into the training courses of directors, responsible persons, senior managers, and all employees. We also used a variety of methods to improve the digital divide based on the characteristics and needs of vulnerable customers, so that there are clear regulating standards for top-level policies, implementation strategies, and implementation regulations.

KGI Life Management Framework for Treating Customers Fairly

Core Philosophy: Fairness, Empathy, and Treating Customers as We Would Ourselves

Respond to Domestic and Foreign Regulations/Trends

- Fair customer treatment principles of financial services
- Friendly Financial Service Guidelines for the Insurance Industry
- UK Financial Conduct Authority's FG21/1 Guidance for firms on the fair treatment of vulnerable customers
- G20/CRPD High-Level Principles on Financial Consumer Protection
- Effective Approaches for Implementing the G20/OECD High Level Principles on Financial Consumer Protection

Establish Internal Regulations

- Fair Customer Treatment Policy
- Fair Customer Treatment Strategy
- Guidelines for implementing the Fair Customer Treatment Principles

Implementation by Dedicated Organization

- Treating Customers Fairly Committee
- "Product Marketing Group"
- "Channel Group"
- "After-sales Experience Group"
- "Customer Service Group"
- "Customer Rights Protection Group"
- The president serves as the chairman of the committee
- Convenes quarterly meetings
- Dedicated unit assisting in the implementation of treating customers fairly measures

Implementation of Three Core Aspects

- "Digital leap, carbon reduction and sustainability"
- "Care for equal rights, value spillover"
- "Customer rights protection, ethical corporate management"
- Set goals for fair customer treatment
- Set goals
- Regularly track achievement status

Goal Setting and Continuous Optimization

Upholding the core spirit of love and care, we continue to supervise and deepen existing fair customer treatment practices, and also actively respond to financial consumer protection-related laws and policies of the competent authority. We continue to focus on international trends and best standards for treating customers fairly, and take action to promote and optimize different aspects, as well as adopt the use of big data and AI technology based on our core insurance expertise in protecting consumer rights and interests, optimize the customer experience, and deliver service value through human warmth, demonstrating financial inclusion by providing different ethnic groups with access suitable financial services, expanding the coverage and influence of friendly financial services, and providing a positive force for social stability.



KGI Life Treating Customers Fairly Webpage

Treating Customers Fairly Committee

KGI Life initiates change and innovation centered on customer needs. We established the "Treating Customers Fairly Committee" in 2019 to provide customers with sustainable financial solutions. Directors and senior managers serve as committee members and regularly supervise the implementation status and make suggestions.

The "Treating Customers Fairly Committee" consists of five groups. The committee convenes quarterly meetings for the groups to report their implementation results. Contents of the meetings are submitted to the Board of Directors for discussion, with the Board giving suggestions when necessary. The committee has convened 19 meetings since its establishment, and independent directors have participated in 4 of the meetings and provided guidance. Agenda items reported to the Board of Directors in 2023 include summary of meetings of the Treating Customers Fairly Committee and progress of action plans by quarter, and the establishment and amendment to the Fair Customer Treatment Policy, Fair Customer Treatment Strategy, and Guidelines for Implementing the Fair Customer Treatment Principles.

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Dedicated Unit and Direction for Implementing Treating Customers Fairly

The Company established a dedicated promotion and implementation unit in 2021 before legislation was completed, in order to strengthen the promotion and implementation of treating clients fairly. The unit was originally headed by a vice president-level supervisor, and was headed by a senior VP-level supervisor in 2023. The unit handles meeting affairs of the Treating Customers Fairly Committee and engages in cross-departmental communication and coordination, assists the planning and implementation of the Fair Customer Treatment Principles, and embeds treating customers fairly into the workplace culture of office staff and sales agent by setting fair customer treatment performance evaluation indicators for all employees. Moreover, the unit continues to improve operating procedures to become aligned with international trends, and implements the 10 principles of treating customers fairly in various aspects of the Company's insurance services. To periodically track treating customers fairly implementation results, we have established indicators and goals for, which are reported during committee meetings.

01 Friendly to Persons with Hearing Impairment

"Sign language translation reservation service" made available to policyholders with hearing impairment, providing accessible counter services.

08 Health Promotion for the Elderly

In 2023, we planned a fitness trip in cooperation with Duo Fu for policyholders, with overall policyholder satisfaction of 4.8/5.

07 Healthcare

Collaborated with Koo Foundation Sun Yat-Sen Cancer Center in providing policyholders suspected of having cancer with a professional second opinion and medical service referral.

06 Friendly to New Immigrants

Led the industry by working with the New Immigrant Family Development Association in providing simultaneous multi-language interpretation services in nine languages, in order to protect the rights and interests of new immigrants.

02 Friendly to Persons with Disabilities

Provided friendly service counters and dedicated personnel to provide priority assistance from dedicated personnel, provide offering various insurance services, and provide home services for the disadvantaged.

03 Friendly to Persons with Visual Impairment

KGI Life "i-Life" APP/Official website accessibility section passed the accessibility test.

04 Fraud-prevention Financial Education for the Elderly

Organized "age-friendly fraud prevention promotion" activities and distributed anti-fraud trinkets to improve basic insurance knowledge and remind the elderly on how to avoid fraud.

05 Friendly Financial Measures for Elderly People with Dementia

KGI Life started working with Taiwan Alzheimer Disease Association began jointly creating friendly financial services for people with dementia in 2019.



Friendly to Persons with Hearing Impairment

To provide consumers with hearing impairment with the most suitable services, KGI Life began to cooperate with the "Chinese National Association of the Deaf" in 2022, introducing the sign language translation service mechanism to help people with hearing impairment communicate smoothly.

▪ Sign Language Translation Reservation Service

- A sign language interpreter will be arranged via app/official website/e-mail/friendly hotline to provide translation via video chat at the service counter.

▪ Financial Knowledge and Fraud Prevention Lectures

- In 2023, KGI Life became the first in the industry to organize 2 lectures on financial insurance knowledge and fraud prevention exclusively for people with hearing impairment. The on-site sign language interpreters and real-time captioning allows attendees with hearing impairment to improve their financial knowledge and fraud prevention abilities.

▪ Sign Language Education and Clubs

- We organized 6 "Hearing Impairment Friendly and Sign Language Training" courses in 2023. We established a "Sign Language Club" for employees to voluntarily participate in learning sign language, and further use their sign language skills in practical work.



Friendly to Persons with Disabilities

To let society see the service needs of the elderly and of people with disabilities, KGI Life actively proposed response measures and is committed to understanding and caring for disadvantaged customers. We comprehensively developed better services for financial consumers to properly protect the rights and interests of customers.

▪ Enjoy Differentiated Inclusive Services Throughout the Policy Life Cycle

- Friendly service counter and friendly financial service hotline: Announced a list of barrier-free facilities at each customer service center on the company website, and provided friendly service counters and priority assistance through dedicated personnel when handling insurance affairs. In 2023, 766 policyholders received friendly counter services. For elderly customers, we established a financial-friendly service hotline for disadvantaged customers, which quickly transfers customers to dedicated personnel without needing to enter their ID, providing services to a total of 4,189 callers in 2023.

- Home service for disadvantaged groups: For elderly policyholders who cannot use digital services and have difficulty going out, and policyholders with limited mobility, physical and mental disabilities, or suffered major accidents, we will contact the policyholder within 48 hours after accepting the application. In 2023, we provided assistance to a total of 83 policyholders.

- When the complainant is a person with disabilities or an elderly person, we use a suitable communication method based on actual needs, e.g. phone calls, interviews, conversation by writing, text messages, e-mail, documents, and audio recordings.

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Friendly to Persons with Visual Impairment

KGI Life worked with the "Taipei Parents' Association of the Visually Impaired" to bring in corporate volunteers and resources to support the skill development of the visually impaired, and expand inclusive care to reduce the digital divide through both online and offline efforts:

- **The First Insurance Company to Obtain Barrier-free Certifications for Dual Platforms**

- Optimized the policyholder app to better meet the needs of visually impaired people, and obtained the app accessibility certification from Taipei Parents' Association for the Visually Impaired, making KGI Life the first insurance company in Taiwan to obtain this professional certification.
- The accessibility section of the company website passed the inspection of the Accessibility Website of the Ministry of Digital Affairs and obtained the highest level (AAA) certification.

- **Call on Employees to Volunteer in Offering Services to the Visually Impaired**

- Called on employees to serve as volunteers at the association, including activity guide volunteers, volunteers to assist in courses for the visually impaired, and book scanning volunteers, so that employees can better understand the difficulties and needs of the visually impaired in daily life through practical assistance, learn to empathize with others, and provide more appropriate and friendly assistance to the visually impaired.



Fraud-prevention Financial Education for the Elderly

KGI Life believes that the financial industry can play a vital role in popularizing financial knowledge and raising people's fraud prevention awareness. We work with local institutions for the elderly to organize age-friendly fraud prevention promotional activities, which improve the basic insurance knowledge of residents of rural areas and tribes and disadvantaged elderly people, eliminating the gap between urban and rural areas and preventing elderly people from becoming fraud victims.

- We organized 22 "Financial Fraud Prevention Promotions" throughout the year, benefiting more than a thousand elderly people in rural areas who lack financial knowledge.
- The "age friendly" webpage specially designed for the elderly has a magnifying glass function and uses colloquial language, large font, and images to convey important financial knowledge and common fraud patterns, in order to make elderly people more alert. We completed 13 online four-frame situational comics, which achieved a total exposure of more than 230,000 views through digital channels such as social media from 2022 to 2023.
- We began producing "age friendly micro animations" in 2023, using simple and easy-to-share videos for elderly people to more easily share and promote anti-fraud concepts, and expanding the number of people reached through promotions on social media.
- Distributed nearly 10,000 anti-fraud trinkets and financial security manuals to remind elderly people to avoid fraud, protecting their asset safety.



Friendly Financial Measures for Elderly People with Dementia

KGI Life and Taiwan Alzheimer Disease Association began jointly creating friendly financial services for people with dementia in 2019. KGI Life further improved friendly financial services for the elderly through four services in 2023:

- **Improve the Financial Literacy of the Elderly**

- Organized 2 lectures on financial planning and dementia prevention for the Taiwan Alzheimer Disease Association, aim at helping people with mild dementia and their respective family members. In addition, we held a special session on financial knowledge and fraud prevention, using our insurance expertise to help families of dementia patients carry out financial planning.

- **Strengthen the Culture for Elderly-friendly Services**

- After all employees completed the dementia-friendly training course in 2020, KGI Life became the first dementia-friendly insurance company in the industry, and further invited the association's secretary-general to give a lecture in the dementia-friendly financial course of 2023, with 100% of employees completing training
- Combined the group's resources to jointly organize the "Fair Customer Treatment Month," allowing employees to deeply understand the situation of people with dementia and their families through movies. We invited Taiwan Alzheimer Disease Association to share the challenges faced by people with dementia in their daily life, and provided all employees with knowledge and methods for providing friendly services to people with dementia, helping frontline employees provide more considerate and suitable services.

- **Insurance Industry Service Guide for Elderly Customers & Anti-Wandering Key Chains**

- Referenced domestic and overseas elderly/dementia resources and consulted with the secretary-general of Taiwan Alzheimer Disease Association to develop the insurance industry's first "Service Guide for Elderly Customers," which includes understanding the characteristics of the elderly, assisting the elderly in using digital services, protection against fraud, and identifying people suspected with dementia and response measures. The guide serves as a consistent service standard for both office staff and sales agent.

- As of 2023, we donated 3,800 anti-wandering key chains to help people with dementia, making it easier to find their way home.

- **Advocate Friendly Financial Services for People with Dementia**

- In response to International Dementia Month, senior management directly engaged people with dementia to understand their needs. We once again donated the co-branded anti-wandering key chain jointly developed and designed by KGI Life and Taiwan Alzheimer Disease Association, and the satisfaction of visitors with the emergency contact card reached 4.3 and above.
- Sponsored the Dementia Program Design Competition for Colleges and Universities to stimulate cross-generational thinking in coming up with solutions for dementia issues, and prepare for Taiwan's crossover to becoming a super-aged society.

- **Plan Suitable Insurance Products**

- Launched "MAHUDA," the industry's first long-term "dementia + life insurance" policy, which fully prepares the policyholder for the massive treatment and care expenses incurred in the event of dementia. The coverage has four major features: (1) One-time emergency payment (2) Annual installment payment (3) Exemption mechanism to extend coverage (4) Reward sum if no claim is issued, helping prepare for quality of life at old age.

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Friendly to New Immigrants

The First Financial Institution to Offer "Multi-Lingual Real-Person Translation Service for New Immigrants"

- Translation services are provided in nine languages, including Vietnamese, Malay, Thai, Indonesian, Burmese, Filipino, Japanese, Korean, and English. The association's interpreters from different countries allow new immigrants to communicate in their native language and fully understand their rights and interests.
- Customer service centers around Taiwan have multi-language translators for frontline service personnel to provide immediate assistance to new immigrant customers.
- Released the first "insurance knowledge animations in multiple languages" and the easy-to-understand "Reminder of Important Rights and Interests of Policyholders" in multiple languages, hoping to help close the gap in financial knowledge of new immigrants and move towards the goal of financial inclusion.
- Customized financial insurance knowledge and fraud prevention courses for new immigrant interpreters, and organized "Financial Knowledge Training and Fraud Prevention Lectures for Multinational Interpreters."



Healthcare

- Collaborated with Koo Foundation Sun Yat-Sen Cancer Center in providing policyholders suspected of having cancer with a professional second opinion and medical service referral, and provided policyholders with different amounts of transportation fee subsidies based on their permanent address, which lifts the burden of healthcare on policyholders.



Health Promotion for the Elderly

- We planned a fitness trip in cooperation with Duo Fu for policyholders in 2023 for health promotion and to assist elderly people with preparing for an age-friendly and healthy lifestyle; overall policyholder satisfaction was 4.8/5.

Treating Customers Fairly Training

KGI Life provides training corresponding to different levels and responsibilities based on the Company's practical needs, in order to embed the culture of treating customers fairly and implement the spirit of friendly financial services. Contents of the training cover the protection of financial consumers' rights and interests, the latest legal trends, dementia-friendly financial services training, sign language training, visually impaired-friendly training, experience courses for persons with disabilities, Taiwanese language courses, and elderly-friendly communication skills. The training allows all employees to gain a deeper understanding of the needs of financially disadvantaged groups and treat them with empathy. In 2023, a total of 19 training sessions were organized with 51,009 participants for a total of 64,252 hours, embedding the culture of friendliness and service techniques in all office staff and sales agent.

- The "Dementia-Friendly Financial Course" taught by the secretary-general of the association was included as a required course in 2023. Participants learn about dementia, how to interact with customers with dementia. All office staff completed the training, making dementia-friendly skills the standard for all employees. At the same time, insurance agents also joined the ranks of learning, becoming seeds of dementia-friendly services.
- To provide elderly customers with suitable products and friendly services, we continue to strengthen legal training for insurance agents on fair treatment of customers over 65 years old, a higher standard than that required by law. At least 2 hours of training are arranged every year, and training content helps insurance agents to fully understand whether insurance products are suitable for customers who are >65 years old, as well as help them identify unsuitable subjects, while also educating them on customer traits.
- In 2023, we organized a total of 23 lectures on long-term care for employees and customers, and lectures on healthy aging for policyholders; with approximately 2,800 participants in total.
- We leveraged the practical experience in working with the Maria Social Welfare Foundation in terms of communicating with individuals who have disability (and their families) and inspiring empathy. We invited attorneys I-Cheng Chen and Kui-Chen Chang and physician Jo-Se Cheng, who are founding directors of the "Association of Compassionate Communication and Restoration" to hold 3 "Compassionate Communication and Fair Customer Treatment Workshops" in Taipei and Taichung. A total of 221 people received training on how to properly communicate with different types of customers.

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- We co-organized the "Visually Impaired-Friendly Training" course with the Taipei Parents' Association of the Visually Impaired to teach front-line customer service personnel techniques in guiding visually impaired individuals, as well as preparing a session in letting them experience the inconveniences that the visually impaired face on a daily basis, so that they are able to provide more suitable thoughtful services.
- We co-organized the course on "Friendly Financial Services for Persons with Disabilities" together with Duo Fu. Participants experience the daily life of persons with disabilities through outdoor practice, so that they can empathize and provide suitable services for persons with disabilities.

Employee Proposals for Treating Customers Fairly

Since 2019, KGI Life has organized annual treating customers fairly story contests that is open to both office staff and sales agent. The event has accumulated more than 1,400 ideas over the course of 5 years. For 2023, the theme was "Fair Customer Treatment Proposal & Slogan Selection," and requested proposals for improving fair customer treatment and slogans that best represent the TCF spirit. We received a total of 358 proposals, and the winning slogan was broadcasted in the elevator of our office around the clock, making it a part of employees' daily life. The proposals that have won awards over the years were gradually implemented with strong support from the Board of directors.

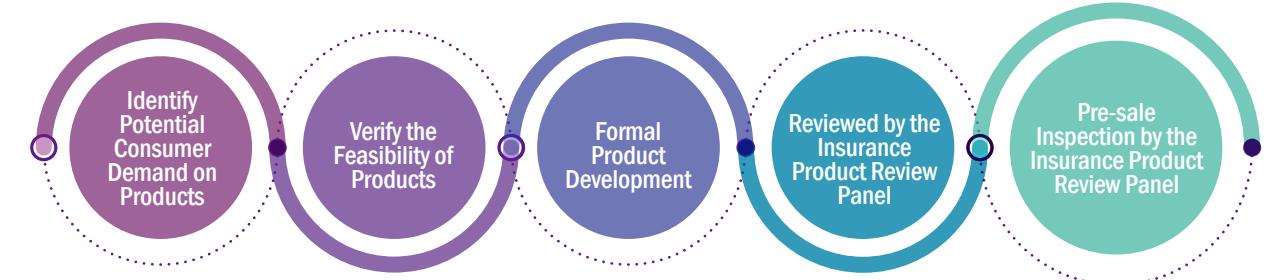
Sustainable Insurance Practices

KGI Life voluntarily supports the United Nations Principles for Sustainable Insurance (PSI), integrated the spirit of PSI into the overall strategic planning, and incorporated ESG issues into the business management system and decision-making process, so as to better understand sustainability opportunities and risks. We implemented the PSI in links of the life insurance value chain, including product design, sales, underwriting, and after-sales service.

Comprehensive Insurance Product and Services

- (1) We develop innovative products that meet people's needs, and periodically examine various actuarial assumptions. An Insurance Product Management Working Group meeting is convened at least once every six months according to the "Insurance Product Pre-Sale Procedure Guidelines," in order to ensure sustainable development and protect consumers' rights and interests.
- (2) The spirit of inclusive finance and the principles for treating customers fairly are implemented in product design, and we continue to promote microinsurance, small amount whole-life insurance, general whole life insurance exclusive for people with disabilities, exclusive products in the protective insurance products section, and long-term care products, in order to meet the needs in different stages of life and the needs of different ethnic groups.

■ Product Development and Design Process



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Introduction to KGI Life's Products



Policy Activation

Annuity / Universal Insurance

Interest-sensitive Whole Life Insurance

Incremental / Principal Repayment Whole Life Insurance

Long-term Care Insurance

Medical Insurance

Accident Insurance

Investment-linked Insurance

 Children / Students
(<24 years old)

 Fresh Graduate
(25-34 years old)

 Parents
(35-44 years old)

 Middle-aged to Elderly / Middle-aged /
Children Getting Married
(45-54 years old)

 Retired
(>65 years old)

With consideration to the needs of different policyholders and population aging, KGI Life continues to promote conventional single premium payment and installment payment life insurance denominated in different currencies, annuity products suitable for retirement planning, health insurance that improves the quality of healthcare, and investment-linked insurance policies that simultaneously meet investment and insurance needs, meeting the different needs of policyholders in different stages of life. Policyholders can fill in gaps in their coverage through proper insurance planning, and maintain the quality of their future life and healthcare by planning in advance.

Health Management Spillover-Effect Insurance

According to statistics of the Ministry of the Interior, the average life expectancy of citizens has reached 79.84 years as of 2022. The Ministry of Health and Welfare also announced that the healthy life expectancy at birth is about 73.3 years. To effectively prevent elderly people from becoming disabled, bedridden, or suffer from chronic disease at an earlier age, KGI Life recommends that policyholders begin self-health management sooner, such as cultivating and maintaining good living habits and exercise habits, or utilizing health management insurance policies with spillover effects, not only provides insurance coverage, but also allows policyholders to earn additional rewards if the agreed conditions are met. The combination of self-health management and insurance coverage not only reduces expenses for policyholders, but also provides them with insurance coverage with the added benefit of maintaining their physical strength. It further elevates insurance products to not only serve claim functions, but also bring about preventive health effects, keeping policyholders away from the risk of illness, which will indirectly lower the claims rate of insurance companies, and reduce the overall consumption of healthcare resources by society.

Building a Complete Retirement Safety Net

The importance of early retirement preparation is being recognized by more and more countries. For people who have children/parents to take care of, it's not a matter being aware, rather whether actions are taken for early retirement. KGI Life provides three major categories of products on the "Retirement Preparation Platform," namely term life insurance, critical illness insurance, and small amount whole life insurance. Consumers can purchase their own insurance at their convenience in a few simple steps, and can choose from multiple premium payment periods and insurance amounts.

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■ Introduction to KGI Life's Products

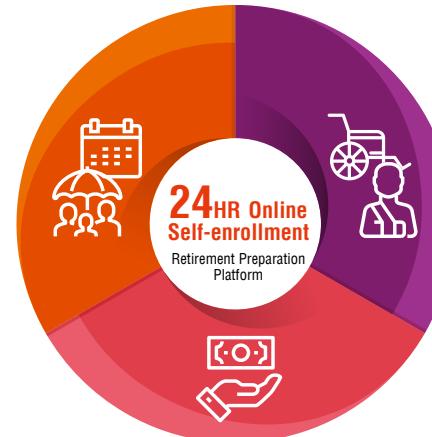
Term Life Insurance

PERIOD 5 / 20 / 70 years

INSURED AMOUNT NT\$200,000 - NT\$4,500,000

PRODUCT FEATURES

Premiums are evenly distributed throughout the coverage period, and the payout can be used to take care of survivors or the disabled insured person if the insured person becomes deceased or full disabled due to illness or accident.



Critical Illness Insurance

PERIOD 1 / 20 years

INSURED AMOUNT NT\$100,000 - NT\$700,000

PRODUCT FEATURES

Insured persons will receive a lump-sum payment of benefits if they are diagnosed by a physician with any one of seven critical (severe) illnesses to compensate for their loss of income or medical expenses.

Petty Amount Whole Life Insurance

PERIOD 1 / 20 years

INSURED AMOUNT NT\$100,000 - NT\$500,000

PRODUCT FEATURES

Provides lifelong coverage after paying premiums for a fixed period of time, but limited to three policies offered by all life insurance companies. Cumulative insured amount of NT\$600,000.

Microinsurance

KGI Life continued to work with Kaohsiung City, Tainan City, Yunlin County, Yilan County, Hualien County, and Taitung County governments, as well as third-party social welfare groups in 2023, with microinsurance premium income reaching NT\$21.37 million ^①, ranking second in the industry and growing 19% compared with the previous year, benefiting nearly 100,000 people. The microinsurance provides coverage to people with "low income and middle-low income," "mild to moderate disabilities (inclusive) and below," and "elderly people or their family members who meet the criteria for living allowances for middle-low income elderly people in accordance with the Senior Citizens Welfare Act," helping the disadvantaged enjoy basic coverage from microinsurance. When an accident occurs, the insurance serves its protective function by providing assistance and reducing the impact of the accident on the family's financial situa-

tion. Furthermore, KGI Life collaborated with banks, government agencies, and non-government organizations in promoting microinsurance services to every corner that needs care.

In 2023, KGI Life simultaneously won recognition from three major awards, including the "Microinsurance Contest Excellent Performance Award," "Microinsurance Contest Award for Caring for the Disabled," and "Microinsurance Promotion Excellence Award - Silver Award." We have won awards in the Microinsurance Contest for the ninth consecutive year, actively pursuing financial inclusion and treating customers fairly.

KGI Life utilizes the function of insurance to stabilize society, support disadvantaged groups, and continue to move towards the goal of comprehensive friendly financial services. In the future, we will continue to look after disadvantaged groups and expand our microinsurance safety net, making sure our insurance products serve the function of stabilizing society and fulfilling our social responsibilities.



Performance Award for the Microinsurance Contest for 9 Consecutive Years



Award for Caring for the Disabled for 4 Consecutive Years



Microinsurance Promotion Excellence Award for 2 Consecutive Years

Microinsurance Promotion Situation in 2023



97,403 People Benefited



**Premium Income
NT\$21.37 million**



642 Insurance Cases

^① Data of the Life Insurance Association of the R.O.C. on microinsurance premium income.

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ESG Investment-linked Products

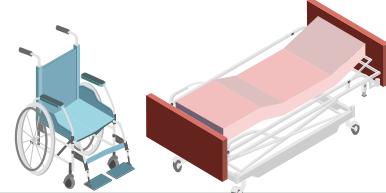
KGI Life and Barings SICE jointly launched the "Barings Green Trend Discretionary Management Account" for the bancassurance channel, with ESG as the core investment strategy. It adopts green trends as the main theme along with four topics for allocating investment targets, including "low carbon economy, agricultural upgrade, mobility revolution, and resource transition." KGI Life further expanded to the agent channel in 2023, and linked the account to different types of investment-linked products, providing customers with diverse options and maintaining the spirit of sustainability.

Long-term Care Products

In recent years, the life expectancy of citizens has increased due to advancements in medical technology. According to the "2022 Simplified Life Expectancy Table" of the Ministry of the Interior, the average life expectancy of citizens is 79.84 years. The Ministry of Health and Welfare announced in 2021 that the healthy life expectancy was 73.3 years. This means that number of unhealthy life years reaches 7 years, including disability, bedridden, and chronic illness. We need to address long-term care more seriously, raise awareness of long-term care (LTC) insurance, and provide comprehensive coverage through LTC insurance.

One-time Payment: Solves Initial One-time Expenses

Assistive devices and medical equipment need to be purchased in the initial stages, such as: wheelchairs, air mattresses, electric beds, oxygen concentrators, or considerable expenses required to set up a barrier-free environment. The one-time payment will solve the urgent needs of policyholders.



Installment Payments: Annual Benefits Cover Recurring Expenses

Whether family members provide care themselves or hire a caregiver, there will be fixed care expenses every month, such as nutritional supplements, diapers, or caregiver fees. The installment payments can provide policyholders with stable cash flow to cover these long-term expenses.



Sales and Underwriting

- (1) We established control measures applicable to different risk levels and carried out the underwriting process based on the risk level of the policyholder (such as age, insured amount, and physical condition). Money laundering and terrorism financing risks are assessed through system comparison and manual review.
- (2) Risk management and underwriting procedures are carried out in accordance with the "Underwriting System and Procedures" and "Offshore Insurance Unit (OIU) Underwriting System and Procedures," taking into account the Company's own risk-taking capabilities, including money laundering and terrorism financing risks and customer personal data protection into assessment, while strictly abiding by the Fair Customer Treatment Principles.
- (3) We added money laundering and terrorism financing risk assessment into the underwriting process, established control measures based on risk levels, used the risk-based approach to identify patterns suspected of money laundering or terrorism financing transactions, and monitored related information through the system, in order to rapidly identify suspicious transactions and take corresponding risk management measures.

Sales Services

- (1) Centered on customer needs, we adhere to the love and care for our customers and are dedicated to providing immediate, heartfelt quality services through cross-department coordination, self-service planning, process optimization, hardware installation, and front-line implementation. We create interactive and trusting bonds with our customers in increasing customer loyalty and stickiness.
- (2) We maintain and update after-sale service management measures in accordance with the "Fair Customer Treatment Principles of Financial Services," and improve employees' understanding of consumer protection through internal promotions and training.

Distribution Channel Development

KGI Life has spent years developing and managing agent channels, Bancassurance, brokers, financial services, group insurance, and e-commerce to continue expanding its

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Fast Claims and Major Disaster Services

Fast Claims at a Service Counter

Fast claims services are provided at service counters and qualified applicants can complete claims review in as fast as 30 minutes, showing the effect and value of life insurance in helping those in distress.



