



MUTUAL BENEFIT

Corporate governance and ethical management / Legal compliance / Risk management /
Information security / Sustainable finance / Social participation

∴ CORE VALUES ∴

Actively engage in communication and interaction with stakeholders to deepen mutual trust and confidence.
Commit to being a creator of social value.

6. Realizing Sustainability Governance

7. Unleashing the Importance of Sustainable Finance

8. Creating a Society of Mutual Benefit



6. Realizing Sustainability Governance

Shin Kong Life deeply understands that only by treating others with sincerity and establishing comprehensive corporate governance, risk management, and information security mechanisms can operate itself in a stable and robust manner, carry the responsibility of safeguarding numerous families and provide solid protection for every policyholder.

6.1 Corporate Governance and Ethical Management

| GRI 2-9 \ 2-10 \ 2-11 |

Shin Kong Life adheres to the business philosophy of "stability and prudent", and continues to strengthen corporate governance and safeguard the rights and interests of shareholders and stakeholders through such mechanisms as "strengthening the functions of the Board of Directors", "promoting ethical management", "strengthening the anti-money laundering mechanism", "improving the internal control system" and "implementing information disclosure".

We have a Code of Corporate Governance signed by the Board of Directors and continue to use corporate governance as a basis for strengthening the foundation for sustainable business operation. Please refer to SKL information disclosures. [↗](#)

Organizational Chart of the Board of Directors



6.1.1 Strengthening the Functions of the Board of Directors

| GRI 2-17 \ 2-18 \ 2-19 \ 205-2 |

SKL is a subsidiary of Shin Kong Financial Holdings Co., Ltd. (SKFH), who owns 100% of its shares, and has established the overall structure and authority of the Board of Directors in accordance with the Company Act, the Insurance Act, the Securities and Exchange Act, and other relevant laws and regulations. In 2022, there were 15 Directors (including 3 Independent Directors) who were responsible for the Company's operational policies and oversee and manage the results of ESG initiatives at all levels.

As the insurance industry is an industry that is highly supervised by the competent authorities, we attach great importance to the regulation and governance mechanism of the members of the Board of Directors, establish the rules of procedure of the Board of Directors in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies", and actively invite credible and professional independent directors to participate in corporate governance and safeguard the rights and interests of all shareholders.

In order to enhance the effectiveness of the operations of the Board of Directors, the Board of Directors' performance is evaluated annually in accordance with the "Corporate Governance Best Practice Principles for Insurance Companies". In 2022, the average score of directors' self-assessment was 97.7 (full score of 100) and the average score of peer evaluation (overall evaluation) was 94.8 (full score of 100). The performance of the Board of Directors was good.

Note1: Since the Company is a subsidiary of the parent company, SKFH, which holds all of the issued shares, in accordance with the provisions of the Company Act, the Financial Holding Company Act, and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, the members of the Board of Directors are all appointed by SKFH after qualification review and approval by the Chairman of SKFH, and the Chairman does not concurrently hold other duties in the management team.

Note 2: The company voluntarily established an Audit Committee on June 30, 2017, to enhance corporate governance and audit supervision mechanisms.

Board of Directors' Members Information

Age/Type	Male	Female	Directors	Independent Directors	Unit: Person	
					Directors who concurrently serve as managers of the Company	Number of seats that are related to each other
< 30	0	0	0	0	0	0
30 - 50	2	0	1	1	0	0
> 50	13	0	11	2	1	0
Total	15	0	12	3	1	0

A. Board Diversity Policy

ss ESG issues, the parent company, SKFH, follows all the regulations in appointing members of the Board of Directors of the Company, taking into account their professional background. At present, the members of the Board of Directors of SKL specialize in the fields of finance, risk management, insurance, and laws. Please refer to SKL Information Disclosures [☞](#), see the 2022 SKL Annual Report (P.20 - P.24). [☞](#)

B. Strengthening the Competencies of the Board of Directors

In order to enhance the knowledge of the Board of Directors on responsible management, economic, environmental and social issues, in 2022, we conducted "Information security practices and sustainable operation CSR guidelines and case study," "Challenges and opportunities brought by the net zero era to the financial industry," "Latest development trends in AML/CFT, ethical corporate management, and treating customers fairly," and "Opportunities from the transition to IFRS17." and other courses for a total of 181 training hours, with an average of 12 hours of training per person. In addition, we regularly report to the Board of Directors in accordance with the Money Laundering Prevention Statement. The 15 members of the organization's governance unit have communicated 100% of the organization's anti-corruption policies and procedures, Please refer to SKL information disclosures. [☞](#)

C. Remuneration Scheme for Directors and Executives

We have established the "Guidelines for the Remuneration of Directors and Supervisors", which are agreed upon with reference to the industry standard with respect to the extent of directors' participation and contribution to the Company's operations. In addition, the remuneration of independent directors is fixed by the Board of Directors' meeting and it is stipulated that they shall not participate in the distribution of SKL's earnings. Please refer to the 2022 SKL Annual Report. [☞](#)

To create long-term value for the Company, shareholders, and employees, senior managers established a bonus policy that is aligned with the Company's sustainable operation and development according to the "Regulations Governing the Distribution of Annual Performance Bonuses" and "Regulations Governing the Distribution of Long-term Incentives," encouraging and linking bonuses to the Company's long-term performance and value creation for shareholders. The Company established "Regulations Governing Senior Manager Performance Management" to effectively evaluate the performance of senior managers and improve business performance.