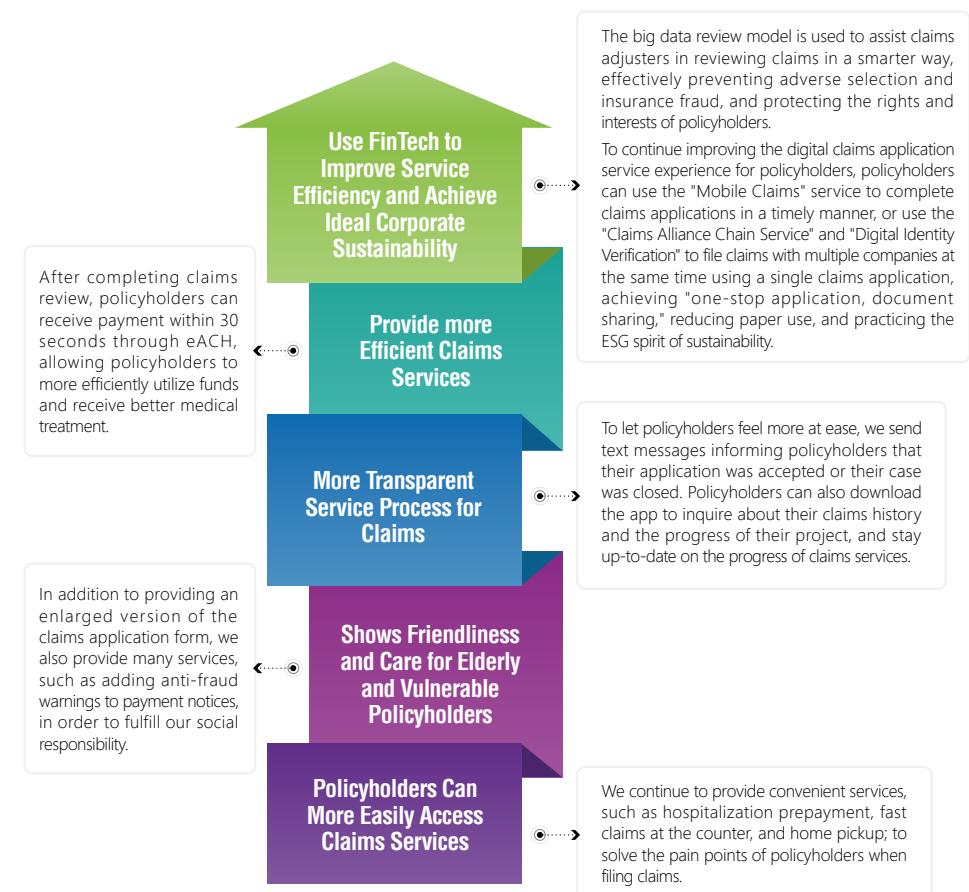
scale of operations, increase its market share, and provide policyholders with complete services. Depending on the task and characteristics of each channel, we provide differentiated products suited to each channel, in order to maintain a sales advantage in each channel with balanced development across all sales channels.

Major Disaster Services

Major disaster service actively pays benefits and allows policyholders to supplement documents afterwards; consolation money of NT\$100,000 (deceased), NT\$60,000 (ICU), NT\$20,000 (injured), and NT\$1,000 (outpatient services) for policyholders and non-policyholder police officers, firefighters, and volunteers.

Claims Process

We fulfill our commitment to policyholders through convenient, friendly, transparent, and efficient digital claim services.



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Implementing Friendly Financial Services

Promotion of Electronic Authorization Services

We connect to multiple banks through the Electronic Direct Debit Authorization (eDDA), and originally cooperated with 13 financial institutions. We added 2 financial institution customers that use eDDA in 2023 to expand the scope of our services. As of the end of 2023, customers from a total of 15 financial institution customers can use eDDA. The number of successful authorizations in 2023 was 3,054, an increase of 108% compared with 2022. In addition to significantly increasing service utilization, it also effectively simplified the contents of operations and shortened the average operation time. In the future, we will continue to increase cooperating banks that use eDDA, increasing the penetration of eDDA so that customers will not be limited by time and environment. We actively monitor the progress of authorization on the path of innovation, providing greater independence and convenience.

Providing Multilingual Services

To eliminate the gap in financial information of new immigrants, KGI Life collaborated with the "New Immigrant Family Development Association" and led the industry in launching friendly services for new immigrants in 2023:

- KGI Life is the first financial institution to provide translation services in multiple languages, including Vietnamese, Malay, Thai, Indonesian, Burmese, Filipino, Japanese, Korean, and English, allowing new immigrants to communicate in their native language.
- We are the first to provide the "Reminder of Important Rights and Interests of Policyholders" in nine languages, including notices for insurance enrollment, payment, and claims, and important insurance terminology, so as to close the gap in financial knowledge of new immigrants.
- We led the industry in launching insurance animations in multiple languages. Contents focus on policy rights and interests, insurance coverage features, and

insurance notices. We utilized the reach of the Internet to send push notifications on the official YouTube channel, Facebook, and Instagram to reach 800,000 users.

- In 2023, we were the first to customize the "Insurance Knowledge and Fraud Prevention Course" for new immigrant interpreters. A total of 40 seed interpreters from the New Immigrant Family Development Association in Taipei City participated in the course, with a 100% satisfaction rate.

Friendly Financial Service Hotline

KGI Life established a dedicated "Friendly Financial Service Hotline" to care for elderly and disadvantaged people, and simplified the voice input process over the phone with dedicated personnel providing faster and more thoughtful services. In 2023, the Company provided consultation services for the 4,189 elderly hotline incoming calls. Moreover, we improved situational thoughtful services based on the needs of the elderly, and customized a total of 3,057 text messages to help elderly people with their memory.

Friendly Financial Services Workshop

We continued to promote the cross-departmental Friendly Financial Services Workshop in 2023, and expanded friendly financial services for all policyholders, policyholders with disabilities, young policyholders, and elderly policyholders. We invited 24 representatives from 19 units related to products and services to participate in the workshop, which proposed 15 ideas and suggestions for friendly financial services based on the bottom-up spirit, bringing units together to substantially improve friendly services.

In addition to basic training, such as Q&A on practices in the Financial Service Guidelines for the Insurance Industry and the mechanism for insurance agents to assist persons with disabilities with insurance enrollment, KGI Life further invited external lecturers for training on dementia-friendly financial services, sign language training, friendly services for persons with disabilities, friendly communication workshops

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on friendly financial services, Taiwanese language courses and elderly-friendly communication skills, and visually impaired-friendly and darkness experience training, in order to comprehensively improve service quality and professional competencies business unit. These training courses embed the friendly culture and service techniques for all office staff and sales agents.

Communicating with Customers in a Way That is Easier to Understand and Read

We engage in two-way communication with customers, especially elderly people over age of 65 years old and above, using colloquial language to help them better understand the details to insurance products as well as conversations they have with their customer service representatives. We implemented the Friendly Financial Service Guidelines to strengthen care measures for elderly customers, and continued to conduct telephone interviews using colloquial language in 2023, including: telephone interviews with elderly people for insurance enrollment, telephone interviews before insurance policies expire, telephone interviews for elderly people to change their policy, and added elderly-friendly telephone interviews for insurance payers. We maintained larger font size on our documents, i.e. claims application form, premium payment notice, and application form to change contract contents (friendly services version) to make it easier for elderly people to read.

Uncollected Benefit Clearance Project

We actively call policyholders to notify them of insurance benefits they have not collected, in order to protect the rights and interests of beneficiaries. In 2023, we made 1,392 calls to notify policyholders of uncollected benefits and NT\$39.99 million was paid in benefits, a total of NT\$97.07 million since last year.

Gaining Customers' Trust and Recommendation

KGI Life actively listens to customers' voices and periodically hires a third party consulting company to conduct NPS surveys. Based on survey results at the end of 2023, KGI Life ranked first in the life insurance industry in terms of both overall NPS and in

digital channel performance with a respective score of 12 and 7 higher^② than peers in the industry, showing that our service quality is recognized by customers. In 2022, we established an "Experience Engineer Team" responsible for contacting customers who provided responses in their opinion survey response, and are tasked with providing assistance as well as fully understanding the extent of the issue, allowing us to immediately address the customers' problems. We contacted nearly 1,500 customers in 2023, and implemented various improvement plans with our front- and back-end office units (including, sales services, information, and marketing) to provide customers with excellent services and experience.

Counter Services

To understand policyholders' satisfaction of our service counters, we asked policyholders at service counters to rate their satisfaction of our "General service counter" and "Friendly service counter" on a 5-point scale, and maintained satisfaction of 4 and above.

■ Barrier-free Facilities at Each Service Location

Barrier-free Facilities	Each Customer Service Center					
	Taipei	Taoyuan-Hsinchu	Taichung	Chiayi	Tainan	Kaohsiung
Wheelchair Ramps (Including Movable Ones) or Step-free Stairs	●	●	●	●	●	●
Accessible Toilet	●	●	●	●	●	●
Accessible Parking Space	●	●	-	-	●	-
Service Bells	●	-	●	-	-	●
Reading Glasses	●	●	●	●	●	●
Magnifying Glass	●	●	●	●	●	●
Elevator	●	●	●	●	●	●
Elevator Braille Slate	●	●	●	●	●	●

^② According to survey results as of the end of 2023, the overall NPS score of life insurance peers was 14, the NPS recommendation score of the digital distribution channel was 27; KGI Life's overall NPS recommendation score was 26, while digital distribution channel score was 34.

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Telephone Services

To improve the satisfaction rating from our surveys and more effectively collect policyholders' opinions, we established a customer satisfaction survey system. The system monitors the service attitude of customer service representatives during phone calls and whether they assisted in handling or properly processing policyholders' questions. This helps us gain an in-depth understanding of the overall performance of customer service representatives.

In face of Taiwan's aging society and embracing our core value of being customer-centric, we have improved our telephone service personnel's ability to respond in Taiwanese. When they encounter customers who are accustomed to speaking Taiwanese, they can smoothly conduct telephone interviews or provide consultation services in Taiwanese over the phone, thereby improving customers' service experience.



Promoting the KGI Life "i-Life" APP Among Customers

The policyholder app was launched in 2022 aimed to improve self-service, reduce paper use (energy conservation and carbon reduction), allow policyholders to make inquiries at any time, and continue to promote digital service use among policyholders. The app was promoted to 18,666 policyholders in 2023.

Collecting Customer Suggestions

We encourage employees to actively collect customer suggestions (customer voice), and 451 suggestions were listed in 2023, including 95 suggestions for e-commerce or app optimization.

Customer Complaint, Handling Process, and Performance

We provide a variety of complaint channels and complete customer complaint handling procedures, in addition to convene weekly meetings to discuss cross-departmental complaint cases. The meetings are chaired by a vice president-level supervisor, and related units jointly examine the handling process of service dispute cases and come up with proper solutions. Since November 2023, meetings on complaints are convened on a monthly basis and are chaired by a vice president-level supervisor. Attendees include the heads of each business unit and relevant administrative units, who analyze the issues of complaint cases, propose improvement plans, and share related decisions as reference for units during training. These efforts aim to manage different aspects in protecting the rights and interests of financial consumers.

Customer Complaint Management

KGI Life established a Grievance Committee with the president serving as the chairman of the committee. Committee members include senior managers of sales, products, legal affairs, after-sale services, and healthcare related units. Grievance Committee meetings are irregularly convened, with the Customer Complaint Center of the Customer Service Department III responsible for providing feedback on issues related to complaints, complaint cases, and overall information, and improvements are evaluated and tracked by related units according to suggestions given by Grievance Committee members. The Customer Complaint Center of Customer Service Department III is required to report major and specific types of complaints/review cases to the Grievance Committee, which will discuss and formulate review & improvement plans. Any following developments should be updated and reported to related departments and supervisors. If the media intervenes or should the case

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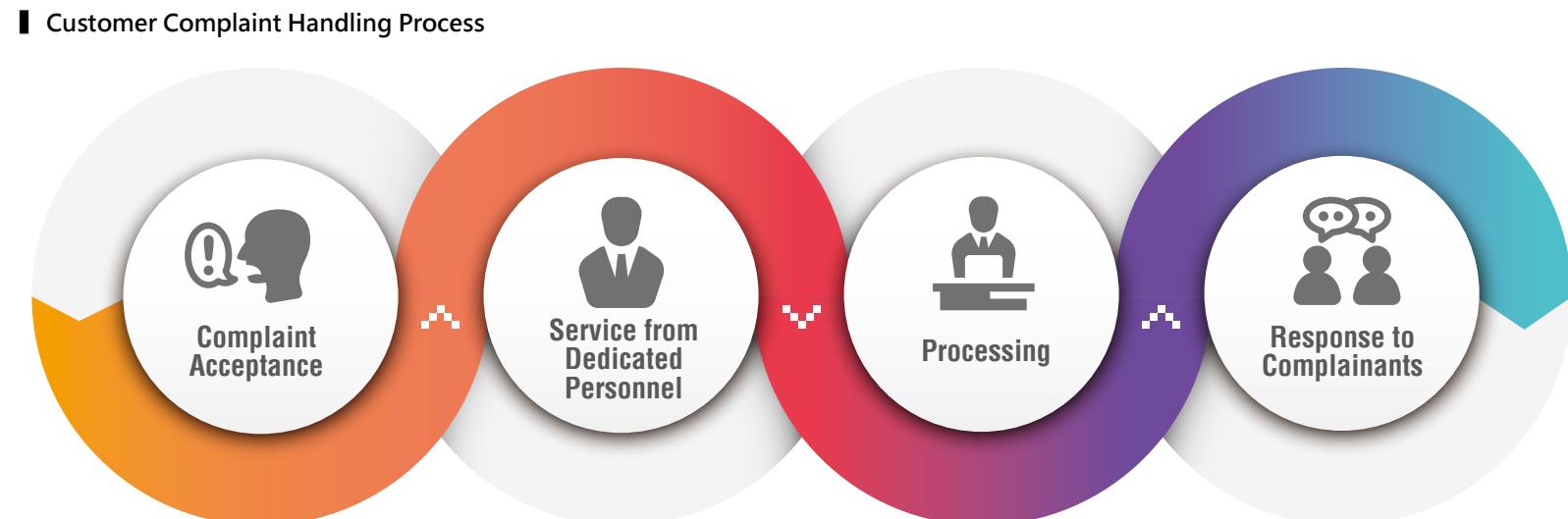
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draw attention from the media, the Public Relations Department must be notified to respond. Even though the number of complaint cases has not significantly decreased due to the pandemic in 2023, the cases were properly handled by relevant departments through a customer-centric approach, and achieved improvement goals in terms of "complaint/review case rate," "number of complaint/review cases," and "complaint case handling efficiency."

Customer Complaint Handling Process

In the 2023 life insurance company complaint rate statistics announced by the Financial Ombudsman Institution, KGI Life's complaint rate was 0.16‰ and was among the best out of Taiwan's 21 life insurance companies, a slight decrease of 0.06‰ compared to 2022. The number and percentage of applications for review also decreased compared with the previous year, and the percentage of review cases properly handled was maintained above 90%. Among the 159 applications for review in 2023, a total of 112 cases were claims complaints, 47 were non-claims complaints, and 98.47% of cases were properly handled.



Customers can file a complaint through different channels, and the Company will contact the policyholder **within one work day after accepting the complaint**.

A processing plan will be formulated within 30 days and **a response will be provided to the customer as soon as possible**. If the period needs to be extended, the customer will be notified via phone, text message, or in writing, and properly handle cases to eliminate any disputes.

Periodically **notify customers of the processing progress** via phone, text message, or in writing, and properly handle cases to eliminate any disputes.

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Chapter.5

STRIVING FOR SOCIAL INCLUSION

Cultivating Diverse Talents

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Office Staff Innovation Training Program

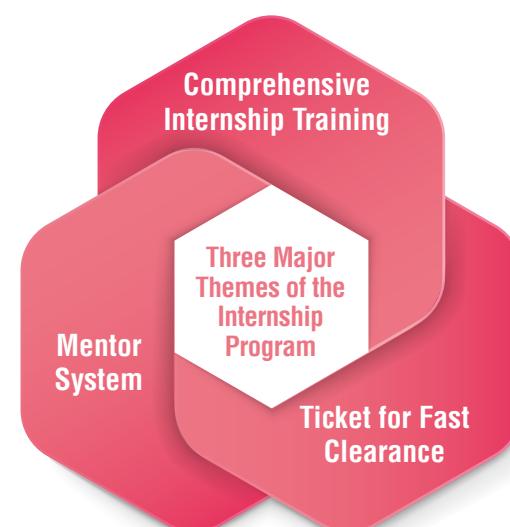
Diverse Recruitment Channels

In response to the international digital transformation, green sustainability, and customer experience trends, we strengthened the allocation of "Sustainable Finance" talent in terms of recruitment plans for corporate sustainability, AI business plans, and customer experience design, meeting the knowledge and skills required for insurance operations. We also implemented widely-adopted Workday human resources system, CBI interviews, personality assessment, AI and big data analysis tools in recruiting talent. Through data analysis, we plan to establish talent recruitment indicators and exclusive recruitment models to achieve precise selection of talent that possess our six main competencies (focus on customers, agile innovation ability, ability to contribute to the team, ability to work with partners, ability to earn trust, and high performance execution).

Attracting Talents

• Internship Program

The Company launched the KGI Life Internship Program in 2023, and provided different internship opportunities for the summer, the semester, or the full academic year, allowing students who are still in school or about to graduate, to gain working experience before officially entering the workplace. The internship experience strengthens their professional competence and helps them formulate a blueprint for their future career development. It also allows the Company to go into campuses and build bonds with students, communicate the Company's brand value, lay the groundworks for cultivation of its future management associates, and give interns the opportunity to become YouLead candidates. Over the past 6 years, the Company issued a total of 114 internship certificates to outstanding interns who have completed the program. In 2023, KGI Life hired a total of 35 interns (durations of internship vary from summer, to semester or full-year internships).



Thoughts Shared by an Intern

Our mentor gives us a lot of time to work independently. From initial step-by-step approach, we had to set our own research framework and come up with our own logical thinking, training us to think independently. We then have to prepare reports for every stage of our progress. The mentor will carefully check every report or output for us so that we can continue to learn and grow. I am very grateful to our mentor for still investing resources in our internship program despite the busy schedule at work.

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● Industry-Academia Collaboration Project

KGI Life aims to strengthen its human capital, cultivate industrial talent, and fulfill its corporate social responsibility. We strengthen the technical and practical abilities of the younger generation through industry-academia collaboration mechanisms, and allow them to gain an understanding of the workplace at an earlier stage, providing them with the opportunity to enhance their professional competencies. KGI Life has signed industry-academia collaboration agreements with many outstanding public and private schools.

KGI Life accepted a total of 23 industry-academia collaboration students in 2019-2023, and supervisors provided guidance with respect to policyholder practices, corporate culture, and professional expertise. We completed student internship monthly logs, student internship results reports, and student corporate performance evaluation forms according to schedule in coordination with schools, and many students became formal employees directly after graduation, aligning exceptional talent on campus with the FinTech industry.

● MA Program

The YouLead Program has been on-going for 8 consecutive years. The 18-month talent training program recruits college graduates, regardless of major, expanding the scope of recruitment to elites across different fields.

KGI Life has recruited a total of 50 MAs since 2016, 43 are currently active, 82.5% passed the evaluation, and 36.4% were promoted to a managerial position. MAs are promoted to managerial positions in as fast as two years after passing evaluation. KGI Life continuously cultivates potential management talent to create win-win situations for all parties.

KGI Life's MA program provides comprehensive training and job experience. Once on-board, they undergo CDF's joint training and KGI Life's joint training, helping them become familiar with the responsibilities of each department within CDF's subsidiaries and KGI Life. MAs begin KGI Life's job rotation training after joint training ends, and the program is tailored for the Business Strategy Division, Channel Division, Customer Service and Information Technology Division, and Marketing Division. MAs accumulate the knowledge and skills they need through guidance from supervisors, colleagues and practical experience. The program allows MAs to understand the duties of each depart-

ment and operations between different departments, laying a solid foundation in the life insurance industry.

MAs are encouraged to actively talk to senior managers and participate in the Company's projects during the job rotation period. Department heads and higher level supervisors are arranged to serve as mentors during the training period, so that MAs can focus more on strategic thinking, with the goal of becoming π-type insurance management talents with insurance expertise, strategic thinking, and digital financial innovation abilities in the shortest time possible.

I Development Features of the Job Rotation Plan



Workplace Empowerment

KGI Life takes talent development and cultivation very seriously, and has laid out the blueprint for talent cultivation and training, strengthening leadership and management training to enhance the sustainability leadership of supervisors. We assist employees in developing their professional abilities and continue to develop overall digital competencies, consolidating our human capital in FinTech, continuing to shape the culture of a learning-oriented organization, and empowering the Company in terms of sustainable development.

● Employee Development

In 2023, KGI Life planned courses on leadership and management, professional competencies, digital innovation, and diverse competencies, in order to meet employees com-

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petency development needs and implement talent cultivation and training blueprint. We combined internal and external courses with digital learning platform resources to establish a complete training system to enhance talent for different levels of the organization.

Leadership and Management

Introduce structural leadership training courses for different scopes of management, and strengthen the leadership of supervisors, so that they can lead teams to achieve goals

INPUTS
Over 900 views on leadership course from supervisors; training hours reached 3,296.5 hours

BENEFIT /OUTPUT
Learning satisfaction reached 4.7/5 and the course received a high recommendation score of 9.1/10

Professional Competency

In meeting the needs for mid-, long-term underwriting personnel, underwriting reserve personnel certification courses were implemented to enhance the Company's advantages and competitiveness

INPUTS
37 employees participated in the Foundation Stone Program; cumulative learning reached 1,311 hours

BENEFIT /OUTPUT
38 people completed training in the first and second class, with 7 interns in the Company's reserve underwriting talent

Digital Innovation

Use practical drill courses and coaches to cultivate internal agile coaching talents within KGI Life, and coach the team to have agile practical abilities. The goal is to cultivate 10 agile teams at the same time by 2025

INPUTS
There were more than 150 participants in the basic agile classroom course with a total of 623 training hours

- Cultivated 8 agile teams
- Trained 5 internal agile instructors, with over 50 teaching hours
- Offered an online basic agile course with a course satisfaction of 8.3/10

Diversified Competencies

Soft Skill : Organized close to 40 core soft skill training courses

Self-learning : Introduced Hahow for Business, a diverse and interesting self-learning platform that allows employees to learn anytime and anywhere through online resources, meeting their needs for cross-domain professional knowledge and competencies, and enhancing KGI Life's online learning resources in the digital era

INPUTS
Employees participated in courses nearly 726 person-times and learning hours reached 3,349 hours

BENEFIT /OUTPUT
Learning satisfaction reached 4.8/5 and the course was highly recommended with a score of 9.1/10

INPUTS
Purchased 2,300 personal learning accounts to encourage employees to learn independently

BENEFIT /OUTPUT
Nearly 10,000 hours of learning with a course satisfaction score of 4.7/5

● Professional Certificate Incentives

KGI Life established the "Guidelines for Incentives for Office Staff to take Professional Examinations" and "Guidelines for Incentives for Office Staff to take Actuarial Examinations" and provided examination leave, study leave, examination fee subsidies, and other incentives encouraging employees to continue to make improvements and obtain professional certifications. Office staff on average had 3.03 certificates in 2023, and the number grew every year in the past 5 years.

I Professional Certifications Obtained by Office Staff in the Past 5 Years (cumulative)

Professional Certifications Obtained by Office Staff	2023	2022	2021	2020	2019
Actuarial Examination Subjects	419	395	348	301	254
Investment, Risk Management, Audit, and Anti-money Laundering Professional Certifications	545	470	348	196	132
Professional Certificates for Underwriting and Claims	189	146	128	119	101
Life Insurance Manager Examination Subjects	6,094	5,863	5,692	5,197	4,758
Total	7,247	6,874	6,516	5,813	5,245
Average Number of Certificates per Employee	3.03	2.71	2.59	2.41	2.35

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Sales Agent Development Channels

Attracting Talents

KGI Life has been actively carrying out the transition of sales channels in recent years, and led the industry in developing digital tools for application in talent cultivation, training, and sales, building a highly digitalized sales team. The number of sales personnel registered continues to grow each year during this period, despite the impact of the COVID-19 pandemic and changes in the overall environment; growing by 40% in 2023 compared to 2018 with a net increase of 4,600 people, ranking first in the life insurance industry. This has secured KGI Life's place as one of the top four insurance companies, with its 13-month sales personnel retention rate of 85.89% ranked first in the industry in 2023.

Cultivation Plan

Professional training is the key to the continued growth of sales personnel in the industry. In 2024, KGI Life announced the launch of a new business strategy and launched a 36-month comprehensive "Excellent Manager Development Program." KGI Life provides an abundance of office staff support mechanisms and the latest digital empowerment resources to provide one-stop assistance for new sales personnel, helping them become "managers leading professional teams" within 3 years, bringing unlimited possibilities for more innovation and excellent development.

The newly launched "Excellent Manager Development Program" of KGI Life focuses on the retention of new sales personnel and one-stop manager training. To help retain new sales personnel, KGI Life has increased the training time for new sales personnel from 6 months to 9 months. In addition to providing financial subsidies, we also established a class advisor mechanism, in which the learning period is extended, and a dedicated personnel encourages development progress and focuses on building a solid foundation for sales agents. We arrange coaching courses for sales personnel newly promoted to supervisors, emphasize the importance of service marketing and developing a client list, and continue to consolidate their sales abilities. In addition to complete practical training, KGI Life also strives to create a digital learning environment that is considerate to sales personnel, encouraging employees to use it for learning anytime, anywhere.

KGI Life uses a dual-track learning method with both online and offline learning as an important cornerstone for cultivating and retaining talent.

• Training for Promoting Sales Executives to Assistant Sales Managers

We planned numerous key measures in response to the extension of the Company's i_AG 1.0 transition engineering to i_AG 2.0 organizational development. With the theme of "promotion" and "talent cultivation," we launched a cultivation project for "promoting sales executive to assistant sales manager" in 2021. The project provides key competency courses, recruiting exercises, with direct supervisors providing guidance after class to strengthen professional marketing abilities and organizational development abilities. During the three-year cultivation project, a total of 1,251 sales executives have participated in the project as of December 2023, in which 247 were successfully promoted to assistant sales manager, which is a promotion rate of 19.7%, 4% higher than the average.

• i-Study

KGI Life planned courses in eight different areas related to the competencies of sales personnel, including marketing, organizational development, administrative sales services, digital tools, and law courses. Learning content not only include required courses on laws, but also over 600 courses on new product knowledge and digital empowerment with over 250 hours of required and elective courses on the platform.

We used our rich knowledge base as the foundation for tailoring a learning blueprint system for sales personnel in 2023. Employees will be able to sequentially complete required and elective courses according to the blueprint to enrich their own competency.

• RFA Courses

KGI Life abides by the principles for treating customers fairly and continues to improve the professional competences of sales personnel. To train comprehensive retirement

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financial planning personnel to assist elderly people and general consumers, KGI Life specially introduced RFA courses to achieve optimal asset allocation and financial planning through diverse financial products for retirement. As of 2023, a total of 887 sales personnel participated in and completed the RFA course, 466 people passed the examination, which is a pass rate of 53%. A total of 430 people completed applications for consultant certification, and the certification rate for those who completed training reached 92%.

RFA Courses Event



• Healthcare and Long-term Care Training Series

In response to Taiwan soon becoming a super-aged society, KGI Life continues to care about the healthy lifestyle of its customers, and is committed to creating a happy life for customers. We organized a training series on healthcare and long-term care in 2023 to provide comprehensive and solid training that will improve the expertise of sales personnel in healthcare and long-term care, so that they become the best guardian of elderly health and long-term care:

1. Long-term Care Board Game Experience

We organized a total of 24 board game experiences, using board games to strengthen the understanding and expertise of employees in terms of long-term care. The board games allow employees to observe the needs of the elderly, disabled people, and caregivers at different ages or genders in different simulated situations, and further think about how to utilize their expertise and planning to serve policyholders.

2. Dementia Introduction and Prevention Lecture

KGI Life has worked with Taiwan Alzheimer Disease Association for years, and is the first "dementia-friendly insurance company" in the country. We co-organized a lecture with Taiwan Alzheimer Disease Association in 2023 to share professional medical perspectives, actual cases, and risk prevention concepts with elderly pol-

icyholders, dementia caregivers, and sales personnel, providing employees and policyholders with the latest information on long-term care. At the same time, we combine the actual care experience of outstanding employees to understand how to reduce the potential impact of long-term care through coverage planning, and jointly prepare for an age-friendly lifestyle and prevent the risk of long-term care.

3. Long-term Care Training for Sales Agent Offices

We trained 189 long-term care seed instructors at sales agent offices, and organized training to expand coverage to all sales personnel. The training topics included how to prepare for longevity risks in advance, subsidies and restrictions related to long-term care policies, and how to reduce the burden on families who need long-term care. A total of 3,843 sales personnel completed the training.

Long-term Care Seed Instructor Training



4. Online Micro-courses and Live Broadcast Courses Taught by Physicians

We invited doctors and nurses to inform employees of physiological and physical risks of resigning care-givers, as well as dementia/Bartel scale assessment, helping employees better understand long-term care issues; thereby establishing a foundation in looking after customers. This gives employees the ability to protect and serve their customers.

Professional Physician Micro-courses



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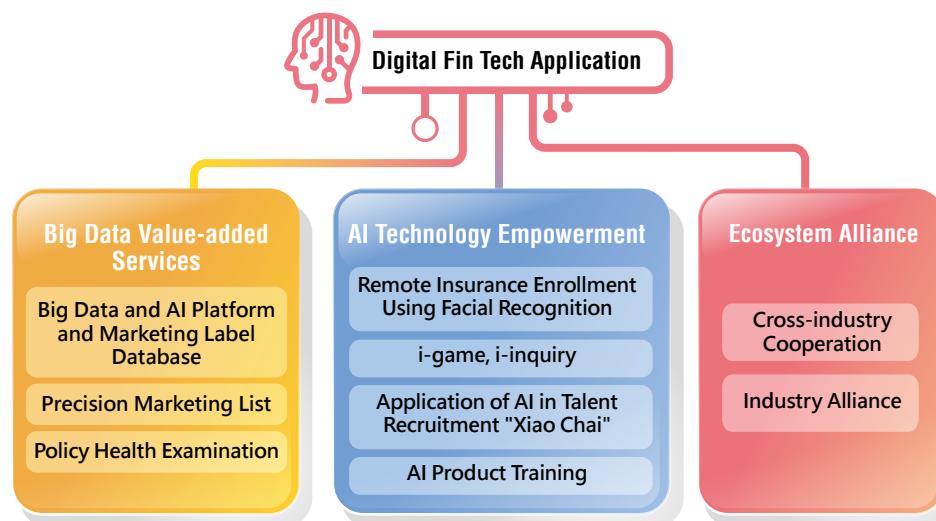
1. AI Coach

We began using the tool for the application of AI in talent recruitment in 2022. We stepped up its use in 2023 to significantly improve talent recruitment and the effectiveness of guidance provided by supervisors. It also elevated the confidence and skills of sales personnel, allowing KGI to rank among the top four insurance companies in the industry in terms of number of employees, and the 13th-month retention rate of sales personnel in 2023 reaching 85.89%, ranking first in the industry.

• Digital Marketing Tool Training and Application

To expand the promotion and application of digital tools and fully utilize the value of emerging technologies in terms of business development, we organized 21 training courses in Northern, Central, and Southern Taiwan to train digital seed instructors in 2023, in hopes of improving the expertise of sales personnel in planning insurance needs and the ability to determine product suitability.

We examined the health of insurance policies of 68,861 policyholders in 2023, and generated 167,142 insurance policy health examination reports, in which overall monthly utilization reached 50% throughout the year, showing that the function benefits sales personnel in analyzing gaps in customers' coverage and providing suitable products.



In addition, we applied AI digital applications to various business aspects, continued to expand data value-added services, AI technology empowerment, and the ecosystem alliance, and utilized technology to provide innovative services and sustainable financial solutions.

2. AI Product Training

KGI Life obtained the industry's first "AI product training" tool, using new technology to help employees become familiar with products and accelerate product sales. The system provides personalized scores and recommendations based on the contents of responses. After completing training, direct supervisors examine training results and provide individual guidance or advanced exercises to shorten the time supervisors spend on training and testing, which further increases the production capacity of new employees and supervisors.

According to statistics, the average production capacity of new sales personnel that frequently use AI product training was 20% higher than other new sales personnel. The AI product training function can reduce the time spent by supervisors on basic training for sales personnel. As a result, every supervisor can save 2.3 days of guidance time per month, which can be used on sales activities and business development instead.

Most of the current product training is used by direct supervisors in assisting new sales personnel, which increases the administrative burden and time of direct supervisors

- PEOPLE Assistance from direct supervisor
- PLACE Venue and scheduling
- TIME It takes 2-3 weeks to master a new product sales pitch



1 Tooling
Get new employees into the habit of practicing product sales pitch

2 Modular
Sales supervisor sales pitch system/module

3 Efficiency
Shortens the time required for supervisor coaching and review

The AI product training tool is used to help new sales personnel learn basic product knowledge

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Diverse and Inclusive Workplace

Partners in Growth

KGI Life provides diverse and equal employment opportunities and established a policy to protect human rights for its workplace. We attach importance to equality and diversity, and treat all employees based on their competency.. KGI Life had a total of 17,552 employees in 2023, in which 2,392 were office staff and 15,160 were sales agents.



Employee Turnover

The number of office staff has continued to grow in recent years, and increased by 264 in 2023, accounting for 11.04% of all office staff, in which 140 were female and accounted for 53.03% of new employees. The number of employees who resigned was 378, accounting for 15.8% of all office staff. The voluntary turnover rate was 15.26%. The main reason for the decrease in the number of new employees and turnover rate compared with the previous year was due to the rigorous selection process of KGI Life, which verifies the suitability of personnel and provides assistance to slow the turnover of new employees. We are also actively optimizing the work process to improve employee satisfaction, and thereby improve organizational stability. Furthermore, to develop a workplace that retains talent in the long-term, KGI Life also responds to market trends by providing competitive salaries and benefits to attract outstanding talents, create a steady corporate culture, and create a better working environment.

Employee Diversity

KGI Life responded to the United Nations Sustainable Development Goals by implementing gender equality in the workplace, in which 47.04% of all supervisors at KGI Life are female; 64.41% of all employees in non-managerial positions are female. The re-

muneration of office staff and sales agent takes into consideration individual education and experience, duties at work, and performance, and do not vary due to gender, thus achieving gender equality.

Furthermore, we continue to hire persons with disabilities and ethnic minorities, and we make sure to provide them with the same benefits and opportunities as our full time employees. Besides giving persons with disabilities priority for certain job openings, KGI Life also provides accessible facilities in the work environment. We encourage employees with disabilities to continue making progress in their field of expertise, sign up for professional certifications required for their work, and enhance their competitiveness in the workplace. The number of employees with disabilities has increased each year over the past few years, and their average years of service at KGI Life is 11 years, in which 73% have worked at KGI Life for 10 years and above, and some have even worked at KGI Life for 20 years and above. Under the principle to put the right people in the right position, we actively provide certain job openings that give priority to indigenous people, and have 40 indigenous employees as of the end of 2023.

Year	Number of Employees with Disabilities	Number of Indigenous Employees
2023	66	40
2022	73	43
2021	70	54

Implementation of Human Rights Protection

KGI Life strives to achieve equality in employment, to build a diverse team, and to create a workplace environment with respect, openness, tolerance, that is free from harassment. We support the Universal Declaration of Human Rights, United Nations Global Compact, and International Labour Organization, and established our human rights policy in 2022. KGI Life does not allow any form of illegal discrimination or infringement on human rights, and ensures that all employees are treated fairly and equally. Furthermore, we conduct human rights due diligence in coordination with the parent company CDF, in which CDF distributes a human rights due diligence questionnaire to all employees, surveying workplace diversity and equality, work-life balance, harmony between labor and man-

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agement, healthy and safe workplace, and prohibiting the use of child labor and forced labor. The results of due diligence and implementation are disclosed each year to plan more complete care for employees.

With regard to the promotion of workplace safety and health, besides complying with labor laws and regulations, KGI Life has created a workplace environment that is healthy, safe, sustainable, and comfortable, and actively shows concern for employee health and as well as abnormal workload caused by mismanagement, preventing excessive overtime. We periodically provide labor safety education, free employee health examinations, and services by an on-site physician, comprehensively caring for the physical and mental health of employees. We respect employees' right to organize and join various clubs, provide diverse communication mechanisms and platforms, smooth labor-management communication channels, and ensure harmonious labor-management relations to create a win-win situation.

The required course on human rights "Human Rights Policy and Friendly Workplace" was offered once in 2023, and 2,392 office staff completed training; the training completion rate was 100%.

Sexual Harassment Prevention Procedures

Sexual harassment cases are handled according to the Sexual Harassment Prevention Guidelines, and members of the Sexual Harassment Prevention Committee are periodically inspected. When a sexual harassment case occurs, a complaint is made through the dedicated telephone number, fax, or e-mail for office staff and sales agent. An investigation team is formed within 7 days after a complaint is accepted, and the investigation process is kept confidential. All of the parties involved are given the opportunity to fully express their opinions and defend themselves. The investigation results and report are completed and a decision is made within 2 months with an opportunity for restitution. There were no complaints of sexual harassment by office staff or sales agent in 2023.

Increasing Employee Engagement

As the COVID-19 pandemic ended, we faced various changes and challenges in 2023. To encourage employees and promote team synergy, we continued to launch EDMs

and videos to create a workplace atmosphere of "co-creation, inclusion, and mutual benefit." We created connections, carried out team building, and strengthened altruistic thinking to further drive positive changes, guiding employees to think about how to create greater value for themselves, policyholders, the Company, or society, and jointly achieve greatness in daily life, so that the corporate culture of love and care is deeply rooted in the hearts of every employee.

New Life Lecture +
Sharing Heartwarming Stories +
Creative Illustrations to Embrace Change

Total exposure of nearly
550,000
views

New Life Lecture - Exposure Reached 87,000 Times

Facing an era of drastic changes, we invited Dr. Hung-Ta Chuang, founder of the Maria Social Welfare Foundation, to give the "New Life Lecture," in order to strengthen the psychological resilience of employees and build stronger inner strength. He used the wisdom of being positive and well-rounded in life to lead employees to change their old ways of thinking, overcome various challenges in life, and guide employees to set out from the perspective of empathy and altruism when serving internal and external customers through a customer-centric approach, realizing the value of life in work and everyday life. The lecture was held available both offline and online, so that employees will not be limited by time and place and can participate in the course on their computer or mobile device. Nearly 500 employees participated in 2023. The highlights of the lecture were edited into short videos for employees to share with the public, with cumulative exposure of 87,000 views.



New Life Lecture Video



Feedback from Employees

What Dr. Chuang shared allowed me to see the beauty of life. By participating in volunteer services to help others, and learning to have respect, patience, and empathy for the recipients of services, I learned that small efforts by everyone can provide more care and support to society.

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Sharing Heartwarming Stories - Exposure Reached 415,000 Views

We communicated with employees through a total of 29 creative illustrations and excerpts from "Glimmer in the Corner: The Story of a Small-town Doctor," conveying the mindfulness of heartwarming stories in the book, encouraging employees to pay more attention to the needs of others at work or in daily life, and practicing the corporate culture of love and care. We hope that employees will do their part to become the starting point of a positive cycle, and fill society with more love and hope. The cumulative exposure in 2023 was 415,000 views. Employees have touted the short stories as heartwarming and are worth learning from. Employees hoped that they will be able to sow the seeds of kindness in daily life and become a small blessing to others.



Creative Illustrations and Text on Embracing Change - Exposure of 42,000 Views

Conviction leads to action, and creative communication using games combined with slogans encourage employees to embrace change and actively take action. A total of 8 illustrations and text were released, with exposure of 42,000 views. In face of challenges like limited time and concentration span, we successfully attracted the attention of employees with the creative idea of using highly interactive games each quarter, such as mazes, Monopoly, puzzles, and fortune-telling poems. After employees participated in the games, employees shared the blessings and support they felt, which created positive ripples in the team and momentum for the team's mutual good, helping the Company unify in tackling challenges of the new era.



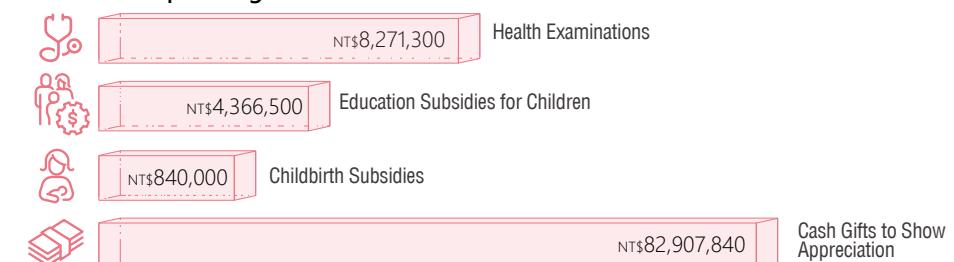
Employee Care

Benefits

KGI Life pursues employee well-being in terms of physical, mental, and financial health, and actively creates a healthy and safe work environment. We provide office staff and sales agent with a wide variety of benefits. In addition to bonuses for the Dragon Boat Festival, Mid-Autumn Festival, and Chinese New Year, birthday gifts, wedding, funeral, as well as hospitalization-related subsidies, paid leaves, and health examinations, which are better than that required by law, we increased maternity leave from eight weeks to ten weeks starting from 2023, and also increased prenatal checkup and paternity leave from 7 days to 8 days, creating a happy workplace with work-life balance for employees. KGI Life also expanded benefits to employees' family members and children. Group insurance for employees' spouse and children are fully subsidized. Employees with children who are still students are all eligible to apply for education subsidies, and a childbirth subsidy of NT\$20,000 is provided to employees or their spouses to encourage employees to have children. We adopted a top-down approach to realize sustainable development values, and increased the number of volunteer leave days from 2 days to 4 days in 2023, encouraging employees to actively participate in charity events to give back to society. The employee benefits above show that KGI Life puts the spirit of employee care into practice, which is strongly felt by employees.

Furthermore, the Company launched the Employee Welfare Trust Shareholding Plan in 2022 to take care of employees' financial health. Employees provide a certain amount each month and the Company provides a corresponding amount of subsidies as an incentive, and overall participation reached 90.3% in 2023.

■ Benefits Spending in 2023



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Unpaid Parental Leave

KGI Life understands employees need to sacrifice their career development to take care of young children, and fully supports employees' need for parental leave. A total of 94 office staff and sales agents applied for unpaid parental leave in 2023, in which the majority were female employees, accounting for approximately 72.34%, but the percentage of male employees continues to increase. The retention rate of employees who applied for unpaid parental leave has been good in recent years, and the reinstatement rate of office staff reached 80.6% and retention rate reached 87% in 2023. The reinstatement rate of sales agent reached 86% and retention rate reached 97%. This shows that KGI Life's efforts to promote work-life balance and understanding of employees' need to take care of young children has maintained its reinstatement rate and retention rate at high levels.

Statistics of Parental Leave

Item	Office Staff			Sales Agent			
	Male	Female	Total	Male	Female	Total	
2023	Number of Employees that Applied for Unpaid Parental Leave	4	18	22	22	50	72
	Actual Number of Employees Reinstated	4	21	25	20	37	57
	Number of Employees that Should be Reinstated	4	27	31	23	43	66
2022	Number of Employees who Continued to Work for One Full Year After Reinstatement from Taking Unpaid Parental Leave	0	20	20	19	45	64
	Actual Number of Employees Reinstated	2	21	23	19	47	66
	Reinstatement Rate ^①	100%	77.8%	80.6%	87%	86%	86.4%
	Retention Rate ^②	0%	95.2%	87%	100%	95.7%	97%

① Reinstatement rate = (Actual number of employees reinstated in 2023/Number of employees that should be reinstated in 2023)×100%.

② Retention rate = (Number of employees still active 12 months after reinstatement in 2022/Actual number of employees reinstated in 2022) ×100%.

③ Monitored items include carbon dioxide concentration and workplace lighting.

Retirement Benefits

KGI Life deems employees' post-retirement planning as of utmost importance, and established Employee Retirement Regulations and the Supervisory Committees of Workers' Retirement Reserve Funds. For employees using the old labor pension system, a certain percentage of their monthly salary is contributed to the retirement reserve fund, and deposited into a dedicated account for the retirement fund at the Bank of Taiwan. The balance of the dedicated account is examined before the end of each year to determine if it is sufficient for employees who meet retirement requirements in the following year. If the balance is insufficient, then the Company will make up for any shortfall before the end of March in the following year. For employees who choose the new pension system, we allocate 6% of their monthly salary to their personal dedicated account at the Bureau of Labor Insurance. If the employees' monthly salary is higher than the upper limit in the Table of Monthly Contributions for Labor Pension, the Company will withhold 6% from the excess part as a pension reserve on a monthly basis. To show the Company's gratitude to retired employees for their years of service and let employees feel valued by the Company, KGI Life began awarding retired employees with a glass trophy and free health examination starting in May 2018. A total of 10 employees retired in 2023.

Remuneration Policy and Structure

KGI Life's remuneration policy is to provide reasonable remuneration for each position after taking into consideration the duties of managers and employees, the Company's business performance and individual performance, market situation for attracting and retaining talent, and reasonableness of the correlation with future risks. KGI Life participates in the market survey on remuneration conducted by external consulting companies each year to determine the competitiveness of the Company's remuneration. The performance, remuneration policy, and payment of remuneration to directors and senior managers is periodically supervised and reviewed by the Remuneration Committee, and then submitted to the Board of Directors for discussion to ensure that the remuneration policy is aligned with the Company's long-term strategy. We strive to create a win-win situation for employees, employers, and shareholders. The

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remuneration strategy for general employees is to be "competitive externally and fair internally"; the remuneration of office staff and sales agent meet standards of the competent authority, and take into consideration individual education and experience, duties at work, and individual performance. Salaries do not vary due to gender, achieving gender equality.

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The Company established remuneration standards for senior managers according to the Remuneration Committee Charter. The standards take into consideration remuneration standards of the industry in Taiwan and overseas and the Company's future risks, and was approved by the Remuneration Committee and Board of Directors. When a senior manager joins the Company, a remuneration recommendation is made based on the abovementioned salary standards, the position, experience, and market standard for bonuses, and is submitted to the Remuneration Committee and Board of Directors for approval.

Key Achievements in 2023
To ensure that the remuneration of senior managers is aligned with the long-term interests of the Company and shareholders, the Company established regulations for performance evaluation and performance bonus distribution, ensuring that the performance indicators of senior managers is aligned with the Company's overall goals; individual performance also directly affects annual remuneration. The performance goals for all senior managers of the Company include financial aspects, e.g. business performance, non-financial aspects, e.g. ESG, and internal control and governance, e.g. compliance. Annual performance bonuses based on the Company's overall profits and individual performance are submitted to the Remuneration Committee and Board of Directors for review. A performance bonus deferred payment mechanism was established for senior managers, and performance bonuses are paid over three years with a clawback mechanism requiring that the recipient still hold the position when the bonus is distributed, aligning long-term interests of the manager with the Company.

Honors and Milestones in 2023
Furthermore, each year a significant portion of senior managers' performance goals are ESG-related goals. Aside from including ESG items into board performance evaluations, each department reports the implementation of ESG performance goals for the given year and implementation plans for the following year to the Corporate Sustainability Development Committee for review. KGI Life's annual sustainable development goals for each department are set based on the four sustainability themes: "Low Carbon Transition," "Achieving Financial Inclusion," "Promoting Sustainable Finance," and "Corporate Governance Enhancement." Achieving the goals will affect the variable compensation of managers that year, so that managers will jointly work towards the long-term goal of sustainable development.

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Performance Goals and Measurement Indicators for Senior Managers

	Evaluation Indicator	Description
Financial Indicator	The Company's business development and financial performance	Example: net profit after tax, after-tax ROE, total revenue, and key financial performance indicators related to the life insurance industry
Non-financial Indicator	Promotion and implementation of ESG, NPS, digitalization, and employee engagement	Corresponds to the ABCDE strategy and includes 7 non-financial indicators in three aspects, which looks towards future trends in financial services, accelerates organizational transformation, and improves the customer experience and employee benefits, in hopes of becoming the industry benchmark.
Internal Control and Governance	Strengthen internal audits and internal controls for compliance, and implements practices for the organization's mission, vision, and values	Compliance, internal audits and internal control, and compliance of information security operations Promote practices and measures related to the mission, vision, and values

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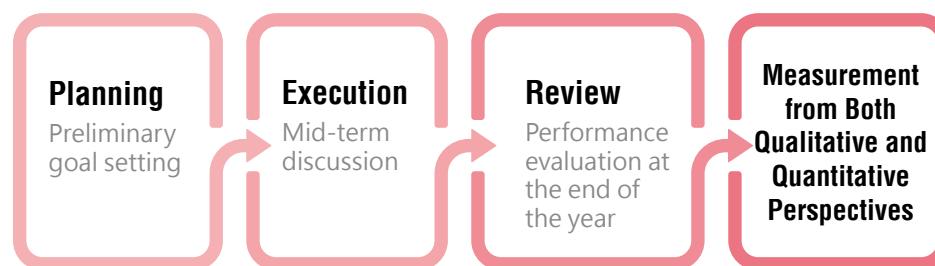
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Performance Management

To achieve the Company's strategic goals and create a performance-oriented culture, we carry out the performance management cycle of setting goals at the start of each year, discussing goal achievement in the middle of the year, and evaluating performance at the end of the year. The top-down performance management mechanism builds consensus among all employees for the ESG strategy and vision blueprint, and further guides employees to implement ESG in routine work. The participation of applicable personnel in performance evaluations reached 100% in 2023.

Employee Performance Evaluation Statistics

Personnel Category	Female	Ratio	Male	Ratio	Total	Ratio
Supervisor	203	14.0%	222	25.3%	425	18.2%
Non-supervisor	1,249	86.0%	657	74.7%	1,906	81.8%
Total	1,452	100.0%	879	100.0%	2,331	100.0%



Course on Performance Management Cycle

Performance management is an important management tool. To help supervisors and employees improve their performance management skills, we offered courses on performance goal-setting, performance evaluation, and performance interviews and

feedback at the start, middle, and end of the year, allowing managers to learn effective performance interview skills, build trust, and provide constructive feedback. Managers use coaching techniques to guide employees to think about their career development, allowing employees to grow through learning and further achieve the goal of talent retention.

360 Degree Evaluation

Leadership development is a key measure to achieving an organization's business development strategy. We adopted the Heidrick & Struggles 360 degree leadership evaluation tool, and further linked it to results of the Organizational Assessment Questionnaire Survey (OAQ Survey). This allowed us to understand factors driving the performance of leaders and the potential correlation with key factors of the organization's competitiveness, focusing on developing leadership skills that will accelerate organizational development.

At the same time, KGI Life has made preparations in advance to expand the 360-degree leadership evaluation plan in 2024, and provided leaders with corresponding leadership training to help them discover their personal management strengths and keys to potential development. This will accelerate improvement in leadership performance and bring out their full potential as leaders, in addition to helping the Company become the Employer of Choice for employees.

Smooth Communication Channels

To improve labor-management relationships and protect labor rights and interests, KGI Life holds labor-management meetings on a quarterly basis, and engages in positive two-way communication on topics that both sides are concerned about. We organized 4 labor-management meetings in 2023 to report and fully communicate and discuss labor trends, business overview, and labor related matters.

Furthermore, KGI Life established complaint channels for office staff, and the confidentiality and complaint process are all in accordance with the labor complaint template

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announced by the competent authority. Through our complaint channels, employees can file a complaint with supervisors and human resources units at any corporate level for any issues they encounter at work. Personnel or units processing complaints are required to maintain the confidentiality of complaints. Office staff did not file any complaints in 2023.



Organizational Assessment Questionnaire Survey (OAQ Survey)

KGI Life conducts employee questionnaire surveys through a third party professional institution, understands areas that need improvement, and gradually builds a consensus by listening to the opinions and thoughts of employees. This serves as an important reference when formulating mid-term and long-term business strategies, and gives employees an even more important role in company operations.

The questionnaire contains 105 items and 3 open questions, focusing on 13 factors that drive performance improvement: Customer first, energetic leadership, clear goals, accountability, streamlined process, ability to win, innovative thinking, bravely take on challenges, teamwork, preparedness, continuous improvement, adapting to changes, and high resilience.

The nearly 100% response rate in 2023 reflects employees enthusiasm for work, and the assessment score reached the goal (80%) originally set for 2025. The improvement for three consecutive years shows that KGI Life values and fulfills its commitment to employees. KGI Life is streamlining processes to improve overall business performance based on annual survey results, and continues to work towards becoming the Employer of Choice.

Workplace Safety

We have three organizations: the Occupational Safety and Health Committee, the Occupational Safety and Health Management Unit; and the Workplace Violence Prevention and Disposal Team. These are composed of occupational safety and health business managers of different management levels, occupational safety and health administrators, physicians, nurses and emergency personnel. These people carry out identification, planning, supervision, implementation, evaluation and improvement of safety and health affairs.

Occupational Safety and Health Committee

The Occupational Safety and Health Committee has 1 chairman and 7 members, including 4 labor representatives, accounting for 50% of all committee members. The Occupational Safety and Health Committee convened a total of 4 routine meetings and 2 extraordinary meetings in 2023 to review and provide recommendations regarding safety and health policies and proposals, and passed the annual Occupational Safety and Health Management Plan for employee safety and health management. KGI Life also has an occupational safety and health management unit to formulate, plan, supervise, and implement safety and health management affairs, and provide implementation instructions to related departments.

Occupational Safety and Health Training

All new employees are required to receive three hours of general safety and health training, and the completion rate was 100% in 2023. To strengthen the safety and health concepts of current employees, we organized a one-hour online general safety and health on-the-job training in 2023, and a total of 2,392 employees completed the training (100% completion rate). The course theme was "Ergonomic Hazard Prevention Plan," so that employees can understand the concept of ergonomic hazard prevention, understand the causes of common musculoskeletal discomfort, and how to prevent and deal with musculoskeletal injuries in the office. They can also conduct preliminary self-assessments using the musculoskeletal symptom questionnaire, in order to prevent employees from suffering caused by musculoskeletal discomfort, poor posture, over-exerting force, and high work loads.

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Occupational Safety and Health Monitoring and Management

With regard to workplace safety and environment monitoring, KGI Life periodically inspects and repairs fire safety equipment in the workplace and reports building public safety inspections. We continue to carry out workplace equipment safety and health self-inspections, as well as environment monitoring^④ once in the first and second half of the year to ensure the appropriateness of the operating environment. We established a self-defense fire safety team in response to contingencies, such as earthquake, fire accident, and emergency rescue, and actively work with and participate in the joint fire safety exercises or emergency evacuation drills held by building management units.

2023 Occupational Safety Performance^⑤

	Male	Female	Total
Injury rate (IR) ^⑥	0.001%	0.003%	0.004%
Absentee rate (AR) ^⑦	0.337%	0.767%	1.104%
Lost days rate (LDR) ^⑧	0.002%	0.103%	0.105%

On-site Services Provided by Medical Personnel

To provide a comfortable and safe work environment, besides providing blood pressure monitors for use at main service counters around Taiwan, we also installed automated external defibrillators (AED) at the head office, Taoyuan & Hsinchu Branch, Taichung Branch, Chiayi Branch, Tainan Branch, and Kaohsiung Branch. We have 144 qualified first aid personnel^⑨ that received external training to provide first aid in workplaces as of 2023, and also provided first aid kits and instruments to each workplace.

We employed 8 nurses to provide labor health services, and provide health guidance, health tracking, and case management for workers with abnormal health examination results and high occupational health-related risks, providing employees with immediate emergency treatment. They also raise awareness of infectious disease prevention and health through e-mail and the intranet. In addition, we commissioned an occupational safety and health consulting service agency recognized by the central competent authority, and contracted medical staff to implement the labor health management plan, which focuses on analyzing physical examination reports of workers, classify abnormal items, and screen employees with medium and high health risks for one-on-one health consultation and suitable health guidance. A total of 23 on-site services were provided by physicians and 74 on-site services were provided by nurses in 13 workplaces around Taiwan in 2023.

④ 1. This table only contains statistics of office staff. 2. There were no occupational deaths, severe occupational injuries, or occupational illnesses among any staff members or non-staff members in 2023.

⑤ 1. The majority of occupational injuries were due to traffic accidents when commuting to work or during business trips in 2023. 2. Injury rate = Total number of accidents/(Total number of work days x Total number of people) x 100%.

⑥ Absentee rate = (Occupational injury leave + Sick leave + Menstrual leave days)/(Total number of work days x Total number of people) x 100%.

⑦ Lost days rate = Occupational injury leave days/(Total number of work days x Total number of people) x 100%.

⑧ A total of 56 people participated first aid training for the first time and re-training in 2023.

⑨ KGI Life set up tea stations in Tamsui Business District Culture and Tourism Association, Dadaocheng Business District - Chengletong, Sanxia Old street - Hidekawa, and Hualien City - Li Shuan Hotel, and Taitung County Taimali - Indigenous Family Service Center.

Social Participation

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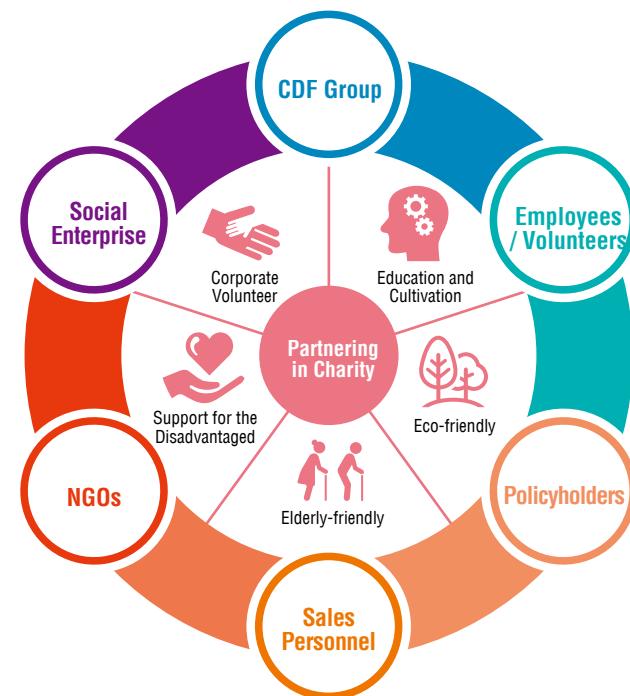
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After focusing on Taiwan's market for 60 years, KGI Life has deeply felt the power of insurance to stabilize society. We adhere to the core spirit of "We Share We Link," set out from the equality concepts of treating customers fairly and financial friendliness, combine the group's resources, and joins hands with stakeholders in showing care for the needs of disadvantaged groups. We developed the innovative "partnering in charity" to connect non-profit organizations, internal employees, and customers across ethnic groups and generations. We utilized our financial influence to expand the inclusive value of the life insurance industry, so that more people in society will care for and support disadvantaged groups, and take action to realize the vision of sustainability and mutual benefit.

KGI Life uses the strategy of "partnering in charity" as the basis and continues to focus on the five themes: "education and cultivation," "eco-friendly," "elderly-friendly," "support for the disadvantaged," and "corporate volunteers," giving full play to the life insurance industry's spirit of being "people-oriented." We pay attention to and respond to the needs of society in all aspects, connect public welfare groups, social enterprises, and NGOs to create the greatest value, and continue to drive the cycle of sustainability through innovative thinking and positive action.

KGI Life is involved in communities through its "partnering in charity" strategy, and brings together stakeholders to expand its positive influence, working together to expand the life insurance industry's value of inclusiveness.



Education and Cultivation



CSR CEO Supports Students and Broadens Their Horizons Through Charity

KGI Life sponsored service clubs of 2 universities in 2023 and served over 700 children and residents of rural areas/are disadvantaged. We joined forces with young college students nationwide in providing charity services, and not only fostered their care for society and service learning abilities, but also sponsored service activities initiated by students for "eco-friendly," "empowerment through education," "support-

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ing the disadvantaged," and "promoting financial management and insurance concepts." KGI Life aims to combine the capabilities of all people to provide more positive and stable energy for Taiwan's society.

Support Chinese Language Education for the Children of New Immigrants to Adapt to Life in Taiwan

KGI Life takes action to support the "Diverse Guidance Services for Children of New Immigrants in 2023" of the New Immigrant Family Development Association. By providing free Chinese language lessons and tutoring, as well as translation services, we help children of new immigrants who just returned to Taiwan and are lacking in resources, to adapt to life in Taiwan in as short of a time as possible. In 2023, a total of 1,710 children of new immigrants received services.

Support Dementia Issues

KGI Life has exclusively sponsored the Taiwan Alzheimer Disease Association's "Dementia Program Design Competition for Colleges and Universities" for three consecutive years, encouraging the younger generation to pay attention to the issue of dementia amongst the elderly. KGI Life demonstrates creativity through action, and proposes cross-generational solutions for Taiwan's gradual transition to a super-aged society. The event received 517 submissions from 79 departments of 64 colleges in 2023.

Popularize Financial Education and Realize the Value of Inclusion

KGI Life uses its social influence to promote financial education for financially disadvantaged groups, such as senior citizens, young students, and people with disabilities, moving towards the goal of financial inclusion.

- Popularizing Financial Education in Communities across Taiwan

With consideration to the severe aging of communities across Taiwan, we plan to collaborate with local community development associations and partnering microinsurance donation institutions, including Tainan City Xiu Feng Gung Ji Charity Foundation and Yunlin County Social Welfare Workers Foundation, in Taipei, New

Taipei, Taoyuan, Taichung, Changhua, Yunlin, and Tainan to co-organize educational lectures on insurance and financial management knowledge, fraud prevention promotion events, and jointly strengthen concepts of insurance coverage. We completed a total of 13 lectures and attracted 485 senior citizens to participate.

- Promoting Financial Education among the Youth

KGI Life is actively involved in the financial education of young students to help improve fraud prevention and financial literacy, as well as help them understand financial services and consumer protection at a younger age, and further gain the ability to properly manage their own finances. For example, KGI Life participated in the [Financial Education Program for Gen Z - Youth Fraud Prevention Teaching Plan Co-creation Workshop] of CDF, working with various subsidiaries and front-line professors from Providence University to jointly develop teaching plans, teaching methods and train seed instructors. We also organized 4 "Fraud Prevention and Financial Knowledge Promotion Lectures" with 155 participants at the Holy Family Church, National Taichung University of Science and Technology Department of Insurance and Finance, and New Taipei Municipal Hsin Tien Senior High School. Moreover, we organized a total of 12 batches of insurance learning camps and a total of 371 college students participated.

- Expanding Cooperation with Public Welfare Groups to Help Improve the Insurance Knowledge of Family Members of People with Disabilities and Dementia

Taking into account the accelerated progression of dementia in Taiwan and the continued increase in the number of people with disabilities, as well as the rights and interests of the financially disadvantaged related to insurance coverage, we collaborated with the Chinese National Association of the Deaf and Taiwan Alzheimer Disease Association in organizing 4 lectures on the coverage of the Company's products, helping financially disadvantaged groups strengthen their risk resistance. A total of about 160 people participated in the lectures.

- Coaching New Immigrant Interpreters to Help Them Become Seed Instructors

Financial consumers whose native language is not Chinese often cannot clearly express their problems and needs during consultations on financial products and services due to the language barrier. In the light of this, KGI Life Insurance has col-

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laborated with the "New Immigrant Family Development Association" in offering "multi-lingual real-person translation service for new immigrants." We also organized 1 training session for interpreters partnering with KGI Life, and communicated financial and insurance knowledge, insurance notices, and rights and interests of policies with 40 interpreter representatives, training them into seed lecturers to help more new immigrants.

- **Releasing Insurance Animations in Multiple Languages to Help Improve the Financial Literacy of New Immigrants**

We led the industry in producing 15 animations that provide insurance knowledge in 5 languages, including Vietnamese, Indonesian, Filipino, Thai, and Malay, to raise the risk protection awareness of over one million new immigrants and their children in Taiwan. Contents of the animations focus on the rights and interests of insurance policies, insurance coverage features, and insurance notices. We utilized the reach of the Internet to send push notifications on the official YouTube channel, Facebook, and Instagram, and helped improve the financial and insurance literacy of approx. 800,000 people.

Elderly-friendly

The First Age-friendly Website to Provide Financial Training for the Elderly

KGI Life hopes to become a "financial guardian for the elderly" and led the industry in designing the "age friendly" website for elderly people, so that elderly people can learn important financial knowledge and how to protect their assets from fraud without any constraints on time and place. The website design uses plain language, large font size, and graphic descriptions, along with a magnifying glass function for elderly people to easily read the text. We completed 13 online four-frame scenario simulation comics, which achieved a total exposure of more than 230,000 through digital channels.



In addition, we also work with local institutions for the elderly to organize age-friendly fraud prevention promotional activities, which improve the basic insurance knowledge of residents of rural areas and tribes and disadvantaged elderly people, eliminating the gap between urban and rural areas and preventing elderly people from becoming fraud victims. KGI Life believes that the financial industry can play a vital role in popularizing financial knowledge and raising people's fraud prevention awareness.

The Internet has gradually become an important channel for elderly people to obtain information and communicate with each other. KGI Life further released a series of age-friendly anti-fraud animations in Chinese and Taiwanese at the end of 2023, making it more convenient for elderly people to share on social media to remind each other to protect their assets.

Collaborating with Duo Fu Health and Joy Gathering Club to Provide Better Value-added Services for Policyholders' Health

KGI Life actively proposes response measures for issues of a super-aged society, and is committed to providing value-added health services to policyholders, transitioning from claims to health promotion and prevention to show care for policyholders. We began collaborating with Duo Fu in 2020 to provide policyholders with value-added services such as "accessible travel" and "accessible pick-up and drop-off," and organized policyholder experience activities so that society will attach greater importance to the rights and interests and social needs of elderly people and people with disabilities. In 2023, we expanded the deployment of value-added health services for policyholders and was the first to engage in cross-industry collaboration with the Duo Fu Health and Joy Gathering Club established by Duo Fu for health promotion. We organized health lectures, physical fitness courses, walking stick usage explanations, and travel to help people who are about to retire or have already retired to gain correct exercise knowledge and get into the habit of exercise, preparing them for a healthy life in advance.



Satisfaction Rate in 2023
4.8/5

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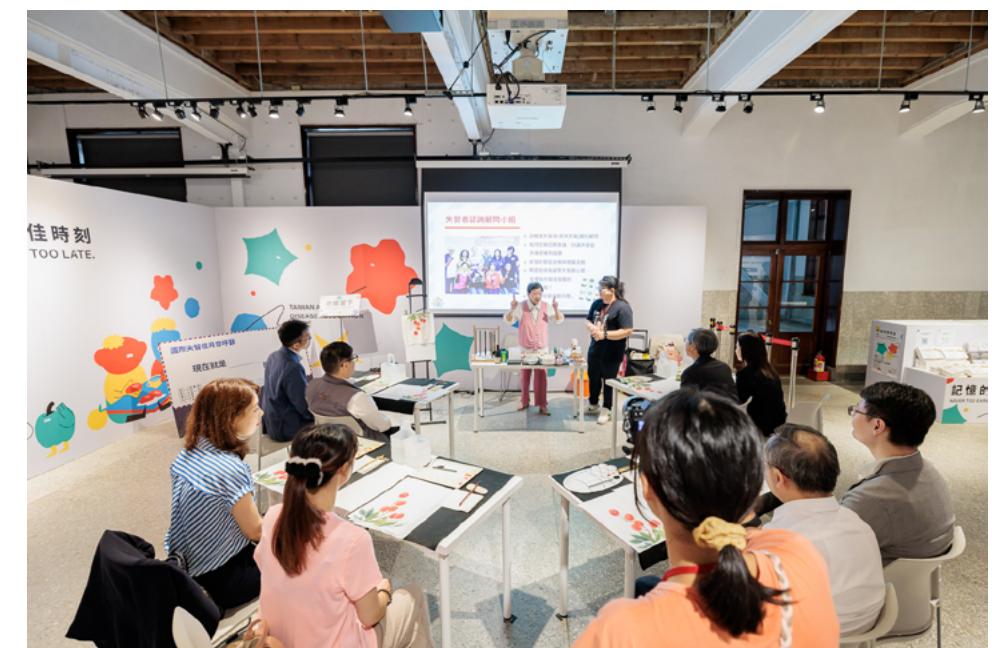
Released the First "Insurance Industry Friendly Service Guide for Elderly Customers"

For office staff and sales agent to provide consistent and high-quality services to the elderly, KGI Life established the insurance industry's first standard for elderly services, the "Insurance Industry Friendly Service Guide for Elderly Customers," which covers the identification of the needs of elderly people, communication and response methods, dementia-friendly service measures, and assisting the elderly with eliminating digital divide. The guide is included in training and was made into a manual distributed to all frontline service personnel.

Working with the Taiwan Alzheimer Disease Association to Implement Dementia-friendly Initiatives

KGI Life has worked with the Taiwan Alzheimer Disease Association to advocate for a dementia-friendly society for many years. In 2023, we made the "Dementia-Friendly Financial Course" taught by the Secretary-General of the Taiwan Alzheimer Disease Association a required course, and 100% of office staff completed the training. Sales personnel also joined the ranks of learning as we cultivate employees to become dementia-friendly seeds in a super-aged society.

In addition, we continue to support the association's dementia-friendly initiatives with practical actions. We sponsored the Dementia Program Design Competition for Colleges and Universities for two consecutive years for younger people to also think about dementia issues. In 2023, we were the only financial institution to support the "International Dementia Month Exhibition" held by the Taiwan Alzheimer Disease Association. First-level managers of the management team attended the event and once again donated the emergency contact card anti-wandering key chain jointly developed and designed by KGI Life and the association. A special session on financial knowledge and fraud prevention was also held at the exhibition venue. We organized lectures on financial planning for people with mild dementia at the association and their family members at the end of 2023, and used our insurance expertise to help families of dementia patients carry out financial planning in case of unforeseen difficulties.



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Eco-friendly



Insurance for the Earth, Responding to the Life Insurance Industry's Beach Cleaning Relay



KGI Life has closely followed climate change and sustainable finance issues for a long period of time, and has taken action to support the government's goal of 2050 Net-Zero Emissions. We actively participated in the joint beach cleaning event across Taiwan organized by the Life Insurance Association of the R.O.C. - "Insurance for the Earth." On the eve of Earth Day, we gathered together 73 employees and their families in central and southern Taiwan to clean up Taixi Dreamy Beach in Yunlin and Kezailiao Beach in Kaohsiung. They removed a total of nearly 100 kg of marine debris to maintain the cleanliness of the marine environment, and began to attach greater importance to marine ecology and water resource conservation, working towards a zero-carbon, green, and sustainable future.

Supporting Earth Hour to Reduce Carbon Emissions and Love the Earth

In efforts to raise the public's climate change awareness, address the sharp increase in extreme weather events, KGI Life and CDF jointly supported Earth Hour initiated by the World Wildlife Fund (WWF) by turning off non-essential lighting at the head office and branches every March for one hour. In 2023, six branches supported the event and reduced electricity consumption by nearly 1,000 kWh. We used this opportunity to call for change in the habit of excessive consumption of Earth's resources under climate change, and jointly practice low-carbon lifestyles to protect the future for the next generation.



Tea Station Project

KGI Life continued to support the Tea Station Action that combines environmental sustainability with social innovation in 2023. KGI Life set up tea stations in Taipei City, New Taipei City, Hualien, and Taitung, as well as cycling routes^⑤, in order to promote the reduction of waste plastic bottles. The "Tea Station" app shares locations and encourages residents and tourists in surrounding areas to find free water dispensers, where they can enjoy clean drinking water, reducing bottled water from the source, and raising public awareness about the problem of plastic waste. The "Tea Station" app uses ICT to create an interesting drinking water experience, and created a new circular economy business model where "product is service" to further reduce plastic waste and carbon emissions from the source, exerting the influence of a life insurance company in environmental initiatives to create a win-win situation for the economy and the environment. The tea stations supported by KGI Life since 2022 reduced waste plastic bottles by 35,490 bottles as of the end of 2023, with total carbon reduction reaching 3,300 kg, equal to the annual carbon absorption of 275 trees.

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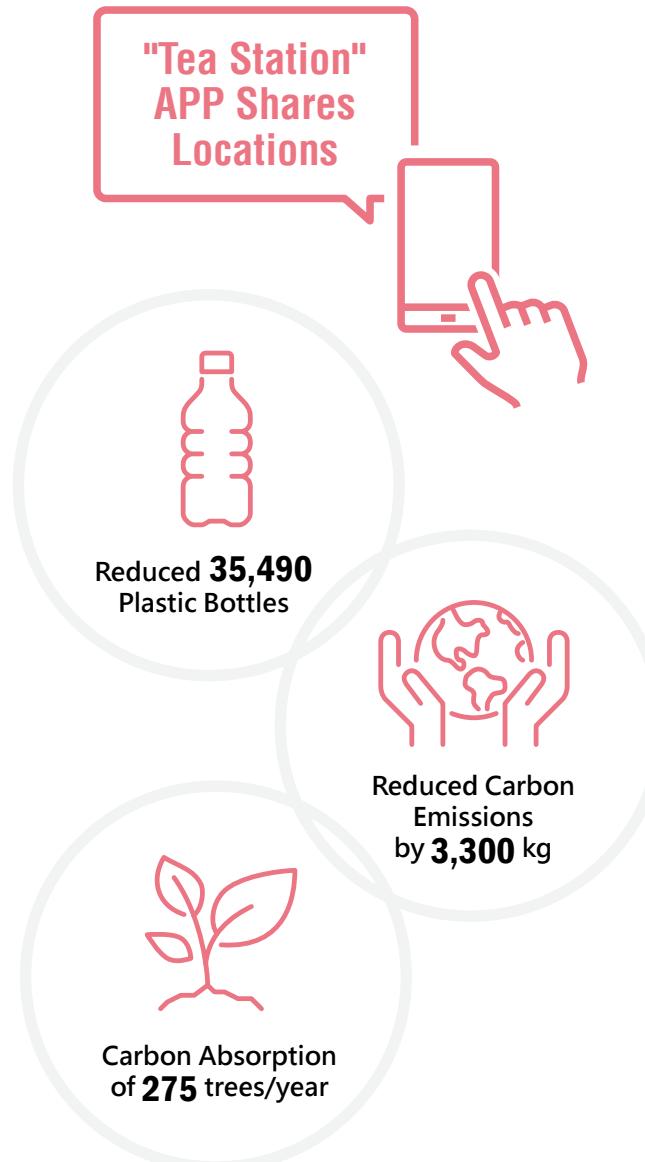
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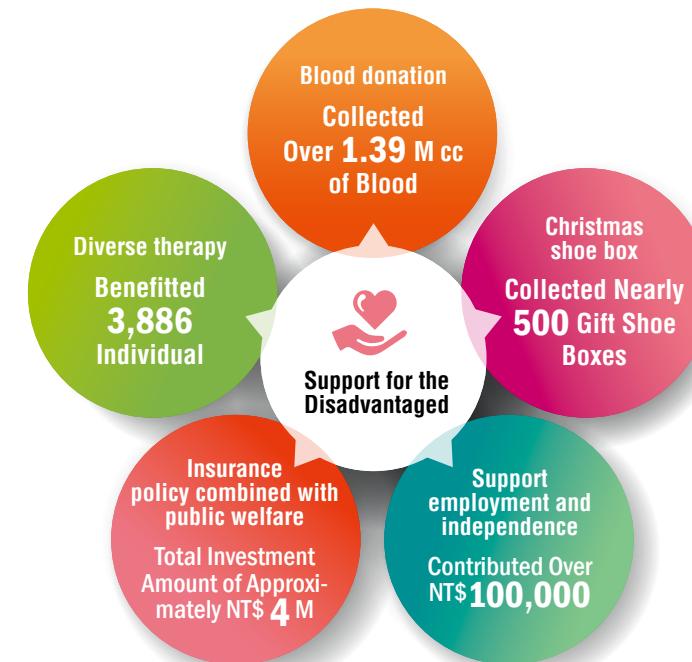
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Support for the Disadvantaged



Showing Altruism by Donating Blood for Charity

KGI Life began organizing blood donation charity events around Taiwan in 2016, and called on employees and residents in northern, central, and southern Taiwan to show their altruism by transforming "Donate a bag of blood, save one life" from a slogan into an act of good. KGI Life has organized 45 events as of 2023 and collected over 1.39 million cc of blood. This is the best example of KGI Life mutually prospering with society and using love to create a virtuous cycle.

Sending Love in Christmas Shoe Boxes to Students in Rural Areas

KGI Life has supported the charity event of KGI Charity Foundation for the third consecutive year. Employees donated children's favorite stationery and daily necessities, and put the gifts along with their most sincere blessings into shoe boxes that are delivered rural areas. Nearly 500 shoe boxes of gifts were collected and allowed children in rural areas to feel warmth in the cold winter and fulfill their Christmas dreams.

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KGI Life x Maria Social Welfare Foundation

Value-added Products of Sheltered Workshops, Supporting Employment and Independence

Following the joint development of the co-branded eco-friendly socks "Merry Young Socks" in 2022, the president led a volunteer group to the "Merry Young Socks Store" in 2023 and assumed the role of an intern store manager for a day, and experienced the daily work of young people from the Maria Social Welfare Foundation. They achieved over NT\$100,000 in sales within two hours, setting a new single-day sales record since the store opened. We also supported the "Maria MAMA Handmade Bread Bakery Expansion Project," and provided employment training for the disadvantaged to prepare them for assimilating into society. We supported the Maria Social Welfare Foundation to develop products and services with commercial value, and become a model social enterprise that truly solves social problems with its business model.



Insurance Policy Combined with Public Welfare, Increasing the Value of Insurance

KGI Life has provided long-term support for the Maria Social Welfare Foundation in establishing a support system for the disadvantaged, providing care for persons with disabilities from four aspects, namely support, medical treatment, schooling, and employment. We strive to reduce their risks in life and also provide job opportunities to let them become independent and assimilate into society, allowing persons with disabilities to realize their dreams and values in life and live a life with dignity. KGI Life integrates corporate resources to support the sustainable development of social welfare organizations and jointly create social inclusion value through sponsorships, volunteers, calling on employees to make voluntary donations, and inviting policyholders to purchase insurance for charity through the "One Policy, One Love" campaign. The total amount of donations from employees and insurance policies is approximately NT\$4 million. We provide support for middle-aged and elderly people with disabilities to assimilate into communities, realizing insurance protection and society stabilization, and use actions to create a virtuous cycle of love and kindness.



Diverse Therapy to Enrich Life

KGI Life not only aims to meet the basic living needs of the disadvantaged, but also pays attention to their self-actualization in life. We support the Maria Social Welfare Foundation in promoting music therapy for children with multiple profound disabilities, and sponsored the R&D of special sound instruments and musical aids, healing the souls of children through music and improving their language development, interpersonal interaction, and ability to recognize and express emotions. During the concert on Christmas Eve, this group of angels demonstrated their learning results under the guidance of their teachers and felt the joy of playing music and expressing themselves on stage.



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Friendly Protection for the Disadvantaged and Social Inclusion Practices

KGI Life's long-term partnership with Maria Social Welfare Foundation and offers support to the art therapy class for those with mental disabilities. In addition, the Company also provided funds for their office building. As a result 12,000 mentally and physically disabled individuals receive comprehensive care each year. In addition, we also reconstructed the historical photograph wall, helping promote the institution to society. KGI Life relies on its own financial influence to make society more aware of vulnerable groups. We work hand-in-hand with charity organizations to achieve a sustainable future.

• Friendly Support for the Homeless

Homeless people on the streets are usually alone, working hard for basic food and clothing, and rarely have the opportunity to interact with other people. KGI Life empathizes with the lack of social support they face, and has donated food allowances for Chinese New Year since 2022. We assisted the "Homeless Taiwan Association" with inviting the homeless to a year-end banquet and share a warm dinner. Besides feeding the homeless, the event deepens interpersonal support and connections, helps homeless people get back on their feet and avoid being homeless. We provided support a total of 240 person-times. At the same time, we continue to provide insurance coverage for Homeless Taiwan Association, Do You A Flavor, and Philosociety, so that this group of "guardians of the disadvantaged" will have basic coverage, and can serve the homeless without worries, helping build a more complete social safety net.

KGI Life has long been concerned about disadvantaged groups, and opens a window for the homeless by establishing social connections. In 2023, KGI Life supported the "Street Tour" project launched by the "Homeless Taiwan Association" by calling on employees to join the ranks of volunteers, and assist the homeless in becoming local tour guides, creating opportunities for interaction with the public through professional explanations, while improving public perception of the homeless. Volunteers participated in a total of 10 events 24 times and provided 128 hours of service.

• Friendly Services for New Immigrants

Seeing the trouble new immigrants often face due to the language barrier in daily life or when applying for financial services, KGI Life led the industry in working with New Immigrant Family Development Association to eliminate the communication barrier of new immigrants when accessing financial and insurance information. KGI Life is the first financial institution to offer "multi-lingual real-person translation service for new immigrants." Translation services are provided in nine languages, including Vietnamese, Malay, Thai, Indonesian, Burmese, Filipino, Japanese, Korean, and English. The association's interpreters from different countries allow new immigrants to communicate in their native language and fully understand their rights and interests.



Customer service centers around Taiwan have multi-language translators for front-line service personnel to provide immediate assistance to new immigrant. We also released the first "insurance knowledge animations" and the easy-to-understand "Reminder of Important Rights and Interests of Policyholders" in multiple languages, hoping to help close the gap in financial knowledge of new immigrants and move towards the goal of financial inclusion.

In addition, we are the first in the industry to tailor the "Financial Knowledge Training and Fraud Prevention Lectures for Multi-national Interpreters" for new immigrants , as well as tailor financial insurance knowledge and fraud prevention courses for new immigrants' interpreters, and sponsor the association's "Diverse Guidance Services for Children of New Immigrants" project, taking action to support "guardians of the disadvantage," and help children of new immigrants adapt to life in Taiwan as soon as possible.

• Advocating for Friendly Services for People with Hearing Impairment

To provide consumers with hearing impairment with the most suitable services, KGI Life began to cooperate with the "Chinese National Association of the Deaf" in 2022, introducing the sign language translation service mechanism to help people with hearing impairment communicate smoothly. In 2023, we printed financial

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security manuals and trinkets with fraud prevention tips for the association to hand out during insurance knowledge lectures and financial fraud prevention lectures, thereby raising the insurance coverage and financial fraud prevention awareness of people with hearing impairment.



At the same time, KGI Life planned professional courses for employees to understand the logic of people with hearing impairment when communicating with them, learning to use facial expressions, body language, and sign language for smoother communication. We invited the secretary-general of the Chinese National Association of the Deaf, who also has severe hearing impairment, to share the situations and needs of people with hearing impairment and elderly people with hearing loss from his perspective. We organized six "Hearing Impairment Friendly and Sign Language Training" courses in 2023. We established a "Sign Language Club" for employees to voluntarily participate in learning sign language, and further use their sign language skills in practical work.

After learning professional skills, KGI Life exclusively served as a volunteer for "community involvement activities for people with hearing impairment" organized by the Chinese National Association of the Deaf in 2023. Volunteers participated in a total of 25 events 50 times and provided 200 hours of service.

• Supporting Friendly Services for People with Visual Impairment

KGI Life worked with the "Taipei Parents' Association of the Visually Impaired" to bring in corporate volunteers and resources to support the skill development of the visually impaired. We invited visually impaired musicians to perform in the employee cafeteria in 2023, supporting the visually impaired with our actions, and providing employees with opportunities to communicate and interact with the visually impaired, helping them better understand their vulnerabilities. KGI Life sponsored the association's original musical "Incubator Artists" for the visually impaired, creating employment opportunities for visually impaired mu-



sicians and striving to create a virtuous cycle.

We also called on employees to serve as volunteers at the association, including activity guide volunteers, volunteers to assist in courses for the visually impaired, and book scanning volunteers, so that employees can better understand the difficulties and needs of the visually impaired in daily life through practical experience, learn to empathize with others, and provide more appropriate and friendly assistance to the visually impaired. Volunteers participated in a total of 44 events 148 times and provided 556 hours of service in 2023.

Corporate Volunteer

Go for Love Volunteer Group Jointly Creates Sustainability Value

KGI Life established the "Go for Love Volunteer Group" for long-term promotion of corporate volunteers, in order to practice the sustainability spirit of promoting social diversity, equality, and inclusion. The volunteer group connects the volunteer service needs of many non-profit organizations across Taiwan, and provides employees with 4 days of paid volunteer leave to encourage employees to freely choose and participate in different types of volunteer services based on their own interests and expertise. The interactions with service recipients help employees become more thoughtful and helps them empathize with a variety of issues.

The Go for Love Volunteer Group has set new records for service hours every year. In 2023, 90% of office staff participated in volunteer services, with a total of nearly 50,000 hours of service, providing care to the elderly, people with disabilities, economically disadvantaged, and new immigrants and their children. We gather together the capabilities of volunteers to contribute warmth to society and achieve the corporate value proposition of "committed to your life of happiness."

49,816 hrs
of volunteer service in 2023

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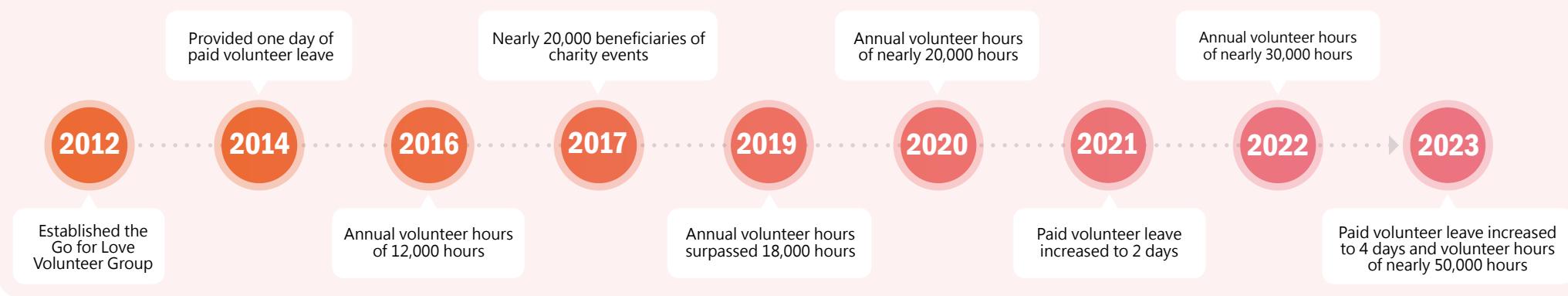
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Milestones of the Go for Love Volunteer Group



Strengthening the Use of Professional Competencies to Optimize Services for Diverse Customer Groups

The Go for Love Volunteer Group practices corporate social responsibility, supports environmental sustainability goals, and actively organizes activities, such as mountain cleaning, beach cleaning, and community cleaning. We utilize our core insurance competencies to provide fraud prevention concepts and financial knowledge to elderly people, people with hearing impairment, people with visual impairment, and families with dementia patients, using our expertise to help people eliminate the gap in financial knowledge and expand the value of inclusiveness in the life insurance industry, promoting sustainability actions through multiple aspects.

KGI Life also cooperates with professional institutions to encourage employees to join clubs and participate in training, which will improve their understanding and empathy for diverse ethnic groups and thereby improve the quality of volunteer services. For example, we jointly established a club with the Chinese National Association of the Deaf for employees to learn sign language. We collaborated with Taipei Parents' Association of the Visually Impaired in teaching employees how to use human guide techniques to serve visually impaired people in need. We co-organized a training experience camp for the elderly and persons with disabilities together with Duo Fu to help employees better understand the needs of recipients and provide more suitable services. In the future, we will continue to pay attention to social trends, call on employees to participate in volunteer services, and create a corporate culture of fairness and empathy, so that love and care will never end.

Community Involvement B4SI Inputs, Outputs, and Benefits Measurement

KGI Life worked with 60 charity organizations in 2023 and organized 329 charity events, helping 37,506 underprivileged people and citizens. Community involvement activities not only allow people to better understand KGI Life's business philosophy and services, but also allow employees to make charity a part of daily life, actively seek opportunities to provide volunteer services at social welfare organizations, and donate or purchase products of charity organizations. In providing donations and supplies to those in need, KGI hopes to increase their chances of interaction with and exposure to the public. We also provide a stage for them to be seen, which will increase their self-confidence, value, and social skills.

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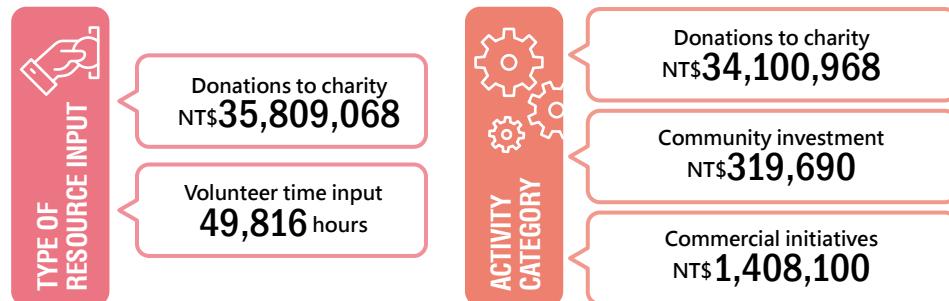
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More Focused Social Media Management

Social media management uses creative illustrations, popular videos and other digital formats to design communication materials for brand promotion, creating a shared experience close to daily life situations, and accompanying customers to strive for a happy life. At the same time, it also focuses on promoting themes such as sustainable initiatives, treating customers fairly, friendly financial services for the disadvantaged, and sharing awards and honors. It utilizes creativity on social media to better package ESG highlights, providing care with more warmth while continuing to expand the Company's brand exposure, and helping to increase brand awareness and favorability.



- Number of fans: 43,000 people (+0.5%)
- Number of posts in 2023: 425 posts
- Reach of posts: Approximately 15 million times (+25%)
- Number of interactions: Approximately 365,000

More Diverse Investment in Cultural and Artistic Activities

KGI Life drives cultural development by investing corporate resources into cultural and artistic activities, in order to achieve cultural sustainability. This is consistent with the scope of "cultural development driven by enterprises" under the Ministry of Culture's direction to "maintain social welfare" for sustainable development. We made contributions in 2023 by donating to charity and cooperating in advertisements, organizing a variety of cultural and artistic activities to enrich measures for sustainable development.

• Donations to the Charity Project of China Development Foundation

KGI Life donated NT\$13.5 million to the "China Development Foundation" in 2023 to help it carry out a number of charity projects, including: supporting art, vocational, and sports talents, scholarships for disadvantaged students, and lunch subsidies for elementary and middle schools, with a total of 14,552 beneficiaries.

KGI Life hopes to inject new life into the domestic arts and cultural environment through the support of corporate power. The China Development Foundation has participated in the Arts Sharing Project of National Taichung Theater for five consecutive years, and actively implements cultural equality, and promotes citizens' right to access the culture. We invited a total of 147 teachers and students from 4 schools in Miaoli, Nantou and Changhua counties in 2023 to learn about the theater, as well as enjoy the "Tiger Tale" performance by the British Barrowland Ballet, and fully experience the theater with all one's senses. Furthermore, the China Development Foundation also provides scholarships for skilled vocational high school students and sponsored "Breaking Stage" to discover domestic break dance masters. Upholding the concept of "education is the best investment," we support the young generation to expand their potential and realize their dreams.

• Participated in the Advertising Cooperation for the French Version Musical "Les Misérables"

KGI Life contributes to both elevating the artistic and cultural literacy of citizens and developing professional artistic talents. We invested corporate resources to participate in the French version musical "Les Misérables" in Taiwan for the first time. The event was organized by Gorgeous Entertainment, produced by the French company Cityprod, and was jointly performed with the Taipei Philharmonic Orchestra in Taipei Arena on January 6 and 7, 2024. The actors selected to perform in the large-scale musical are very close to the descriptions in the book, both in terms of singing voice and even appearance. More than 200 detailed costumes on the actors and their performances tell a complete story. Combined with the stage layout of the Taipei Philharmonic Orchestra, which has been praised by international media for its quality and top tier performance, and the high spec L2 audio equipment used for the first time to recreate the classic, the audience was able to enter Hugo's literary world. This is the first time Taiwanese audiences experienced the musical version of "Les Misérables."

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Chapter.6

LOW CARBON TRANSITION



Climate Governance and Strategies

In response to the increased frequency of global extreme weather events, KGI Life follows regulatory policies and stays aligned with domestic and international trends in climate risk management. With "Action" as the core, we start from advocacy, to commitment, and into practice, establishing significant milestones on the path of climate risk management. Through sustainable financial actions, we aim to work with both internal and external stakeholders to realize the vision of a sustainable environment.

Given the growing threats posed by climate change, KGI Life is taking proactive carbon reduction measures to mitigate environmental impacts while also planning for adaptation strategies to minimize potential operational impacts. Beyond optimizing the current climate risk management framework, we are expanding the scope of scenario analysis to more comprehensively evaluate potential climate risks. Additionally, KGI Life has produced an "Insurance Services Carbon Footprint Inventory," establishing a baseline for future operational carbon reduction planning.

Climate Governance Framework

In 2023, KGI Life, in accordance with relevant regulations and its internal risk management policies, formulated the "Climate-Related Risk Management Guidelines" to define the Company's climate risk management procedures.

Three Lines of Defense for Internal Control

Internal audit unit assists the Board and senior management in auditing and evaluating the effectiveness of risk management and internal control systems, providing timely improvement recommendations.

The Risk Management Department and Sustainable Development Department jointly execute climate-related risk management guidelines, regularly monitor climate risk metrics, and disclose relevant information. They also supervise the overall risk-bearing capacity and current risk exposure, reporting to the Board or senior management.

Individual business units identify, assess, control, and mitigate climate-related risks within their scope of operations, designing and implementing effective internal control procedures for each risk characteristic.

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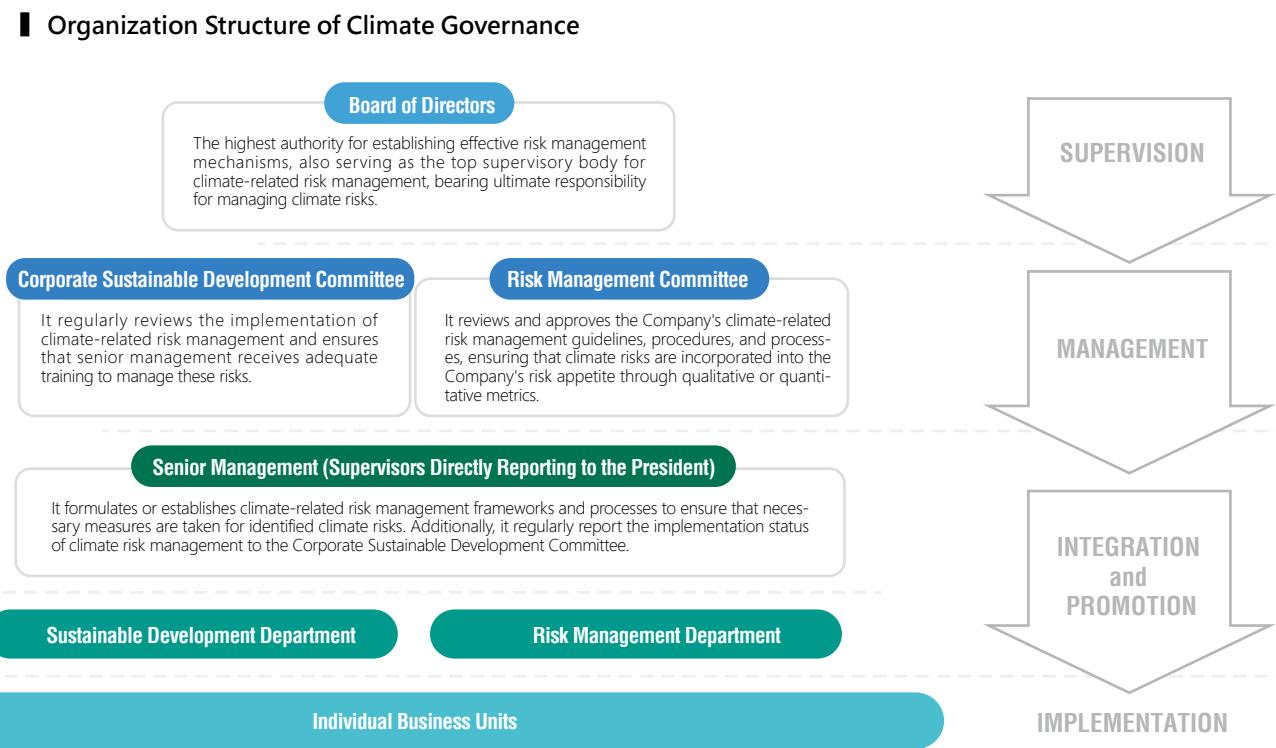
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Climate Risk Identification and Assessment

According to the Company's "Climate-related Risk Management Guidelines," each unit in first line of defense identifies, assesses, controls, and mitigates various climate-related risks within their operational activities based on their scope of business and functions. Effective internal control procedures are designed and implemented according to the characteristics of these risks, allowing us to identify related climate opportunities. Also according to the aforementioned Guidelines, climate risks are categorized into physical risks and transition risks. Physical risks refer to direct or indirect losses resulting from immediate extreme weather events caused by climate change or long-term shifts in climate patterns. Transition risks arise from the operational cost changes the Company might face during the transition to a low-carbon economy due to influences from policies, regulations, technological advancements, and social preferences.

Climate Risk Identification

KGI Life follows the TCFD climate risk management framework and uses a questionnaire to survey relevant departments. The departments assess the potential financial impact of different types of climate-related risks on investment portfolios, life insurance products, business activities, and suppliers, and link them to traditional financial risks to identify KGI Life's climate risks and opportunities.

1. Climate-related Risks of Investment Portfolio

If the investment target evaluated by KGI is an industry with high climate risk (e.g. high carbon emissions, high energy consumption, or high pollution industries), changes in climate regulations, carbon fees, and the maturity of emerging or low-carbon technologies may cause the investment target's operating costs to increase. Changes in market demand or higher awareness among the public might cause the revenue of the investment target to decrease, and further affect the company's profitability, resulting in a decrease in the Company's investment income.

In addition, if the Company's real estate investments are located in areas with high climate risks (such as areas prone to flooding), the value of the assets may be damaged by climate disasters and cause the Company's asset impairment loss to increase or cause future gains from disposal to decrease.

2. Climate-related Risks of Life Insurance Products

There is significant uncertainty in international assessments of the time and scope of the impact of physical risks, so climate-related risks of life insurance products are still a potential and uncertain risk. In the future, we will continue to monitor changes in regulations of competent authorities or market changes, and assess whether extreme weather events caused by climate change may cause harm to policyholders' personal safety or health, which will cause medical or life insurance claims to increase and further increase the Company's claims costs.

3. Climate-related Risks of Business Operations

KGI Life's business operations are susceptible to risks arising from climate-related laws and regulations. As domestic carbon pricing policies mature, operational costs of the Company's offices may increase.

For offices located in high risk locations, disasters caused by extreme climate events may disrupt business operations and cause damage to offices and relevant apparatus, increasing operational costs and repair fees.

4. Climate-related Risks from Suppliers

The main form of risks for suppliers comes from physical risks. If the headquarters, offices or factories of suppliers are located in high risk areas, climate catastrophes may inflict damage and losses, affecting their supply capacity, resulting in procurement difficulties and increased costs for the Company.

Climate Risk Measurement

The Company defined high climate risk areas and high carbon emission industries to analyze climate-related physical risks and transition risks, and referenced international standards when setting climate scenarios to measure the impact of climate risks on the Company's businesses. We conducted scenario analysis to assess the potential climate-related impacts on investments, operations, and suppliers in different climate scenarios, in order to ensure that climate-related risks can be effectively controlled or mitigated.

1. Physical Risk Assessment

In assessing physical risks, KGI Life adopts climate change disaster risk maps produced by the National Science and Technology Center for Disaster Reduction to track hazard and vulnerability metrics, and analyzes climate risk rating for global warming 1.5°C and 4°C scenarios. After standardization, places with higher score are defined as high-risk areas.

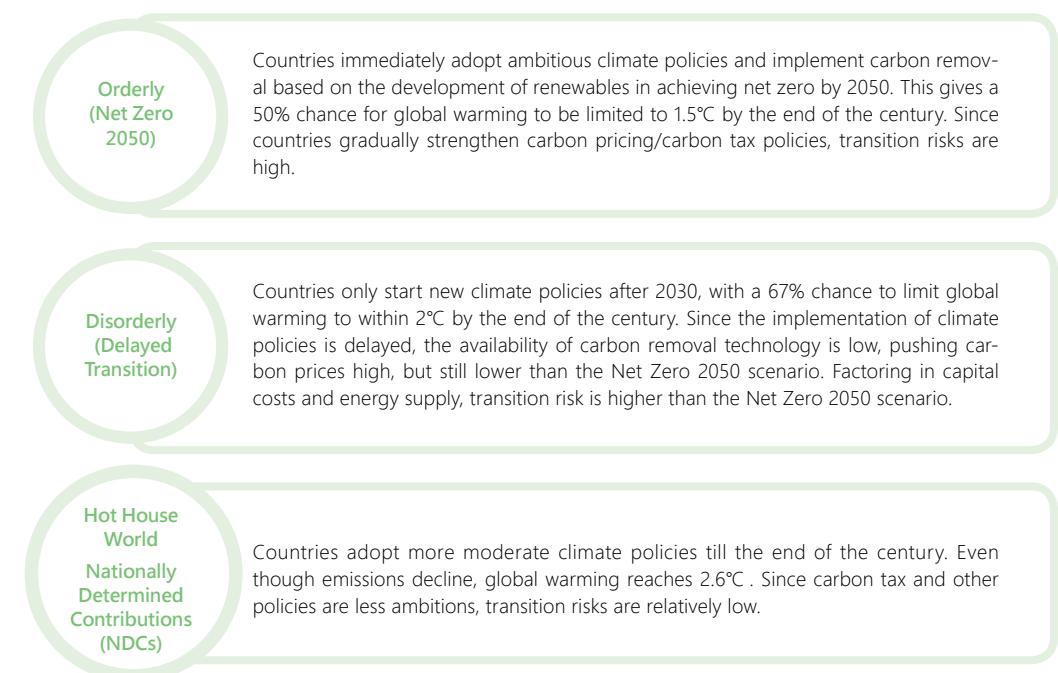
The risk scenario analysis is applicable to the Company's real estate investment portfolio, locations of operations, and locations of major suppliers. According to the analysis results, 26% of investment property was categorized as high climate risk in the 1.5°C and 4°C scenarios, and accounted for 10% of all investment property in terms of total amount. After adjustments, we determined that 2.6% of investment property is located in high risk areas and account for 0.2% of all investment property in terms of amount, which are distributed in Kaohsiung City. In terms of locations of operations, 45% of locations of operations are categorized as having high climate risk under 1.5°C and 4°C scenarios. KGI Life has taken adaptation measures at all locations of office staff operations, such as floodgates, sandbags, water pumps, and emergency evacuation measures. All offices have been incorporated into the scope of the Company's business continuity management (BCM) plan. After mitigation, the risk level of all office locations is low. Regarding major suppliers, 3.7% of major supplier are located in high risk areas in both the 1.5°C and 4°C scenarios, and are mainly distributed in Hsinchu City.

2. Transition Risk Assessment

KGI Life adopted the climate scenario settings provided by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) (which are consistent across countries) for its transition risk assessment. We selected three climate scenarios for scenario analysis, including "Orderly Transition - Net Zero 2050", "Delayed Transition," and "Hot House World - NDCs." We used the carbon price in each scenario to analyze and predict future carbon fees.

Since it is highly likely that high carbon emission industries will be affected by transition risk factors (such as carbon fees) in the future, KGI Life uses the high carbon industries as the target of climate scenario analysis, and assesses the GHG emissions of investment targets in the following three scenarios: Orderly Transition, Disorderly Transition, and Hot House World. The carbon prices in the scenarios are calculated on this basis, and used to assess the carbon fees and impact on profitability of the investment targets.

As the end of 2023, the balance of KGI Life's investments in equity and debt of high carbon emission industries accounted for 18% of total assets, and KGI Life continues to lower this percentage. KGI Life has relatively large investment positions in electronic parts and components manufacturing, oil and natural gas mining, and electricity and gas supply.



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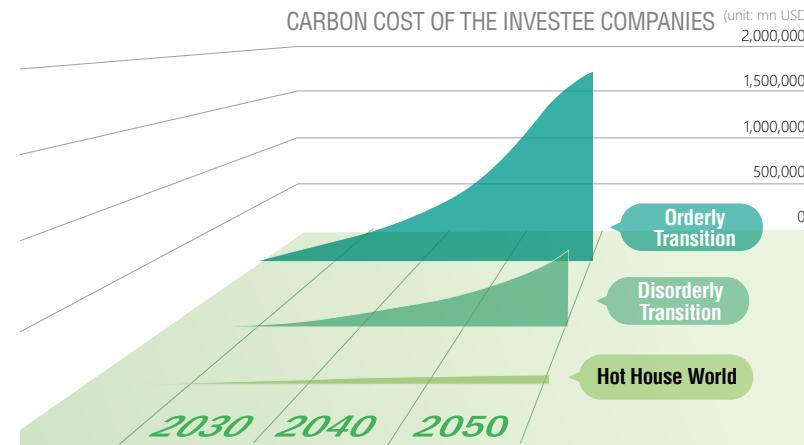
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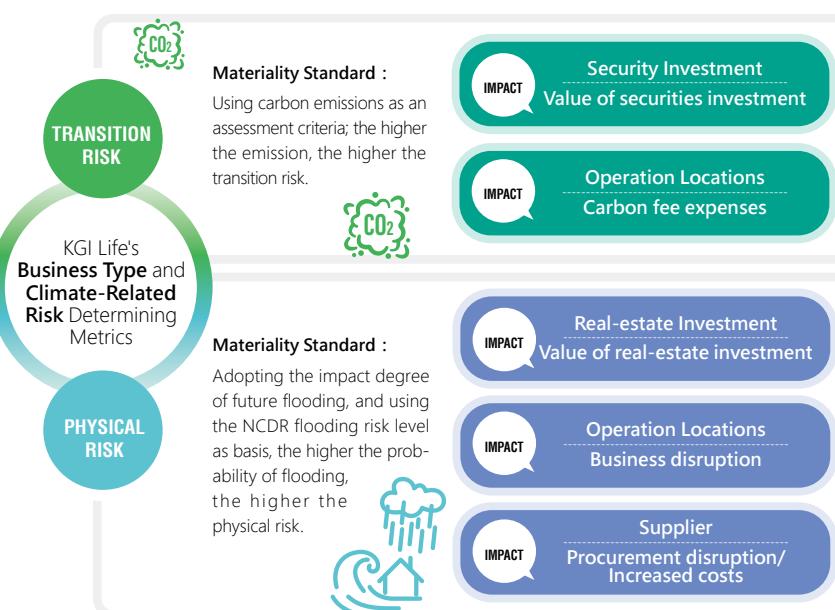
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Carbon Cost from Equity Investments Under Different Scenarios



3. Materiality Standard for Climate Risks

KGI Life sets climate-related risk metrics after considering climate risk significance and the attributes of various businesses. Prioritization for addressing climate-related risks is set according to climate materiality standard.



Climate Risk Response

KGI Life developed climate risk management response strategies and actions based on the impact of climate risks on different aspects, and regularly tracks climate risk management and changes to effectively manage climate risks.

Transition Risk

Impact	Potential Financial Impact	Result of Risk Factor	Possible Occurrence Period	Degree of Impact	Response Strategy
Investment	Reduced investment income	Market risks, Credit risks	Short/Mid-term	Low-Moderate	<ul style="list-style-type: none"> Investment in renewable energy power plants Green bond investments Engagement with carbon-intensive industries
Operation	Increased operational expenses	Operation risk	Mid-term	Low	<ul style="list-style-type: none"> Digital insurance services Carbon reduction plans for office staff and agent workplaces Adoption of renewable energy

Physical Risk

Impact	Potential Financial Impact	Result of Risk Factor	Possible Occurrence Period	Degree of Impact	Response Strategy
Investment	Increase in asset impairment losses/reduction in gains on disposal	Market risks	Mid/Long-term	Low	<ul style="list-style-type: none"> Management of real estate climate risk exposure
Operation	Reduced income from business operations	Operation risk	Mid/Long-term	Low	<ul style="list-style-type: none"> Execute business continuity management plans (BCM)
Supply Chain	Increased operation expenses	Operation risk	Mid-term	Low	<ul style="list-style-type: none"> Sustainable supplier management Green purchasing
Product	Increased claim expenses	Insurance risks	Long-term	Low	<ul style="list-style-type: none"> Continuous observation of impact of climate risk on life insurance products, for adoption in relevant planning

Climate Metrics and Targets

Effective key climate metrics and targets guide climate risk management and the execution of net-zero strategies. Based on the business planning of each department, KGI Life systematically sets short, medium, and long-term climate risk management targets, and regularly tracks relevant results and performance to respond to the goals and expectations of internal and external stakeholders for climate management.

Based on assessments of climate-related risks and opportunities identified, KGI Life formulates specific strategies and implementation plans, setting targets and tracking progress annually to effectively mitigate the impact of climate change on its investment and operational activities.

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CLIMATE-RELATED OPPORTUNITIES

Strategy	Metrics	Short-term Targets	Mid-term Targets	Long-term Targets
TRANSITION RISK	Investment Target Engagement	Incorporate ESG factors into engagement/voting guidelines	<ul style="list-style-type: none"> Disclose the percentage of ESG dimensions in engagement reports and voting records Participate in all shareholders' meetings and exercise voting rights 	
	High-carbon Industry Exposure Reduction	Cap the investment percentage of high-carbon industries at 24.5%	<ul style="list-style-type: none"> Cap the investment percentage of high-carbon industries at 24.5% 	
	Investment Portfolio Carbon Reduction	SBT reduction targets	<ul style="list-style-type: none"> Achieve the Group's SBT reduction targets 	
	Operational Carbon Reduction	Reduce the operational carbon emissions from offices and agencies/Replace old equipment/Expand initiatives related to carbon reductions and environmental sustainability	<ul style="list-style-type: none"> By 2024, transform the headquarters building into a carbon-neutral green building Reduce carbon emission from offices and agencies to 5,620 tons in 2024 More than 50% of devices and equipment in offices and agencies certified for water-saving 	<ul style="list-style-type: none"> Reduce the operational carbon emissions from offices and agencies More than 60% of devices and equipment in offices and agencies certified for water-saving Reduce the operational carbon emissions from offices and agencies More than 70% of devices and equipment in offices and agencies certified for water-saving
PHYSICAL RISK	Climate Risk Management for Real Estate Investments	Physical risk assessments conducted for all new real estate investments/Decrease the percentage of high-risk cases after mitigation	<ul style="list-style-type: none"> Physical risk assessments conducted for all new real estate investments Regular review of climate risks for real estate investments with high-risk cases less than 10% after mitigation 	<ul style="list-style-type: none"> Physical risk assessments conducted for all new real estate investments Regular review of climate risks for real estate investments with high-risk cases less than 6% after mitigation All new construction projects should be designed according to requirements for green buildings
	Sustainable Supply Chain Management	Supplier self-assessment system/Gradually increase the procurement amount from net-zero suppliers and social innovation organizations every year	<ul style="list-style-type: none"> Suppliers to fill in CSR self-assessment form (14 suppliers per year) Encourage suppliers to join social innovation organizations and increase the procurement amount from social innovation organizations to NT\$12 million 	<ul style="list-style-type: none"> Suppliers to fill in CSR self-assessment form (15 suppliers per year) Encourage suppliers to join social innovation organizations and increase the procurement amount from social innovation organizations to NT\$13 million
	Climate Risk Management (Institution-wise)	Continue to improve climate risk management mechanisms/Fulfill IFRS S1/S2 climate information disclosure requirements	<ul style="list-style-type: none"> Maintain and timely adjust natural disaster-related business continuity management mechanisms with at least one disaster recovery drill completed each year Introduce IFRS S1/S2 climate information disclosure requirements 	<ul style="list-style-type: none"> Maintain and timely adjust natural disaster-related business continuity management mechanisms with at least one disaster recovery drill completed each year Prepare for IFRS S1/S2 climate information disclosure
6	Low-carbon Transition	Annually increase green investment by 5% (base year: 2020) /Digitalize insurance services	<ul style="list-style-type: none"> Compared to 2020, increase green investments by 20% Mobile insurance application rate (non-agency channel): 5% growth compared to 2023 Promote paperless administrative processes, including e-Notice, electronic notifications, and reduce paper consumption by 5% annually 	<ul style="list-style-type: none"> Compared to 2020, increase green investments by 30% Continue to improve mobile insurance application rate (non-agency channel) Promote paperless administrative processes, including e-Notice, electronic notifications, and reduce paper consumption by 5% annually
	Sustainable Environment Promotion	Green procurement/Energy conservation and carbon reduction	<ul style="list-style-type: none"> Total procurement from suppliers committed to net-zero carbon emissions reaches NT\$12 million Successfully urge four suppliers to commit to net-zero carbon emissions 	<ul style="list-style-type: none"> Continue to procure from suppliers committed to net-zero carbon emissions Continue to urge suppliers to commit to net-zero carbon emissions

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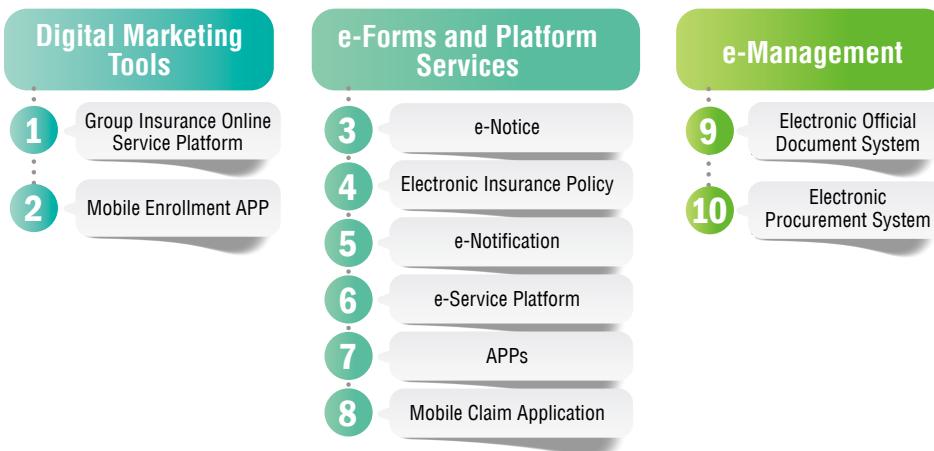
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Green Operations and Carbon Management

Electronic Services

Society attaching growing importance to environmental protection has changed the way the financial industry provides products and services and the way consumers act. KGI Life continues to improve its operating procedures, simplify manual processing procedures, and provide policyholders with more eco-friendly and convenient green services in all stages of the policy life cycle. We hope to reduce the GHG emissions from paper printing, mailing, and transportation through digital marketing tools, electronic forms and platform services, and electronic management, jointly contributing to the protection of Earth together with policyholders. Electronic services reduced paper use by 8.94 million sheets in 2023, which reduced carbon emissions by approximately 161 metric tons.

■ e-Services Reduce Paper Use and Provide New Digital Experiences



Digital Marketing Tools

1. Group Insurance Online Service Platform

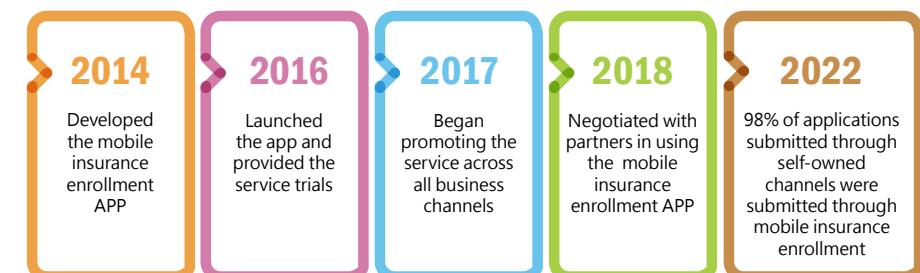
We launched the Group Insurance Online Service Platform and replaced paper documents with electronic services and processes, allowing applicants to apply for

enrollment or withdrawal of employees online. Insured persons can also access the details of their policy online. In the 2022, 85% of group insurance applications were made using the group insurance online service system. In the future, we plan to continue optimizing functions through a user-centric approach, in order to increase online insurance enrollments and withdrawals.

2. Mobile Enrollment APP

KGI Life offered the mobile insurance enrollment APP service to reduce the amount of paper used for enrollment. Customers can check their information online when applying for insurance through the mobile insurance APP, reducing the number of notices to customers arising from errors and incomplete application forms. This improves the accuracy of the information on application documents and also reduces document printing, delivery, scanning, filing, and storage costs, achieving energy conservation and carbon reduction.

As of the end of 2023, a total of 57 banks and insurance brokerages and agencies have officially joined the ranks of KGI Life's mobile insurance enrollment. A total of 159,000 insurance policies were received via mobile insurance enrollment throughout the year, and reduced paper use for insurance application documents by 954,000 sheets. KGI Life will continue to dedicate its efforts to the implementation of "energy conservation and carbon reduction" and provide immediate, faster, and more convenient digital services to its customers.



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e-Forms and Platform Services

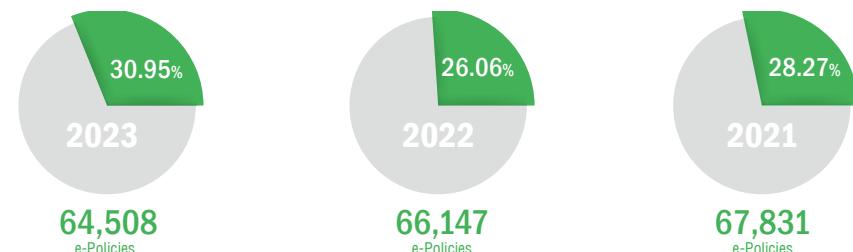
3. e-Notice

In coordination with mobile insurance enrollment, we established electronic operating procedures for new contracts through different stages starting in 2019, allowing sales agents and policyholders to directly respond to notices using their mobile devices, improving processing efficiency. The response rate for cases using the mobile notice was approximately 60% in 2022, and the processing time per case was reduced by 3 to 5 days.

4. Electronic Insurance Policy

Policyholders can apply for an electronic insurance policy when they are signing a new contract. The policy will be stored in an easily accessible device after verification by an impartial third party, allowing policyholders to quickly access and view their policies. This reduces the loss of insurance policies without affecting the rights and interests of policyholders. We added clauses as options on electronic insurance contract in 2023, and provide a QR code for policyholders to download policy clauses, in order to increase their acceptance.

Percentage of Electronic New Contract Policies



5. e-Notification

We used e-Mail to replace paper policies, notification letters, and receipts, reducing paper printing and mailing. At the same time, electronic files are available on the company website for policyholders to download and inquire. A total of 6,043,418 e-Newsletters were sent in 2023, allowing policyholders to obtain information in an efficient and eco-friendly way. We continue to implement paperless

administrative processes, saving nearly 5,278,368 sheets of paper, an increase of 17.3% compared with 2022.

6. e-Service Platform

KGI Life provides a 24/7 zero distance e-Service platform for policyholders to quickly access and change the contents of their insurance policies, effectively simplifying the inconvenient process that requires policyholders to fill out paper documents, while reducing GHG emissions from mailing applications or transportation. The platform has reduced paper use by 157,506 sheets.

7. APPs (KGI Life "i-Life")

The KGI Life "i-Life" APP was officially launched in 2022. Policyholders who install the app and complete registration can access the most commonly used services, such as policy inquiry, policy changes, changing investment targets, and partial withdrawals, anytime and anywhere; effectively saving policyholders from the inconvenience of filling out forms, saving nearly 626,250 sheets of paper.

8. Mobile Claim Application

KGI Life began providing mobile claims services in 2021 to provide more convenient, fast, and high-quality claims services, allowing service personnel and policyholders to quickly submit claims applications and reduce GHG emissions generated by printing and mail. Paper use was reduced by over 100,000 sheets in 2023. In addition, case reviewers can expedite case processing through the platform's preliminary review, giving policyholders peace of mind.

e-Management

9. Electronic Official Document System

In the past, official documents were processed manually and through paper copies. KGI Life developed an electronic official document system to improve administrative efficiency and accelerate processing time, thereby improving work quality, lifting the burden on employees, saving energy, reducing paper use, and protecting our planet. In 2023, 21,629 electronic official documents were processed, saving 86,516 sheets of paper, an increase of 16.7% compared with 2022.

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10. Electronic Procurement System

The electronic procurement system was launched in September 2023. After three months of use, it has already provided benefits, such as improving administrative efficiency and accelerating processing time, improving work quality, lifting the burden on employees, and reducing paperwork delivery time. Since printed paper documents is no longer required, we reduced paper printing for 448 procurement cases, using an average of 26.4 sheets of paper per procurement case, paper use was reduced by 299,376 sheets in 2023. As the Company continues to use the electronic procurement system and more people gradually become accustomed to the procurement system, the paper use reduction is expected to further increase compared going forward.

Environmental Management

KGI Life continues to conduct its GHG inventory review and introduce environmental and energy management systems to implement environmental management and energy management systems, systematically improving the management of environment-related resources, and implementing concrete management mechanisms. KGI Life's Environmental Protection Committee has 9 members^①, held by supervisors of various functions. The committee is responsible for establishing and revising its charter and environmental protection policies and regulations, and for supervising the implementation of energy conservation and carbon reduction, waste management, environmental hygiene, and environmental protection measures. Two meetings were held in 2023 to review the implementation of environmental protection measures. The committee maintained the three environmental sustainability pillars: "green purchasing," "climate change response," and "environmental management and energy conservation & carbon reduction."

To strengthen environmental management, besides continuing to implement the ISO 14001 Environmental Management Systems at the HQ and Dunbei Building, KGI Life obtained third party verification to enhance its environmental understanding, as well as implement policies and goals for environmental protection.

^① The committee has 1 chairman, 1 vice chairman, and 7 committee members. It also has 1 executive secretary who is responsible for overall management of committee affairs and contact for meetings.

Green Real Estate

KGI Life gradually moved to the new HQ building between 2021 and 2022. Eco-friendly and energy conservation & carbon reduction concepts were incorporated into site planning and indoor equipment design, which also included greening, water conservation, and energy management, to obtain the Green Building Gold Certificate.

- **Renewable Energy Power Generation and Use:** Solar panels are installed in the HQ building and generate electricity for self use, formally commencing commercial operations in June 2020. Electricity generation reached 45,317 kWh in 2023, which is a specific action taken by KGI Life to support environmental sustainability in response to the government's support for developing renewable energy.
- **Continuing to Support the Purchase of Green Buildings:** KGI Life implemented the plan to obtain green building certificates to reduce its environmental impact, and launched the Datong Building Urban Renewal Project in 2022, which adopted a gold level green building and seismic resistance design, obtaining the green building candidate certificate in October the same year. The building is expected to be completed in 2026.
- **The Water Saving Target Set for 2022:** Complete the evaluation of equipment with the water-saving label in workplaces of office staff and sales agents. By the end of 2023, we found that the workplaces of office staff and sales agents had a total of 973 pieces of apparatuses (including toilets, faucets, and urinals), in which 423 had the water conservation mark, accounting for 43% of all apparatuses.



Environmental Protection Promotion

In 2023, we not only actively participated in various environmental issues and widely promoted the concept of energy conservation and environmental protection, but also published 61 posts on KGI Life's official Facebook and Instagram account on multiple environmental issues, including sustainability, environment, environmental protection, eat less meat and more vegetables, low carbon, plastic reduction, green purchasing, Earth Day, International Day of Forests, and Earth Hour, etc. The posts generated a total of 2.49 million views and 38,000 likes, comments, and shares.

GHG Management

KGI Life began compiling its GHG inventory for the HQ and main branches in 2015^②, and expanded the boundaries of the GHG inventory to all branches in 2020^③. We included all overseas locations into the inventory in 2022, and obtained third-party verification of the ISO 14064-1:2018 GHG inventory in March 2024.

The scope of the inventory was expanded to include all locations of sales agents in the inventory in 2023, covering 100% of service locations. We use 2022 as the baseline year and set the target to reduce carbon emissions from operations of office staff by 10% and the long-term target of reducing carbon emissions by 50% in five years^④. The carbon emissions from operations of office staff in 2023 was 3,942 tons of CO₂e, down 14.56% compared with 2022.

In addition to expanding the boundaries of the inventory, we also began expanding the scope of the inventory each year starting in 2018, including gasoline, diesel, electricity, waste, employee travel, and copy paper transportation, rental photocopier maintenance, post office parcels, and post office binding receipts in categories 3, 4, 5, and 6. We added data on natural gas used by the our HQ building employee cafeteria and sales agent offices in 2023. The data is referenced when KGI Life is formulating GHG reduction plans.

For 2023, we included Scope 3 downstream leased assets in our GHG inventory, and estimated its carbon emissions to be at approx. 37,900 tons of CO₂e.

GHG Emissions^⑤

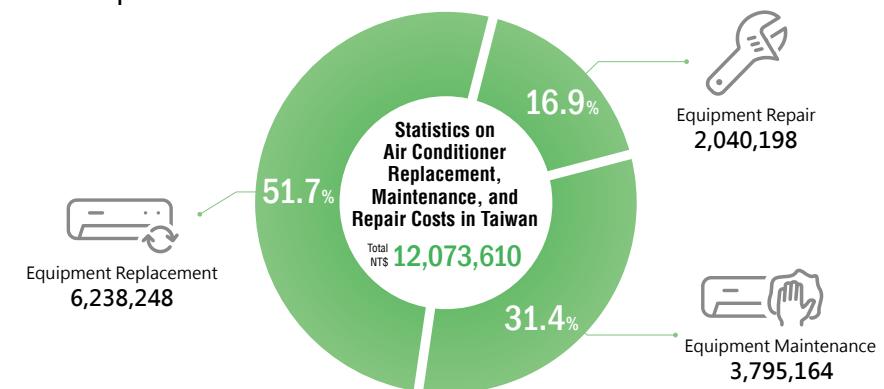
	Direct Emissions			Indirect Emissions			Emission Intensity ^⑦ (tCO ₂ e/NT\$1 million)	
	Category 1 ^⑥			Category 2	Category 3, 4	Total		
	Fixed Emission Sources	Mobile Emission Sources	Fugitive Emission Sources					
2023	83.834	21.449	460.138	6,327.481	1,656.947	8,549.851	0.029 (tCO ₂ e/NT\$1 million)	
	565.423							
2022	6.61%			74.01%	19.38%	100.00%	0.018 (tCO ₂ e/NT\$1 million)	
	0.000	27.683	183.853	4,109.842	837.145	5,158.524		
211.537			4.10%			100.00%		
79.67%			16.23%					

Energy Use Management

We use 2022 as the baseline year for subsequent review of energy saving in the workplace, and evaluated the plan to replace old equipment in workplaces of office staff and sales agents and the schedule for replacing LED lamps and adjusting air-conditioning equipment in 2023.

This year, we continued to review old energy-consuming equipment, such as air-conditioning systems, in existing office buildings through periodic maintenance and repair, in order to reduce energy consumption. We promoted energy saving plan for employees to turn on fewer lights indoors and close the door and turn off lights during lunch breaks and when the work day starts and ends. This allows employees to develop good green work habits. We also review the efficiency of space use by sales agents. In 2023, we invested over NT\$12 million to replace old energy-consuming air conditioners and facilities in Company-owned real estate.

Statistics on Air Conditioner Replacement, Maintenance, and Repair Costs in Taiwan for 2023



② The main branches include: Branches in Taoyuan and Hsinchu, Taichung, Chiayi, Tainan, and Kaohsiung.

③ The main branches include: Branches in Taoyuan and Hsinchu, Taichung, Chiayi, Tainan, and Kaohsiung.

④ Due to numerous workplace changes in 2022, including the addition of a new HQ building and changes to the Taoyuan-Hsinchu and Pingtung branches, the Company will use 2022 as the baseline year going forward.

⑤ The boundaries of the organization are set using the "Operational Control Method." The GHG emission coefficient is based on version 6.0.4 of the Environmental Protection Administration's GHG emission coefficient management chart. We referenced the market-based method for calculations in 2023.

⑥ Scope1 includes seven categories of GHG. KGI Life only emits four categories: CO₂, CH₄, N₂O, and HFCs, the remaining categories of emissions are 0. Statistics of natural gas and emergency power generator - diesel emissions were added in 2023.

⑦ Emission intensity is calculated by dividing the total emissions of Scope1 and Scope2 by the total revenue of the given year (mn NT\$).

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All HQ units moved into the Company's HQ building in 2022. We continued to implement ISO 50001 energy management systems in 2023 to improve energy control and equipment management, facilitate energy conservation and carbon reduction management & effective use of energy, in addition to obtaining third party verification.

■ Electricity Use in the Past Five Years

	2023	2022	2021	2020	2019
Non-Renewable Energy Consumption (kWh)	12,782,626	13,124,069	13,163,506	12,220,468	12,261,969
Renewable Energy Consumption (kWh)	1,012,902	145,858	48,452	0	0
Electricity Consumption (GJ)	46,181	47,771.7	47,563.1	43,993.7	44,143.1
Revenue (Million NTD)	232,723	239,766	300,244	323,248	339,115
Energy Intensity (kWh/Million NTD)	55	55.34	44.00	37.81	36.16
Scope of Inventory	Covers all of the Company's offices (a total of 52 locations in Taiwan and 1 location overseas)	10 workplaces in total including the new HQ building and branches	9 workplaces in total including the HQ/branches		

Renewable Energy Certificates

All electricity generated by the solar panels installed in the new HQ building is for self use, and the solar panels are expected to generate 47,552 kWh of electricity per year. Commercial operation began in June 2020, 136,053 kWh of green electricity was generated as of the end of 2023, which was certified by the National Renewable Energy Certification Center. We obtained a total of 100 renewable energy certificates.

The HQ building purchases green electricity to achieve the Company's goal of net-zero emissions from its own operations in 2030. The green electricity is shared by tenants of the HQ building who expressed their intention to participate in the green electricity purchase, thereby implementing green operations and carbon emission management. The HQ building began green power transfer in December 2022, and KGI Life's share of green electricity use was 967,585 kWh as of the end of 2023.

Water Resource Management

KGI Life has disclosed the water consumption of the Dunbei Building since 2012, and has implemented relevant water-saving measures, such as reducing the water supply volume and installing water-saving gaskets. KGI Life takes action in response to the United Nations Sustainable Development Goals and ensures that everyone has access to water supply and sanitation systems.

The Company's water consumption is mainly from air conditioning and daily water use. We strive to improve the efficiency of resource use through periodic maintenance and repair and using water-saving equipment with the water-saving label. We have also continued to promote water-saving measures to employees. The water consumption of the HQ and branches was 50,366 m³ in 2023⁽⁸⁾.

■ Water Use in the Past Three Years

	2023	2022	2021
Water Consumption (m ³)	50,366	48,525	44,086
Revenue (Million NTD)	232,723	239,766	300,244
Water Consumption Intensity (kWh/Million NTD)	0.22	0.20	0.15
Scope of Inventory	10 workplaces in total, including the new HQ building and other branches		

Waste Management

All waste generated by KGI Life is non-hazardous waste, which is divided into general waste and recyclable waste. We continue to implement waste management at the HQ and each branch, and implement the resource reuse policy through recycling. In 2023, the average waste recycling rate of 9 workplaces was 55%.

⁽⁸⁾ The water consumption of the employee restaurant on B2 of the HQ building was added in April 2023, and used 9,471 m³ in 2023. If this item is excluded, the water saving rate will reach 0.24%.

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■ Waste Recycling Situation in the Past Three Years

	2023	2022	2021
Total Waste (kg)	229,830	180,324	165,097
Recycling Rate (%)	55	47.57	51.06
Scope of Inventory	9 workplaces in total including the new HQ building and branches	9 workplaces in total including the new HQ building and branches	10 workplaces in total including the new HQ building and branches

Carbon Footprint of Investment Portfolio

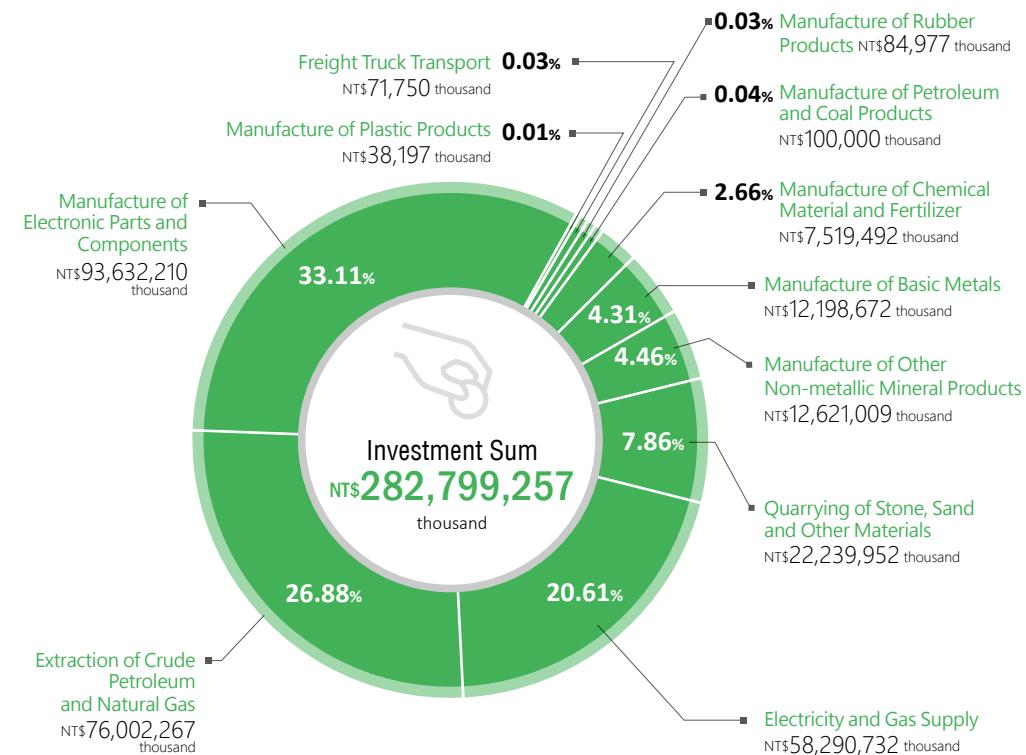
We began carbon inventory of our investment portfolio in 2023 to understand the carbon exposure of our current portfolio, and use it as a decision basis for making low carbon transition. KGI Life estimates the carbon emissions of the investment assets every six months in accordance with the six asset classes ^⑨ of "The Global GHG Accounting and Reporting Standard for the Financial Industry" of the Partnership for Carbon Accounting Financials (PCAF).

KGI Life uses the Group's selection standards for carbon-intensive industries, and uses the industry classification standard published by the Directorate-General of Budget, Accounting and Statistics to calculate the total amount invested, total carbon emissions, and emission density ^⑩ of each industry in the investment portfolio. The purpose is to analyze carbon-intensive position and comprehensively consider the percentage of these investments in each industry, which is used as a basis for subsequent position adjustment., in order to analyze high carbon emission industries in the investment position, and comprehensively consider the percentage of investments in each industry, which is used as the basis for subsequent position adjustments.

After compiling the inventory, the total emission from the investment balance at the end of 2023 was approximately 3.21 million metric tons, down by roughly 28.5% compared with the end of baseline year of 2020, and investments in carbon-intensive industries accounted for 18.1% of overall investments, achieving the goal of reducing them to less than 26% of the overall investment position. KGI Life took a preliminary emission inventory of the investment portfolio and uses it to determine the investment limit of key emitters in the portfolio and carbon-intensive industries. We will continue to evaluate the composition of industries and companies in our portfolio, and gradually guide the investment portfolio to focus on low carbon industries, in order to achieve the goal of net zero emissions from our asset portfolio by 2045.

ate the composition of industries and companies in our portfolio, and gradually guide the investment portfolio to focus on low carbon industries, in order to achieve the goal of net zero emissions from our asset portfolio by 2045.

■ Distribution of Investment Balance in Carbon-Intensive Industries



^⑨ The six categories of investment assets are as follows: Listed stocks and corporate bonds, corporate loans and unlisted stocks, project financing, commercial real estate, mortgage loans, and motor vehicle loans.

^⑩ Carbon emission density is the carbon emissions per million NTD.

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Sustainable Supply Chain Management

KGI Life's suppliers are mainly divided into three categories: "Office Supplies and Equipment," "Labor Services," and "Construction." KGI Life is committed to the sustainable development of suppliers and has established the "Supplier Sustainability Management Regulations," working with suppliers to comply with relevant laws and regulations on labor rights and human rights, labor health and safety, environmental protection, and ethical corporate management, in order to drive the balanced and sustainable development of the economy, society, and environment. We supported local suppliers based on the sustainability concepts. The percentage of local procurements reached 89.88% in 2023, and will continue to increase in the future.

Suppliers are selected according to KGI Life's Procurement Regulations. The selection of suppliers is fair, impartial, open and takes into account suppliers with excellent ESG performance. A total of 28 supplier selections were held in 2023. The winning suppliers that were selected all met requirements and went through the price negotiation, contract signing, progress discussion, acceptance, and contract performance management procedures, actively controlling the quality, delivery time, and price of goods supplied by the suppliers. We require all suppliers that are selected to sign the "Supplier Sustainable Development Commitment." If laws and regulations related to labor safety and health matters are involved, it must be handled in accordance with the KGI Life Contractor Safety, Health, and Environmental Management Regulations.

The number of suppliers that signed the "**Supplier Sustainable Development Commitment**" reached **75** in 2023
187 Contracts of procurement cases all comply with the "**Sustainability Responsibility and Ethical Corporate Management Clause**"

Sustainable Supplier Management

Supplier evaluation is a part of corporate sustainability risk assessment. We understand the investment of suppliers in corporate sustainability through the evaluation. Therefore, KGI Life conducts key supplier evaluations every year, and strengthens corporate sustainability initiatives and promotion at the same time. We prepared the "Supplier Sustainability Management Self-Evaluation and Supplier Evaluation Form" based on the internal "Supplier Sustainability Management Regulations." Suppliers conduct self-evaluations according to four categories ("Labor Rights and Human Rights" 50%, "Labor Health and Safety" 10%, "Environmental Protection" 30%, and "Sustainability Management" 10%), the procurement unit then gives suppliers a score based on the supporting documents provided by the supplier, which is used to examine the supplier's relevant policies and implementation status, and facilitate the balance and sustainable development of ESG.

CSR self-evaluations and supplier evaluations were conducted for 13 key suppliers in 2023, with an additional key supplier added compared to 2022. We optimized the "Supplier Sustainability Management Self-Evaluation and Supplier Evaluation Form" in response to topics of high concern related to environmental protection in 2023. In addition to topics that are already included, we increased the proportion of "environmental protection" items and added items related to circular economy. Among the 13 suppliers, 2 received a score of 90-100, 11 received a score of 80-90. The qualifying standard is 80 or above, and the pass rate was 100%, showing that all suppliers have taken actions for sustainability management self-evaluation items.

To create a culture of sustainability and communicate sustainable development trends and knowledge, we use EDM to promote KGI Life's short-, mid-, and long-term ESG plans and the factors and value of sustainable supply chain management. We carefully select suppliers that value ESG development to become our partners, and actively implement the Supplier Management Policy, inviting suppliers and the supply chain's upstream, midstream, and downstream to jointly face future sustainability challenges.

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In addition, we actively supported the government policy of "Buying Power Innovative Product and Service Procurement Incentive Mechanism" in 2023, and cooperated with 10 qualified social innovation organizations. The total procurement amount increased by 144% compared with 2022.

Contractor Performance Evaluation

KGI Life conducts at least one internal audit & control inspection and satisfaction survey each year to effectively monitor the service qualifications, quality, handling deadline, and cooperation of current contractors. The evaluation results are used as the basis for supplier selection and contract renewal. Training on the outsourcing process was carried out in May 2023, and outsourcing units completed performance evaluations in August. KGI Life renews contracts with suppliers that have excellent evaluation results and pass the selection.

Hazard Notices for Construction Contractors

We established the Contractor Safety, Health, and Environmental Management Regulations to strengthen contractors' management of safety, health, and the working environment, and thereby improve the safety of their operations. To date, our construction contractors have not been involved in any occupational accidents.

Construction contractors are selected in a fair, just, and open manner and provide price quotations for projects through the Company's "Annual Qualified Contractor Database." The Real Estate Department updates at least 10% of the annual qualified contractors every year. This ensures project quality and price competitiveness. There was a total of 70 qualified construction contractors in 2023, including 14 newly qualified contractors.

Personal Data Protection

To respect the rights and interests of the parties concerned and ensure that personal data files involved in procurement cases are collected, processed or used in an honest and trustworthy manner, all suppliers for cases involving the collection, processing, and use of personal data are required to sign the "Supplier Personal Data Protection Ability Evaluation Form," so as to ensure that suppliers have the ability to protect personal data. A total of 35 suppliers signed the "Supplier Personal Data Protection Ability Evaluation Form" in 2023, achieving 100% coverage.

Green Purchasing

We give priority to suppliers with excellent ESG performance when selecting suppliers, and give priority to purchasing products with energy conservation and environmental protection labels (such as computers and monitors with the Energy Star) and FSC (Forest Stewardship Council) certification. The annual company trip is planned to be eco-friendly and low carbon to achieve "green travel," and to reduce resource consumption caused by travel, transportation, or food and accommodations. The green procurement amount was NT\$54.92 million in 2023, including IT equipment and copy paper. We received a letter of appreciation from the Department of Environmental Protection, Taipei City Government for "implementation of the Private Enterprise and Organization Green Procurement Promotion Project" for the 8th consecutive year, and was recognized by the Ministry of Environment for the third time for "excellence in promoting green procurement and green consumption."

■ Green Procurement Results over the Years

Relevant Actions

1. The annual company trip was planned to be eco-friendly and low carbon to achieve "green travel," and to reduce resource consumption caused by travel, transportation, or food and accommodations.
2. Continue to handle green power procurement for the HQ building

Total Amount of Green Procurement NT\$54,920,000

2023

Relevant Actions

1. The HQ building purchased green electricity in response to CDF's corporate sustainability goal of "achieving total portfolio net-zero emissions by 2045"
2. Hybrid or electric vehicles were given priority when purchasing official vehicles

Total Amount of Green Procurement NT\$59,860,000

2022

Relevant Actions

Priority was given to purchasing products with energy conservation and environmental protection labels, FSC (Forest Stewardship Council) certification, and Energy Star label

Total Amount of Green Procurement NT\$101,730,000

Note: We moved to the new building in 2021 and made considerable capital expenditures through green procurement. Hence, the green procurement amount increased by 308.8% compared with the previous year.

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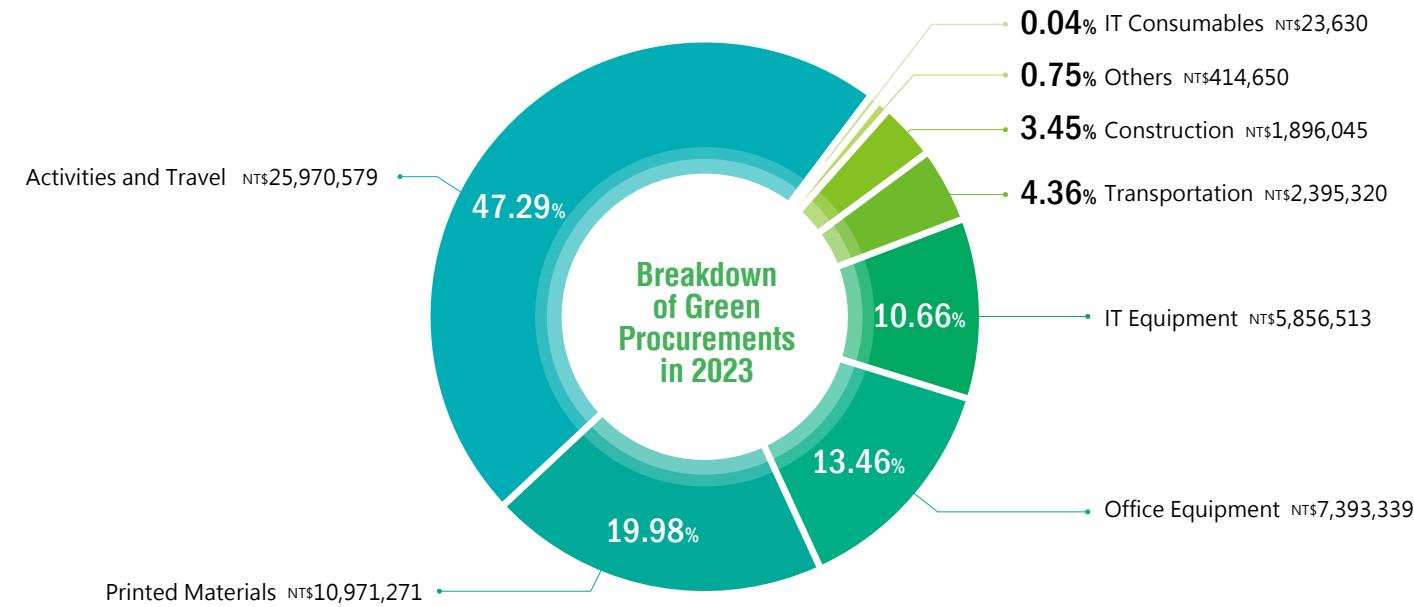
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■ Breakdown of Green Procurements in 2023



Buying Power

KGI Life has supported social enterprises for years and cooperates with social enterprises in various forms. In 2023, KGI Life once again won the first prize in the "Buying Power Innovative Product and Service Procurement Incentive Mechanism." The award was established by the Ministry of Economic Affairs, Executive Yuan to encourage companies to purchase products or services from social innovation enterprises. Since the award was established in 2017, KGI Life has received this national-level recognition for seven consecutive years. We won first prize this year with a procurement amount exceeding NT\$33 million, exerting the influence of our value chain. We encourage suppliers to become registered in the database of social innovation organizations, and those that registered accounted for a remarkable 45.8% of the total procurement amount. In the future, we will continue to encourage suppliers from different industries to become registered on Buying Power and provide innovative products and services to society.

In addition, KGI Life purchases coffee beans sold by the Maria Social Welfare Foundation that are "grown using eco-friendly planting methods" or "certified to be of fair price," incorporating ESG and sustainability actions into daily operations to have a greater positive influence on society, and thereby realize our commitment to become employer of choice.

Chapter.7 APPENDIX

Management of Material Topics

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Corresponding Chapter: CH 2	
Material Topics in 2023	
	<ul style="list-style-type: none"> ▪ Protect shareholders' rights and interests ▪ Disruption of operations or threats ▪ Major risk events ▪ Leakage of corporate and customer information
Corresponding GRI Indicator / Self-defined Topics	<ul style="list-style-type: none"> ▪ GRI 201-Economic performance ▪ Self-defined topics - Business continuity management ▪ Self-defined topics - Risk Management ▪ GRI 418-Customer privacy
Commitment	<ul style="list-style-type: none"> ▪ Adhering to the principle of stable operation, we insist on the strategy for balanced development of the six major channels, and develop a variety of products to meet the needs of different groups. ▪ Ensure business recovery ability after disasters, reduce the impact, and achieve the goal of uninterrupted key services, such as policyholder services, claims, and new contracts, in order to achieve the commitment to stability and sustainability. ▪ Adjust internal risk management operations to monitor major risks and emerging risks at all times. ▪ Adhering to the concept of maintaining information security and personal data protection, we continue to improve personal data protection and management abilities, as well as information security monitoring and protection levels, and establish standardized and documented information security and personal data operating procedures.
Policy / Management System	<ul style="list-style-type: none"> ▪ Ensure employee safety, customer rights, the Company's goodwill, and asset preservation in accordance with the "Business Continuity Management Policy" and related policy statements, and continue to provide uninterrupted policyholder services. ▪ Established the "Risk Management Committee" and a dedicated Risk Management Department to build a comprehensive network for transmitting risk management information. The Risk Management Policy serves as the highest guiding principle for company-wide risk management mechanisms. ▪ Established an "Information Security Committee" and dedicated "Information Security Department" to ensure the security of information assets. ▪ Established a "Personal Information Management Committee" and a "Personal Data Protection Task Force" to implement personal data management procedures and security control mechanisms.

Communication / Complaint Measures	<ul style="list-style-type: none"> ▪ Communication channels: Shareholders' meetings of CDF, investor conferences of CDF, and the financial information section on the official website. ▪ Internal and external stakeholder risk management inspections and meetings, including: Competent authority inspections and meetings, audits by CDF, and internal audits by KGI Life. ▪ Periodically identify and compile the "Information Security Stakeholders List," identify issues related to information security management, and regularly report them during Information Security Committee meetings.
Evaluation Measures/ Management Indicators	<ul style="list-style-type: none"> ▪ First year premium income, total premium income, net profit after tax, EPS, and total assets. ▪ Continue to maintain ISO 22301:2019 Business Continuity Management System certification. ▪ Convene quarterly Risk Management Committee meetings to submit risk management-related reports. ▪ Convene semi-annual Information Security Committee meetings to review conduct annual reviews of information security management system policies and measures. ▪ Conduct semi-annual internal information security audits and monthly assessments of information security indicators. ▪ Convene semi-annual Personal Information Management Committee meetings to report on the overall operating status of personal data protection. ▪ Continue to maintain ISO 27001:2013 Information Security certification and BS 10012:2017 Personal Information Management Systems certification.
Corresponding Chapter: CH 3, CH4	
Material Topics in 2023	<ul style="list-style-type: none"> ▪ Digital Finance and Innovation ▪ Optimize service quality and maintain customer relationships
Corresponding GRI Indicator / Self-defined Topics	<ul style="list-style-type: none"> ▪ Self-defined topics - Digital Finance and Innovation ▪ Self-defined topics - Treating customers fairly
Commitment	<ul style="list-style-type: none"> ▪ We are customer-centric, respond to changes in the market environment at any time, combine AI learning, big data analysis, and teamwork to provide customers with a more optimized service experience, and strive to become the benchmark for Insur Tech. ▪ We practice the philosophy of "fairness, empathy, and treating customers as we would ourselves," focus on products that aim to meet consumers' needs or are exclusive for the underprivileged, and provide customers with complete care and assistance to show the spirit of treating customers fairly. ▪ We adhere to the spirit of being "customer-centric" and provide innovative services based on empathy and people's needs.

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Policy/ Management System	<ul style="list-style-type: none"> Focus on digital and data infrastructure, invest abundant resources for a digital leap, formulate a comprehensive digital innovation strategy based on "AI," "Agile Culture," "Driven by Data," and "Cloud Services," provide sustainable and innovative financial solutions, and manage digital banking applications for internal operations and external services. Established the Treating Customers Fairly Committee and a dedicated department to supervise the implementation and results of treating customers fairly and friendly financial services, in order to protect the rights and interests of the disadvantaged and consumers. Introduced the "Net Promoter Score (NPS)" to summarize customers' pain points and further implement improvement plans. Established a "Customer Satisfaction Survey System" to more effectively collect customer feedback and opinions.
Communication/ Complaint Measures	<ul style="list-style-type: none"> AI assistant "Afu," KGI Life "i-Life" APP. Customer service channels: Counter services of customer service centers in various locations, toll-free customer service hotline, company website consultation messages, written mail, fax, and e-mail. External complaint channels: Competent authorities, Financial Ombudsman Institution, and consumer protection officers of county and city governments.
Evaluation Measures/ Management Indicators	<ul style="list-style-type: none"> Participation in domestic/overseas awards related to digital banking applications. Self-assessment of the Fair Customer Treatment Principles by departments, and results of the competent authority's evaluation of the Fair Customer Treatment Principles. Telephone service center customer satisfaction throughout the year. The "Grievance Committee" regularly convenes meetings to discuss cross-departmental complaint cases to jointly review and evaluate issues related to complaints. The time required for handling complaints, response rate of handling results, and the percentage of review cases properly handled.

Sustainability Report Charts & Tables

2023 Anti-Corruption Policy and Procedures Communication and Training Overview

Anti-Corruption Indicator ⇄		Anti-Corruption Communication		Anti-Corruption Training	
Target		No. of People	Percentage	No. of People	Percentage
Governance Department Members		9	100%	9	100%
Employees	Office Staff Departments and Section Head-level Supervisors	372	100%	372	100%
	Internal Staff	2,020	100%	2,020	100%
	Sales Supervisor	3,863	100%	3,863	100%
	Sales Agent	11,297	100%	-	-
Suppliers		75	100%	-	-

Office Staff and Sales Agent Training Overview

Office Staff	2022			2023		
	Male	Female	Total	Male	Female	Total
Training Hours for Supervisors	14,127.5	16,794.4	30,921.9	9,802	9,622	19,424
Training Hours for Non-supervisors	37,103.5	66,527.0	103,630.5	32,309	59,939	92,248
Sub-Total	51,231.0	83,321.4	134,552.4	42,111	69,561	111,672
Total Number of Supervisors	250	240	490	197	175	372
Total Number of Non-supervisors	698	1,345	2,043	719	1,301	2,020
Sub-Total	948	1,585	2,533	916	1,476	2,392
Average Training Hours of Supervisors ^①	56.51	69.98	63.11	49.8	55	52.2
Average Training Hours of Non-supervisors	53.16	49.46	50.72	44.9	46.1	45.7
Sales Agent	Male	Female	Total	Male	Female	Total
	67,528	152,673	220,201	53,557.5	122,269.5	175,827.0
Training Hours for Supervisors	106,467	188,104	294,571	154,707.0	271,453.5	426,160.5
Sub-Total	173,995	340,777	514,772	208,264.5	393,723.0	601,987.5
Total Number of Supervisors	1,388	2,787	4,175	1,248	2,603	3,851
Total Number of Non-supervisors	4,491	8,027	12,518	4,342	8,015	12,357
Sub-Total	5,879	10,814	16,693	5,590	10,618	16,208
Average Training Hours of Supervisors	48.65	54.78	52.74	42.91	46.97	45.66
Average Training Hours of Non-supervisors	23.71	23.43	23.53	35.63	33.87	34.49

^① The competent authority gives a one year flexibility period for employee re-training. All 2022 training hours for sales agents were completed by March 2023.

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Office Staff Overview - Distribution by Age, Position, Education

Position		2022			2023		
		Department Head or Above	Section Head	General Employees	Department Head or Above	Section Head	General Employees
Male	Number of People	71	179	698	38	159	719
	Percentage	66.98%	46.61%	34.17%	63.33%	50.96%	35.59%
Female	Number of People	35	205	1,345	22	153	1,301
	Percentage	33.02%	53.39%	65.83%	36.67%	49.04%	64.41%
30 Years Old and Under	Number of People	0	10	389	0	2	277
	Percentage	0.00%	2.60%	19.04%	0.00%	0.64%	13.71%
30-50 Years Old	Number of People	44	282	1,458	23	182	1,421
	Percentage	41.51%	73.44%	71.37%	38.33%	58.33%	70.35%
50 Years Old and Above	Number of People	62	92	196	37	128	322
	Percentage	58.49%	23.96%	9.59%	61.67%	41.03%	15.94%
Ph.D.	Number of People	4	1	1	2	0	3
	Percentage	3.77%	0.26%	0.05%	3.33%	0.00%	0.15%
Master's	Number of People	65	139	386	43	110	422
	Percentage	61.32%	36.20%	18.89%	71.67%	35.26%	20.89%
College	Number of People	37	241	1,568	15	198	1,497
	Percentage	34.91%	62.76%	76.75%	25.00%	63.46%	74.11%
High School or Below	Number of People	0	3	88	0	4	98
	Percentage	0.00%	0.78%	4.31%	0.00%	1.28%	4.85%

Employment Type of Office Staff

Employment Type		Non-fixed-term Employee ^②		Fixed-term Employee ^③	
2022	Male	948		0	
	Percentage	37.6%		0.0%	
	Female	1,576		9	
	Percentage	62.4%		100.0%	
	All	2,524		9	
2023	Male	911		5	
	Percentage	38.2%		50.0%	
	Female	1,471		5	
	Percentage	61.8%		50.0%	
	All	2,382		10	

Sales Agent Overview - Distribution by Age, Position, Education

Position		2022		2023	
		Agent	Supervisor	Agent	Supervisor
Male	Number of People	4,186	1,389	3,988	1,251
	Percentage	36.17%	33.21%	35.30%	32.38%
Female	Number of People	7,386	2,793	7,309	2,612
	Percentage	63.83%	66.79%	64.70%	67.62%
30 Years Old and Under	Number of People	2,790	652	2,463	530
	Percentage	24.11%	15.59%	21.80%	13.72%
30-50 Years Old	Number of People	6,497	2,311	6,435	2,105
	Percentage	56.14%	55.26%	56.96%	54.49%
50 Years Old and Above	Number of People	2,278	1,226	2,399	1,228
	Percentage	19.69%	29.32%	21.24%	31.79%
Ph.D.	Number of People	0	0	1	0
	Percentage	0.00%	0.00%	0.01%	0.00%
Master's	Number of People	555	173	576	165
	Percentage	4.80%	4.14%	5.10%	4.27%
College	Number of People	7,071	2,649	6,926	2,445
	Percentage	61.10%	63.34%	61.31%	63.29%
High School or Below	Number of People	3,939	1,367	3,794	1,253
	Percentage	34.04%	32.69%	33.58%	32.44%

② Non-fixed-term employees are employees who sign a contract without a fixed term, and can continue to work as long as the work is continuous in nature, unless they are laid off or resign voluntarily. They are eligible for severance pay, and the employer is required to make pension contributions.

③ Fixed-term employees are employees who sign fixed-term contracts only under special circumstances, such as temporary, short-term, seasonal, or specific work, and are terminated and cannot continue to work when the contract expires, unless the employer is willing to renew the contract. They are not eligible for severance pay, but the employer is still required to make pension contributions.

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Employment Type of Sales Agent

Employment Type		Part-employed ^④		Contracted ^⑤	
2022	Male	1,389			4,186
	Percentage	33.21%			36.17%
	Female	2,793			7,386
	Percentage	66.79%			63.83%
	All	4,182			11,572
2023	Male	1,251			3,988
	Percentage	32.38%			35.30%
	Female	2,612			7,309
	Percentage	67.62%			64.70%
	All	3,863			11,297

Office Staff Gender and Age Overview - New On-board, By Resignation, Departed^⑥

Age			30 Years Old and Under (Inclusive)		30-50 Years Old		50 Years Old and Above (Exclusive)		Total
			Male	Female	Male	Female	Male	Female	
New On-Board	2022	No. of People	52	92	123	175	11	26	479
		Percentage	2.05%	3.63%	4.86%	6.91%	0.43%	1.03%	18.91%
New On-Board	2023	No. of People	49	51	65	79	10	10	264
		Percentage	2.05%	2.13%	2.72%	3.30%	0.42%	0.42%	11.04%
Departed	2022	No. of People	44	43	111	194	29	29	450
		Percentage	1.74%	1.70%	4.40%	7.69%	1.15%	1.15%	17.83%
	2023	No. of People	33	48	95	169	17	16	378
		Percentage	1.38%	2.01%	3.97%	7.07%	0.71%	0.67%	15.80%
By Resignation	2022	No. of People	44	43	105	185	11	17	405
		Percentage	1.74%	1.70%	4.16%	7.33%	0.44%	0.67%	16.05%
	2023	No. of People	33	48	94	165	11	14	365
		Percentage	1.38%	2.01%	3.93%	6.90%	0.46%	0.59%	15.26%

④ Part-Employed: The Company signs two contracts with agent supervisors (contract & employment). The Labor Standards Act is applicable (a portion of working hours).

⑤ Contracted: The Company signs a contract with sales agents, but with no employee/employer relationship. The Labor Standards Act is not applicable.

Sales Agent Gender and Age Overview - New On-board, By Resignation, Departed^⑦

Age			30 Years Old and Under (Inclusive)		30-50 Years Old		50 Years Old and Above (Exclusive)		Total
			Male	Female	Male	Female	Male	Female	
New On-Board	2022	No. of People	402	490	496	823	99	227	2,537
		Percentage	2.55%	3.11%	3.15%	5.22%	0.63%	1.44%	16.10%
New On-Board	2023	No. of People	324	459	297	563	48	137	1,828
		Percentage	2.14%	3.03%	1.96%	3.71%	0.32%	0.90%	12.06%
Departed	2022	No. of People	237	314	306	460	80	152	1,549
		Percentage	1.50%	1.99%	1.94%	2.92%	0.51%	0.96%	9.83%
	2023	No. of People	340	393	543	778	123	245	2,422
		Percentage	2.24%	2.59%	3.58%	5.13%	0.81%	1.62%	15.98%
By Resignation	2022	No. of People	237	314	306	460	80	152	1,549
		Percentage	1.50%	1.99%	1.94%	2.92%	0.51%	0.96%	9.83%
	2023	No. of People	340	393	543	778	123	245	2,422
		Percentage	2.24%	2.59%	3.58%	5.13%	0.81%	1.62%	15.98%

Remuneration of New On-board Personnel

Wage Range of New On-Board Personnel and the Minimum Wage	2021	2022	2023
Office Staff			
Entry Level Staff	Wage Range	Minimum wage of NT\$24,000, adjusted based on experience and education	Minimum wage of NT\$25,250, adjusted based on experience and education
Compared with the Minimum Wage of the Competent Authority	1.00:1	1.00:1	1.00:1
Administrative Personnel with College Education	Wage Range	Minimum wage of NT\$28,000, adjusted based on experience and education	Minimum wage of NT\$31,000, adjusted based on experience and education
Compared with the Minimum Wage of the Competent Authority	1.17:1	1.11:1	1.17:1

⑥ The total number of office staff (the denominator) was 2,533 in 2022 and 2,392 in 2023. The total number of sales agents (the denominator) was 15,754 in 2022 and 15,160 in 2023.

⑦ New on-board and departed sales agents include contracted sales agents.

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Wage Range of New On-Board Personnel and the Minimum Wage		2021	2022	2023
Sales agent				
Entry Level Manager	Wage Range	Remuneration based on the items stated in the employment contract. The minimum monthly wage shall not be lower than the hourly wage set by the competent authority		
	Compared with the Minimum Wage of the Competent Authority	1.00:1	1.00:1	1.00:1

■ Remuneration Comparison Ratio Between Genders

Position	2022				2023			
	Basic Salary Ratio		Annual Remuneration Ratio		Basic Salary Ratio		Annual Remuneration Ratio	
	Female	Male	Female	Male	Female	Male	Female	Male
Department Head or Above	0.80	1	1.18	1	1.07	1	1.31	1
Section Head	0.95	1	1.00	1	0.97	1	1.01	1
General Employees	0.88	1	0.89	1	0.84	1	0.85	1

■ Average and Median Salary of Full-time Employees Not in Supervisory Positions and Comparison with the Prior Year

Item	2022	2023	Comparison
Total Remuneration of Full-time Employees not in Supervisory Positions (Unit: NTD) ^⑧	2,440,235,223	2,464,133,834	1%
No. of Full-time Employees not in Supervisory Positions (Unit: Person) ^⑨	2,309	2,297	-1%
Average Remuneration of Full-time Employees not in Supervisory Positions (Unit: NTD)	1,056,836	1,072,762	2%
Median Remuneration of Full-time Employees not in Supervisory Positions (Unit: NTD)	916,406	949,748	4%

^⑧ Full-time employees refers to employees whose working hours meet KGI Life's normal working hours or statutory working hours (on average exceeds 35 hours per week). Those whose paid employment have yet to reach 6 months will not be included in the calculation according to regulations.

^⑨ Since the "total employees' remuneration" used to calculate "average remuneration" is affected by the increase or decrease in number of employees each month, the "number of full-time employees" is calculated using the statistical concept of "weighted average" in accordance with relevant regulations.

■ Number of Non-supervisory Employees, Average Employee Benefit Costs, and Comparison with the Prior Year

Item	2022	2023
No. of Non-supervisory Employees ^⑩	2,501	2,361
Non-supervisory Employees Average Benefit Cost and Comparison with the Prior Year	1,179,929	1,230,158
Average Benefit Cost Growth	-13.85%	4.26%

■ Annual Salary Ratio

Comparison Ratio Between Highest Salary Individual and the Median ^⑪	Comparison Ratio Between Highest Salary Growth Individual and the Median
31.01	-14.31

■ Participation in Associations

KGI Life actively supports important sustainable development initiatives, participates in external associations and holds related positions. Besides joining insurance industry associations and looking into emerging issues, we also maintain exchanges and interactions with peers in the industry, academia, and the competent authority. With regard to friendly financial services for the elderly, disabled, and underprivileged, KGI Life cooperates with professional associations to advocate for dementia friendly and financial equality for the elderly, disabled, and underprivileged.

Category	Name of Organization KGI Life Participates in	Position ^⑫	Category	Name of Organization KGI Life Participates in	Position ^⑫
Association	The Life Insurance Association of the Republic of China	Vice Chairperson	Association	Financial Planning Association of Taiwan	-
	Actuarial Institute of Chinese Taipei	Director		Taiwan Alzheimer Disease Association	-
	Life Insurance Management Institute of the Republic of China	Executive supervisor		Chinese National Association of the Deaf	-
	Taiwan Insurance Law Association	-		Taipei Parents' Association of the Visually Impaired	-
	Financial Governance and Compliance Association	Director		Homeless Taiwan Association	-
	Life Office Management Association	-		New Immigrant Family Development Association	-

^⑩ Number of non-supervisory employees calculated in accordance with TWSE's disclosure requirements.

^⑪ The median salary in the table above does not include the highest paid employee.

^⑫ Statistics of positions held by KGI Life in related associations up to December 31, 2023.

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GRI Standards Disclosure Table

Statement: KGI Life has applied the GRI standard for the contents of its report (Jan.01, 2023 ~ Dec.31, 2023)

Item Title / Item Serial No.	Chapters and Sections of the Report	Page No.
GRI 1: Foundation 2021		
Disclosed GRI content index	Appendix	118
Explanation for use	About the Report	05
GRI 2 : General Disclosures 2021		
2-1	Organizational details	About KGI Life 06
2-2	Entities included in the organization's sustainability reporting	About the Report 05
2-3	Reporting period, frequency and contact person	About the Report 05~06
2-4	Restatements of information	There are no restatements of information for 2023 -
2-5	External assurance	About the Report 06
2-6	Activities, value chain and other business relationships	About KGI Life [CH 6] Sustainable Supply Chain Management 06 110
2-7	Employees	Appendix – Sustainability Report Charts & Tables <ul style="list-style-type: none"> ▪ Office staff employment type: "non-fixed term" & "fixed term" employees are all considered full-time employees ▪ Sales agent cannot be categorized using the GRI 2-7 employee categorization due to the nature of their jobs 114~115
2-8	Workers who are not employees	Appendix – Sustainability Report Charts & Tables 115~116
2-9	Governance structure and composition	[CH 2] Comprehensive Governance Framework <ul style="list-style-type: none"> ▪ Regarding the organization's capability and impact, please refer to P23 of KGI Life's 2023 Shareholders' Meeting Annual Report ▪ Regarding stakeholder representative, please refer to P11-18 of KGI Life's 2023 Shareholders' Meeting Annual Report ▪ The Company did not differentiate executive director and non-executive director in terms of title. 31~35
2-10	Nomination and selection of the highest governance body	[CH 2] Comprehensive Governance Framework 31~32
2-11	Chair of the highest governance body	[CH 2] Comprehensive Governance Framework 31

Item Title / Item Serial No.	Chapters and Sections of the Report	Page No.
2-12	Role of the highest governance body in overseeing the management of impacts	[CH 1] Sustainable Governance Corporate Culture [CH 2] Comprehensive Governance Framework 31, 34 14
2-13	Delegation of responsibility for managing impacts	[CH 1] Sustainable Governance Corporate Culture [CH 2] Comprehensive Governance Framework 14 41, 34~35
2-14	Role of the highest governance body in sustainability reporting	[CH 1] Sustainable Governance Corporate Culture [CH 6] Climate Governance and Strategies 14 99
2-15	Conflicts of interest	[CH 2] Comprehensive Governance Framework 33
2-16	Communication of critical concerns	[CH 2] Comprehensive Governance Framework 34~35
2-17	Collective knowledge of the highest governance body	[CH 2] Comprehensive Governance Framework 32
2-18	Evaluation of the performance of the highest governance body	[CH 2] Comprehensive Governance Framework 33
2-19	Remuneration policies	[CH 5] Employee Care 82~83
2-20	Process to determine remuneration	[CH 5] Employee Care 82~83
2-21	Annual total compensation ratio	Appendix – Sustainability Report Charts & Tables 116~117
2-22	Statement on sustainable development strategy	A Message from the Chairman 03
2-23	Policy commitments	[CH 2] Comprehensive Governance Framework [CH 5] Diverse and Inclusive Workplace [CH 6] Sustainable Supplier Management 31 79 110
2-24	Embedding policy commitments	[CH 2] Comprehensive Governance Framework [CH 5] Diverse and Inclusive Workplace [CH 6] Sustainable Supplier Management 31 79 110
2-25	Processes to remediate negative impacts	[CH 4] Treating Customers Fairly 70~71
2-26	Mechanisms for seeking advice and raising concerns	[CH 4] Implementing Friendly Financial Services 68~71
2-27	Compliance with laws and regulations	[CH 2] Legal Compliance 45

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Item Title / Item Serial No.		Chapters and Sections of the Report	Page No.
2-28	Membership associations	Appendix – Sustainability Report Charts & Tables	117
2-29	Approach to stakeholder engagement	[CH 1] Stakeholder Engagement	20~22
2-30	Collective bargaining agreements	KGI Life has no collective bargaining agreements	-
GRI 3 : Material Topic 2021			
3-1	Process to determine material topics	[CH 1] Material Topic Identification Process	23
3-2	List of material topics	[CH 1] Material Topic Identification Process Appendix – Management of Material Topics	23~25 113~114
3-3	Management of material topics	Appendix – Management of Material Topics	113~114
GRI 201 : Economic Performance 2016			
201-1	Direct economic value generated and distributed	[CH 2] Business Performance Please refer to KGI Life's 2022 and 2023 financial statement and CPA assurance report p.9-11, p.80, p.83	29
201-2	Financial implications and other risks and opportunities due to climate change	[CH 2] Business Performance [CH 6] Climate Governance and Strategies	30 110~103
201-3	Defined benefit plan obligations and other retirement plans	[CH 5] Employee Care	81~82
201-4	Financial assistance received from government	No financial assistance received from government	-
GRI 205 : Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	100% business location coverage	-
205-2	Communication and training about anti-corruption policies and procedures	[CH 2] Integrity and Governance [CH 6] Sustainable Supply Chain Management Appendix – Sustainability Report Charts & Tables	36 110 114
205-3	Confirmed incidents of corruption and actions taken	No corruption occurrences	-
GRI 305 : 排放 2016			
305-1	Direct (Scope 1) GHG emissions	[CH 6] Green Operations and Carbon Management In alignment with "Category 1" Direct GHG emissions and removals, Category 1 calculation of GHGs includes 7 main types. KGI Life only emits CO ₂ , CH ₄ , N ₂ O, HFCs, and has 0 emissions for the other types of GHGs.	107

Item Title / Item Serial No.		Chapters and Sections of the Report	Page No.
305-2	Energy indirect (Scope 2) GHG emissions	[CH 6] Green Operations and Carbon Management In alignment with "Category 2" Indirect GHG emissions from imported energy	107
305-3	Other indirect (Scope 3) GHG emissions	[CH 6] Green Operations and Carbon Management In alignment with : ▪ "Category 3" Indirect GHG emissions from transportation ▪ "Category 4" Indirect GHG emissions from products used by organization ▪ "Category 5" Indirect GHG emissions associated with the use of products from the organization ▪ "Category 6" Indirect GHG emissions (other sources)	107 109
305-4	GHG emissions intensity	[CH 6] Green Operations and Carbon Management	107
305-5	Reduction of GHG emissions	[CH 6] Green Operations and Carbon Management	107
305-6	Emissions of ozone-depleting substances (ODS)	KGI Life did not emit substances what will destroy the ozone layer	-
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	KGI Life did not emit Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-
GRI 405 : Diversity and Equal Opportunity 2016			
405-1	Governance unit and employee diversity	Appendix – Sustainability Report Charts & Tables Directors gender distribution: Male 67%; Female 33% Directors age distribution: 51-60 years old - 67%; ≥ 61 years old - 33%	32 114~115
GRI 417 : Marketing and Labeling 2016			
417-2	Incidents of non-compliance concerning product and service information and labeling	[CH 2] Legal Compliance Internal Control Mechanism Statement	45
417-3	Incidents of non-compliance concerning marketing communications	[CH 2] Legal Compliance Internal Control Mechanism Statement	45
GRI 418 : Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	[CH 2] Information Security	42~43

SASB Disclosure Table

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Topic	Indicator Code	Indicator Nature	Disclosure Indicator	Indicator Descriptions/Corresponding Chapters	Page No.
Transparent Information & Fair Advice for Customers	FN-IN-270a.1	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product related information to new and returning customers	As for the litigation cases concluded in 2023 (including judgment finalization and settlement cases), there were no losses caused by litigations arising from the marketing and communication of insurance products to and with customers	-
	FN-IN-270a.2	Quantitative	Complaints-to-claims ratio	[CH 4] Implementing Friendly Financial Services In the 2023, complaint rate statistics published for life insurance companies by the Financial Ombudsman Institution (FOI), the complaint rate for KGI Life was 0.16‰, which decreased by 0.06‰ in comparison with 2022, still ranked highly among the 21 life insurance companies. The number and proportion of cases that applied for review increased as a result of the pandemic, proper handling rate via deliberation still remained above 90%. Among the 159 cases applying for reviews in 2023, there were a total of 112 cases of appeals for claims, and a total of 47 non-appeals for claims, and 98.46% of these cases had been handled properly	71
	FN-IN-270a.3	Quantitative	Persistency Ratio	Various financial business Indicators of KGI Life Insurance Co., LTD. published on the Market Observation Post System (MOPS) for the insurance industry The insurance policy continuation rate was calculated based on the "Life Insurance Industry's Plan for Enhancing the Insurance Service Solicitation Quality" of the Financial Supervisory Commission (FSC), where KGI Life's 13-month policy continuation rate reached 96.89%, and the 25-month policy continuation rate reached 94.13%	-
	FN-IN-270a.4	Qualitative	Description of approach to informing customers about products	KGI Life official website – Treating Customers Fairly Section , Product Overview Section [CH 4] Sustainable Insurance Practices	63~67
Incorporation of Environmental, Social, and Governance Factors in Investment Management	FN-IN-410a.1	Quantitative	Total invested assets, by industry and asset class	[CH 2] Business Performance	30
	FN-IN-410a.2	Qualitative	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	[CH 3] Realizing the Value of Sustainable Investment	48~50
Policies Designed to Incentivize Responsible Behavior	FN-IN-410b.1	Quantitative	Net premiums written related to energy efficiency and low carbon technology	Not applicable to life insurance enterprises	-
	FN-IN-410b.2	Qualitative	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	[CH 4] Sustainable Insurance Practices	63~67
Physical Risk Exposure	FN-IN-450a.1	Quantitative	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophe	[CH 2] Business Performance	30
	FN-IN-450a.2	Quantitative	Total amount of monetary losses attributable to insurance payouts from : (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance.)	No major natural disasters in 2023; therefore, there are no relevant statistics	-
	FN-IN-450a.3	Qualitative	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	(1) The insurance business of the Company belongs to personal life insurance, so it is not applicable (2) Climate change risk has been included in the Company's "Risk Management Policy." In the future, climate-related assessments, scenarios, response plans will be included in the ORSA report in alignment with the competent authority's policy regulations	-

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Topic	Indicator Code	Indicator Nature	Disclosure Indicator	Indicator Descriptions/Corresponding Chapters	Page No.
Systemic Risk Management	FN-IN-550a.1	Quantitative	Exposure to derivative instruments by category : (1) Total potential exposure to non-centrally cleared derivatives (2) Total fair value of acceptable collateral posted with the Central Clearinghouse (3) Total potential exposure to centrally cleared derivatives	Please refer to KGI Life Insurance 2023 Financial Statement p.49~52, p.63	-
			Total fair value of securities lending collateral assets	[CH 2] Business Performance Total fair value of securities lending collateral asset in 2023 was NT\$0	29
			Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	Please refer to P.90-91 and P.112-113 of KGI Life's 2023 and 2022 Individual Financial Reports and the Accountant's Audit Report	-
Operating Activities	FN-IN-000.A	Quantitative	Number of policies in force, by segment : (1) property and casualty, (2) life, (3) assumed reinsurance	Number of effective insurance policies : (1) Property and casualty: 0 cases (2) Life insurance: 25,487,369 cases, with 18,456,689 main cases and approx. 7,030,680 cases (3) Assumed reinsurance: 0 cases	-

UN PSI Table

4 Principles of PSI		Disclosure Item	Corresponding Chapters
PRINCIPLE 1	We will embed in our decision-making environmental, social and governance issues relevant to our insurance business	Business Strategy	[CH 1] Sustainability Strategies
		Risk Management	[CH 2] Risk Management, [CH 6] Climate Governance and Strategies
		Sales Underwriting	[CH 4] Sustainable Insurance Practices
		Product Design	[CH 4] Sustainable Insurance Practices
		Post-sale Service	[CH 4] Sustainable Insurance Practices
		Claim Management	[CH 4] Implementing Friendly Financial Services
		Investment Management	[CH 4] Implementing Friendly Financial Services
PRINCIPLE 2	We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions	Customer	[CH 1] Sustainable Governance Corporate Culture, [CH 4] Treating Customers Fairly, [CH 4] Sustainable Insurance Practices, [CH 4] Implementing Friendly Financial Services
		Supplier/Contractor	[CH 1] Sustainable Governance Corporate Culture, [CH 6] Sustainable Supply Chain Management
		Collaboration Channel	[CH 1] Sustainable Governance Corporate Culture, [CH 3] Digital Finance Innovation Development

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4 Principles of PSI		Disclosure Item	Corresponding Chapters
PRINCIPLE 3	We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues	Government and Supervising Authority	[CH 1] Sustainable Governance Corporate Culture, [CH 2] Information Security, [CH 4] Treating Customers Fairly
		Key Stakeholders	[CH 1] Sustainable Governance Corporate Culture, [CH 3] Realizing the Value of Sustainable Investment, [CH 5] Social Participation, [CH 6] Sustainable Supply Chain Management
PRINCIPLE 4	We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles	Sustainability Report Assurance	About the Report – Report Assurance
		Sustainability Information Disclosure	KGI Life 2023 Sustainability Report, KGI Life 2023 TCFD Report, KGI Life Official Website – Sustainable Development Webpage, Treating Customers Fairly Webpage, Ethical Management Webpage

Financial Disclosure Guidelines for Climate-related Risks of the Insurance Industry Table

Indicator	Chapter and Section
The Board of Directors and senior management should ensure that the Company takes the identified climate-related risks into consideration when setting the Company's risk appetite, strategies and operational plans, and continuously supervises the management and disclosure of climate-related risks	[CH 6] Climate Governance and Strategies
The Board of Directors, or a committee of the Board of Directors, is ultimately responsible for the management of climate-related risks	
The Board of Directors, or a committee of the Board of Directors, approves and oversees the structure and policies for managing climate-related risks	
The Board of Directors, or a committee of the Board of Directors, recognizes that climate-related risks are included in risk appetite qualitative or quantitative indicators	
The board of directors, or a committee of the board of directors, ensures that the directors have a proper understanding of climate-related risks and opportunities, and regularly reviews senior management's implementation of the same, and ensures that senior management has received adequate training	
Senior management has established a framework and policy for the management of climate-related risks	
Senior management have confirmed the effectiveness of climate-related risk management framework and policies	
Establishment of internal management process for climate-related risks by senior management	
Senior management ensures that necessary measures are taken for identified climate-related risks	
The senior management has appropriately allocated personnel for the management of climate-related risks and provided them with the necessary training	
Senior management regularly reports to the Board of Directors or a committee of the Board of Directors on the management of climate-related risks	

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	Indicator	Chapter and Section
Strategy	Identified the financial impacts of climate-related risks and opportunities in terms of finance, operations, products and investments	[CH 6] Climate Governance and Strategies
	Prioritize climate-related risks based on materiality	
	Consider the impact of climate-related risks and opportunities when setting annual targets and strategies for business, products and investments	
	Review and adjust climate-related risk management policies based on scenario analysis and stress test results	
Risk Management	Establishment of a risk management method to identify climate-related departments, transaction counterparties and customers (including existing and potential counterparties and customers) and assess their impact	[CH 6] Climate Governance and Strategies
	To establish a mechanism for the management and continuous monitoring of climate-related risk exposures with respect to risk management and monitoring. For departments, transaction counterparties and customers with significant climate-related risks, establish mechanisms to manage the identified climate-related risks and encourage the transaction counterparties and customers to take necessary measures to reduce their climate-related risks	
	Conduct risk management based on climate risks identified by the Company and in accordance with the [Insurance Industry Guidelines for Internal Control Three Lines of Defense]	
	Possesses qualitative or quantitative scenario analysis and stress testing capabilities to assess the impact of climate-related risks	
	Setting up general and severe scenarios with qualitative or quantitative risk indicators for scenario analysis and stress testing, and setting up long-term or short-term scenarios for strategic planning and risk management purposes	
	Establish appropriate procedures for investment management to assess and manage climate-related risks associated with the underlying investments. Additional review mechanisms should be in place for investment targets with higher climate-related risks	
	Regularly evaluate the changes in climate-related risks associated with investment targets, in order to properly adjust investment positions	
Metrics and Targets	Setting up indicators for assessing and managing climate-related risks	[CH 6] Climate Governance and Strategies
	Setting objectives for climate-related risk management	
	To determine the criteria for ranking climate-related risks in order of significance	
	Consider the inclusion of climate-related risk management as a performance indicator	

Task Force on Climate-related Financial Disclosures Table

Thematic Areas		Indicator	Chapter and Section
Governance	a.Description on Board of Directors monitoring climate-related risk and opportunities	[CH 6] Climate Governance and Strategies	
	b.Description on the role of management supervisors on assessment and management of climate-related risk and opportunities		
Strategy	a.Description on short-, mid-, long-term climate related risk and opportunities identified by the organization	[CH 6] Climate Governance and Strategies	
	b.Description on climate-related risks or opportunities that have a major impact on the organizations business, strategy, and financial plans		
	c.Description on the organization's strategic resilience and the inclusion of different climate change scenarios, including 2° C or lower climate change		
Risk Management	a.Description the organizations procedures in identifying and assessing climate related risks	[CH 6] Climate Governance and Strategies	
	b.Description on the organizations relevant climate-related risk management procedures		
	c.Description on how the organization incorporates over risk management into climate-related identification, assessment and management procedures risk management		
Metrics and Targets	a.Description on the organizations indicators in assessing climate related risks and opportunities while in compliance with its strategies and risk management procedures	[CH 6] Climate Governance and Strategies	
	b.Disclosure of Scope 1,2,3 (if applicable) emission and relevant risks		
	c.Description on the organization's targets in managing climate-related risks and opportunities and the performance of said targets		

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ISSB Sustainability Disclosure Standards S1 "General Sustainability-related Disclosures" Table

	Disclosed Item Name	Corresponding Chapter
Governance	Governance	[CH 1] Sustainable Governance Corporate Culture [CH 2] Comprehensive Governance Framework
Strategy	Sustainability related risks and opportunities	[CH 1] Material Topic Identification Process [CH 6] Climate Governance and Strategies
	Strategy and Decision Making	[CH 1] Sustainable Governance Corporate Culture [CH 6] Climate Governance and Strategies Appendix – Management of Material Topics
	Financial status, performance and capital flow	[CH 2] Business Performance [CH 3] Realizing the Value of Sustainable Investment
	Resilience	[CH 2] Business Performance
Risk Management	Risk management	[CH 1] Material Topic Identification Process [CH 2] Risk Management
Metrics and Targets	Metrics and Targets	Key Achievements in 2023 [CH 1] Sustainable Governance Corporate Culture [CH 6] Climate Governance and Strategies

ISSB Sustainability Disclosure Standards S2 "Climate-related Disclosures" Table

	Disclosed Item Name	Corresponding Chapter
Governance	Governance	[CH 1] Sustainable Governance Corporate Culture [CH 2] Comprehensive Governance Framework [CH 6] Climate Governance and Strategies
Strategy	Climate-related risks and opportunities	[CH 6] Climate Governance and Strategies
	Strategy and Decision making	[CH 6] Climate Governance and Strategies
	Financial status, performance and capital flow	[CH 2] Business Performance [CH 3] Realizing the Value of Sustainable Investment
	Climate Resilience	[CH 6] Climate Governance and Strategies
Risk Management	Risk management	[CH 6] Climate Governance and Strategies
Indicators and Targets	Indicators and Targets	[CH 2] Comprehensive Governance Framework [CH 6] Climate Governance and Strategies [CH 6] Green Operations and Carbon Management

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Classification	Main Issues	Corresponding Chapters and Sections
Human Rights	Businesses should support and respect internationally recognized human rights	[CH 5] Diverse and Inclusive Workplace
	Make sure that they are not complicit in human rights abuses	[CH 6] Sustainable Supplier Management
Labor Standards	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	[CH 5] Diverse and Inclusive Workplace
	The elimination of all forms of forced and compulsory labor	[CH 5] Diverse and Inclusive Workplace
	The effective abolition of child labor	[CH 5] Diverse and Inclusive Workplace
	The elimination of discrimination in respect of employment and occupation	[CH 5] Diverse and Inclusive Workplace
Environment	Businesses should support a precautionary approach to environmental challenges	[CH 6] Climate Governance and Strategies [CH 6] Green Operations and Carbon Management
	Undertake initiatives to promote greater environmental responsibility practices	[CH 6] Climate Governance and Strategies [CH 6] Green Operations and Carbon Management [CH 6] Sustainable Supplier Management
	Encourage the development and diffusion of ecofriendly technologies	[CH 3] Realizing the Value of Sustainable Investment [CH 6] Climate Governance and Strategies [CH 6] Green Operations and Carbon Management
Anti-corruption	Businesses should work against all forms of corruption, including extortion and bribery	[CH 2] Legal Compliance

Taiwan's Sustainable Development Goals

No.	Specific Goals	Corresponding Chapters and Sections
1.4	Enhancing the protection and equal rights for all, especially the underprivileged, in terms of entrepreneurship, employment, loans, financing, housing, land ownership, etc	[CH 4] Treating Customers Fairly
1.5	Reducing losses caused by various disasters and make extra effort in protecting underprivileged groups and low-income groups	[CH 4] Sustainable Insurance Practices
4.5	Making sure that the accesses to education and vocational trainings at all levels for underprivileged groups, including physically/mentally disabled persons, indigenous people and disadvantaged children	[CH 5] Diverse and Inclusive Workplace [CH 5] Social Participation
5.5	Encouraging administrative authorities at all levels to promote females to serve as supervisors or chiefs; to encourage political parties to cultivate females cadres and involve them in politics; to increase the ratio of female police officers and female managers in listed companies; to coach and encourage females to serve as corporate representatives	[CH 2] Comprehensive Governance Framework [CH 5] Diverse and Inclusive Workplace
6.d	Enhance reduction of general waste and stimulate resource recycling	[CH 6] Green Operations and Carbon Management
7.2	Enhancing the installed capacity of renewable energy	[CH 6] Green Operations and Carbon Management
8.5	Enhancing labor productivity	[CH 5] Cultivating Diverse Talents [CH 5] Diverse and Inclusive Workplace
8.6	Implementing knowledge-action integration and training measures, to strengthen the employability of the youth	[CH 5] Cultivating Diverse Talents [CH 5] Social Participation
8.7	Promoting the working environment safety and protecting the rights and interests of female workers in participating in trade unions	[CH 5] Diverse and Inclusive Workplace
8.9	Encouraging Financial Technology (FinTech) innovation, to provide convenient and diverse financial services	[CH 3] Digital Finance Innovation Development
8.13	Developing green energy technologies, enhancing energy independence and energy diversity, and encouraging the development of renewable energy	[CH 3] Realizing the Value of Sustainable Investment [CH 6] Green Operations and Carbon Management

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No.	Specific Goals	Corresponding Chapters and Sections
10.2	Continuously promoting indigenous people employment programs, increasing employment opportunities for indigenous people to increase their economic income; improving the employment situations for physically/mentally disabled persons and enhancing their economic status	[CH 5] Diverse and Inclusive Workplace
10.3	Strengthening publicity and education on laws and regulations related to gender equality and elimination of employment discrimination; building and improving the system of gender-based violence prevention and children/youth protection to raise public awareness of discrimination or violence	[CH 5] Diverse and Inclusive Workplace
10.6	Optimizing social innovation momentum, discover diverse social innovation methods and build a social enterprise friendly ecosystem, helping solve social problems	[CH 5] Social Participation
11.5	Reducing the losses caused by various disasters and taking special care for protecting vulnerable groups and low-income groups	[CH 5] Social Participation
11.9	Strengthening the social safety net, ensuring social stability, strengthening public security maintenance, and curbing violent crimes	[CH 5] Social Participation
11.12	Improving the effectiveness of energy saving and carbon reduction in buildings	[CH 6] Green Operations and Carbon Management
12.6	Encouraging enterprises to take sustainable development measures and disclose sustainable development information, while ensuring the accuracy and quality of the information	[CH 1] Sustainable Governance Corporate Culture
12.7	Promoting the increase of green procurements both in public and private sectors	[CH 6] Sustainable Supply Chain Management
13.1	Enhancing adaptation to climate change, with stronger resilience and lower vulnerability	[CH 6] Climate Governance and Strategies
13.3	Improving sustainable education on climate change, and public literacy	[CH 6] Climate Governance and Strategies
16.1	Strengthening the social safety net, ensuring social stability, strengthening public security maintenance, and curbing violent crimes	[CH 5] Social Participation

UN PRI Table

PRI Six Principles		Corresponding Chapter and Section
Principle 1	We will incorporate ESG issues into investment analysis and decision-making processes	[CH3] Responsible Investment Policy [CH3] Responsible Investment Process
Principle 2	We will be active owners and incorporate ESG issues into our ownership policies and practices	[CH3] Stewardship Principles for Institutional Investors
Principle 3	ESG We will seek appropriate disclosure on ESG issues by the entities in which we invest	[CH3] Responsible Investment Process
Principle 4	We will promote acceptance and implementation of the Principles within the investment industry	[CH3] Stewardship Principles for Institutional Investors
Principle 5	We will work together to enhance our effectiveness in implementing the Principles	[CH3] Responsible Investment Process [CH3] Stewardship Principles for Institutional Investors
Principle 6	We will each report on our activities and progress towards implementing the Principles.	[CH3] Responsible Investment Process [CH3] Stewardship Principles for Institutional Investors

Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies Table

Section		Corresponding Chapters and Sections
Section 1	General Principle	[CH 1] Sustainable Governance Corporate Culture
Section 2	Exercising Corporate Governance	[CH 2] Comprehensive Governance Framework
Section 3	Fostering a Sustainable Environment	[CH 6] Climate Governance and Strategies [CH 6] Green Operations and Carbon Management
Section 4	Preserving Public Welfare	[CH 5] Social Participation [CH 4] Treating Customers Fairly
Section 5	Enhancing Disclosure of Sustainable Development Information	KGI Life 2023 Sustainability Report KGI Life 2023 TCFD Report KGI Life Website – Sustainability Development Webpage KGI Life Website – Treating Customers Fairly Webpage KGI Life Website – Ethical Management Webpage
Section 6	Supplementary Provisions	[CH 1] Sustainable Governance Corporate Culture

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ISO 26000 Guidance on Social Responsibility

Subject	Issue	Corresponding Chapters and Sections
Organizational Governance	Adopt systematic CSR concepts for decision-making and in achieving targets	[CH 1] Sustainable Governance Corporate Culture
	Compliance with regulations and avoidance of risks due to human rights issues through verification	[CH 5] Diverse and Inclusive Workplace
	Handling human rights risk scenarios	[CH 5] Diverse and Inclusive Workplace
	Avoidance of Complicity - Direct, Benefit and Silent complicity relationships	[CH 2] Integrity and Governance
	Solving problem	[CH 5] Performance Management
	No discrimination towards the vulnerable	[CH 5] Diverse and Inclusive Workplace [CH 5] Social Participation
	Protect civil and political rights	[CH 5] Diverse and Inclusive Workplace
	Protect economy, social and cultural rights	[CH 5] Social Participation
	Protect basic working rights	[CH 5] Cultivating Diverse Talents [CH 5] Diverse and Inclusive Workplace
	Enhance labor and management relations	[CH 5] Cultivating Diverse Talents [CH 5] Diverse and Inclusive Workplace
Labour Practices	Working conditions and social protection	[CH 5] Cultivating Diverse Talents [CH 5] Diverse and Inclusive Workplace [CH 5] Employee Care
	Maintain social dialogue	[CH 5] Social Participation
	Maintain work health and safety	[CH 5] Diverse and Inclusive Workplace
	Human resource development and training	[CH 5] Cultivating Diverse Talents
	Pollution prevention	[CH 6] Green Operations and Carbon Management
The Environment	Using sustainable resources	[CH 6] Green Operations and Carbon Management
	Climate change mitigation and adaptation	[CH 6] Climate Governance and Strategies
	Environmental protection, biodiversity and recovery of natural habitats	[CH 6] Green Operations and Carbon Management

Subject	Issue	Corresponding Chapters and Sections
Fair Operating Practices	Anti-Corruption	[CH 2] Integrity and Governance
	Responsible political participation	[CH 2] Integrity and Governance
	Fair competition	[CH 2] Integrity and Governance
	Stimulate industry value chain and social responsibilities	[CH 6] Sustainable Supply Chain Management
	Respect intellectual property rights	*Lower relevance to life insurance industry
Consumer Issues	Fair marketing, practical information and contracting	[CH 4] Treating Customers Fairly
	Protecting consumer health and safety	[CH 4] Sustainable Insurance Practices
	Support sustainable consumption	[CH 6] Sustainable Supply Chain Management
	Consumer services, support, complaint, and dispute-solving	[CH 4] Treating Customers Fairly
	Consumer data protection and privacy	[CH 2] Risk Management
	Protection of right to services	[CH 4] Treating Customers Fairly
	Education and raising awareness	[CH 4] Treating Customers Fairly
Community Involvement and Development	Social participation	[CH 5] Social Participation
	Create job opportunities and technical development	[CH 5] Social Participation
	Technology Development	*Lower relevance to life insurance industry
	Help increase financial wealth	[CH 5] Social Participation
	Promote education and culture development	[CH 5] Social Participation
	Promote health	[CH 5] Social Participation
	Social investment	[CH 5] Social Participation

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INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

KGI Life Insurance Co., Ltd.

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of KGI Life Insurance Co., Ltd. ("the Company") for the year ended December 31, 2023.

Subject Matter Information and Applicable Criteria

See Appendix 1 for the Company's selected performance indicators ("the Subject Matter Information") and applicable criteria.

Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), SASB Standards published by the Sustainability Accounting Standards Board (SASB), and the criteria specifically designed by the Company, and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix 1) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.
- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, observation, and analytical procedures to obtain evidence supporting limited assurance.

Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Chao-Yu Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 19, 2024

Notice to Readers

For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report and summary of subject matter information shall prevail.

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APPENDIX

SUMMARY OF SUBJECT MATTER INFORMATION

#	Subject Matter Information					Corresponding Section	Applicable Criteria
1.	2023 Anti-Corruption Policy and Procedures Communication and Training Overview						
	Anti-Corruption Indicator	Target		No. of People	Percentage		
		Governance Department Members		9	100%		
		Employees	Office Staff Departments and Section Head-level Supervisors	372	100%		
			Internal Staff	2,020	100%		
			Sales Supervisor	3,863	100%		
		Sales Agent		11,297	100%		
		Suppliers		75	100%		
		Governance Department Members		9	100%		
	Anti-Corruption Training	Employees	Office Staff Departments and Section Head-level Supervisors	372	100%		
			Internal Staff	2,020	100%		
			Sales Supervisor	3,863	100%		
2.	Distribution by age and gender						
	Position	Male	Female	51-60 years old	61 years old and above		
	Directors	67%	33%	67%	33%		
	Office Staff Overview - Distribution by Age, Position, Education						
	Position	Male	Female	30 years old and under (inclusive)	30-50 years old	50 years old and above (exclusive)	Ph.D.
	Department Head or Above	63.33%	36.67%	0.00%	38.33%	61.67%	3.33%
	Section Head	50.96%	49.04%	0.64%	58.33%	41.67%	0.00%
	General employees	35.59%	64.41%	13.71%	70.35%	15.94%	0.15%
	Sales Agent Overview - Distribution by Age, Position, Education						
	Position	Male	Female	30 years old and under (inclusive)	30-50 years old	50 years old and above (exclusive)	Ph.D.
	Agent supervisor	32.38%	67.62%	13.72%	54.49%	31.79%	0.00%
3.	Gross PML Unit: NTD						
	Disaster	2% (1 in 50)		1% (1 in 100)	0.4%(1 in 250)		
	Typhoon/Hurricane	248,122,585		306,928,965	346,177,289		
	Waterlogging	19,800,999		248,713,894	478,849,614		
	Net PML Unit: NTD						
	Disaster	2% (1 in 50)		1% (1 in 100)	0.4%(1 in 250)		
	Typhoon/Hurricane	170,729,088		208,923,247	237,034,827		
	Waterlogging	16,203,551		198,970,904	382,725,979		

(Continued)

#	Subject Matter Information		Corresponding Section	Applicable Criteria						
4.	In 2023, a total of 19 training sessions were organized with 51,009 participants.		CH4 Realizing Financial Inclusion	Specifically designed indicator 1 The training sessions and the number of participants regarding the topics of treating customers fairly, people with disabilities, the elderly, friendly financial services in 2023						
5.	<table border="1"> <thead> <tr> <th>Action Plan</th> <th>Implementation results in 2023</th> </tr> </thead> <tbody> <tr> <td>Green and sustainability bonds</td> <td>The investment balance was approximately NT\$29.75 billion</td> </tr> <tr> <td>ESG ETFs</td> <td>The investment balance was approximately NT\$740 million</td> </tr> </tbody> </table>		Action Plan	Implementation results in 2023	Green and sustainability bonds	The investment balance was approximately NT\$29.75 billion	ESG ETFs	The investment balance was approximately NT\$740 million	CH3 Sustainable Finance	Specifically designed indicator 2 The investment balance of green bonds, sustainability bonds and ESG ETFs as of the end of 2023
Action Plan	Implementation results in 2023									
Green and sustainability bonds	The investment balance was approximately NT\$29.75 billion									
ESG ETFs	The investment balance was approximately NT\$740 million									

(Concluded)