Link between Directors' Remuneration and Organizational ESG Performance

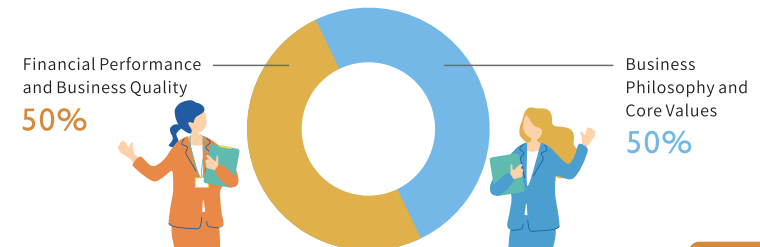
The remuneration of the SKL's directors is determined by the Board of Directors' meeting, taking into account the degree of their participation in the operations of the Company and the value of the contribution. All directors (except independent directors) are paid the Chinese New Year bonus, using their travel expenses as the base and the base amount of the overall employee performance bonus for the year. In addition, the Chairman and Vice Chairman receive a fixed monthly remuneration each month, and based on the monthly fixed compensation, the Board of Directors shall approve the performance bonuses according to the annual performance bonuses for executives. The employee's overall performance and the organizational performance of executives are included in the achievement of ESG project, and the director's remuneration is therefore effectively linked.

Link between Executives' Remuneration and Organizational ESG Performance

The compensation standards are based on the responsibilities (including ESG matters) of the executives and are set according to a duty-oriented grading system, and the Chairman is authorized its approval within the scope of authorization. The annual performance bonus is based on the Company's overall operating performance and individual performance (including ESG matters) for the year, for the purpose of linking performance with rewards, and to encourage executives to pursue excellent performance.

In addition to the financial indicators, the ESG strategy's management philosophy and core values shall also be included in the formulation of the Company's overall key performance indicators (KPIs) in 2022 to shape the culture of corporate responsibility.

Overall KPIs for 2022



Indicator Category	Weight	Indicator Description
Business Philosophy and Core Values	50%	The significant ESG results include TCFD and sustainable finance, fair treatment of customers, legal compliance, digital financial services, talent development and exchange, and information security.
Financial Performance and Business Quality	50%	Includes financial and business aspects (e.g., profitability, risk control, business quality/drive).
Extra point items		Overall effectiveness of the Group, etc.

Periodically (every month) report material issues to the Board of Directors, issues for communication include: corporate governance, ethical corporate management, financial performance, risk management, compliance, AML/CFT, corporate sustainability, and treating customers fairly.

2022 audit the Proposals

The Board of Directors reviewed and passed ESG-related regulations and reports on material matters :

1. Evaluation of the appropriateness of the overall risk management mechanism with respect to four major aspects: risk management culture, risk management policies and systems, risk management execution and review, and the effectiveness of internal audits.
2. Established the "Ethical Corporate Management Policy and Best Practice Principles" and the "Ethical Corporate Management Operating Procedures and Code of Conduct." Amended the internal control system, securities investment policy and procedures, Procedures for Investing in Special Projects for Public Utilities and Social Welfare Enterprises, treating customers fairly principles, policy and strategies, Guidelines Governing Anti-Money Laundering and Countering Terrorism Financing, and Code of Ethics.
3. Report on the implementation status and annual goals of corporate sustainability, report on implementation results of corporate sustainability and implementation status of ethical corporate management, report on the plementation of principles for treating customers fairly, performance report on investing in special projects for public utilities and social welfare enterprises, compliance report, AML/CFT assurance report, report on financial friendly services and measures, and report on GHG inventory and verification planning.

Remuneration Paid to Directors, President and Vice President in 2022, total Remuneration as a Percentage of Net Income After Tax

Item	Amount (NT\$ thousand)	Percentage of net income after tax
Remuneration and total amount of remuneration of Directors, President and Vice President	104,857	-2.15%



6.1.2 Promote Ethical Management | GRI 2-15、205-1、205-3 |

We established the "Ethical Corporate Management Policy and Best Practice Principles" and the "Ethical Corporate Management Operating Procedures and Code of Conduct" to implement ethical corporate management, and provide training to all employees each year to communicate the value of integrity to all employees. All employees completed ethical corporate management training in 2022. Furthermore, company-wide risk of unethical conduct is assessed regularly each year, in order to effectively determine the distribution and control of risk of unethical conduct. We completed an assessment of the risk of unethical conduct at all company locations in 2022; a total of 11 risks were assessed, including bribes, inappropriate sponsorship, unfair competition, and accepting improper gains; overall risk of unethical conduct was assessed to be low.

SKL Code of Integrity and Ethical Values

- Ethical Management Policy and Code
- Ethical Management Procedures and Behavior Guidelines
- Code of Ethical Conduct
- Personnel Management Rules
- Regulations for Handling Employee Complaints
- Regulations for Handling Reported Cases



A. Conflict of Interest Avoidance Mechanisms

The Company has specifically stipulated in the Rules of Procedure of the Board of Directors' Meeting that those who are stakeholders themselves or the legal entity they represent shall state the material content of their stake at the current Board of Directors' Meeting. In case of adverse effect on the Company's interests, they shall not participate in the discussion and voting, shall recuse themselves from the discussion and voting, and may not exercise their voting rights on behalf of other directors, as described in the 2022 SKL Annual Report (P.40 – P.43) and refer to SKL information disclosures.

B. Ethics and Integrity Consultation and Reporting

(1) Code of Ethical Conduct

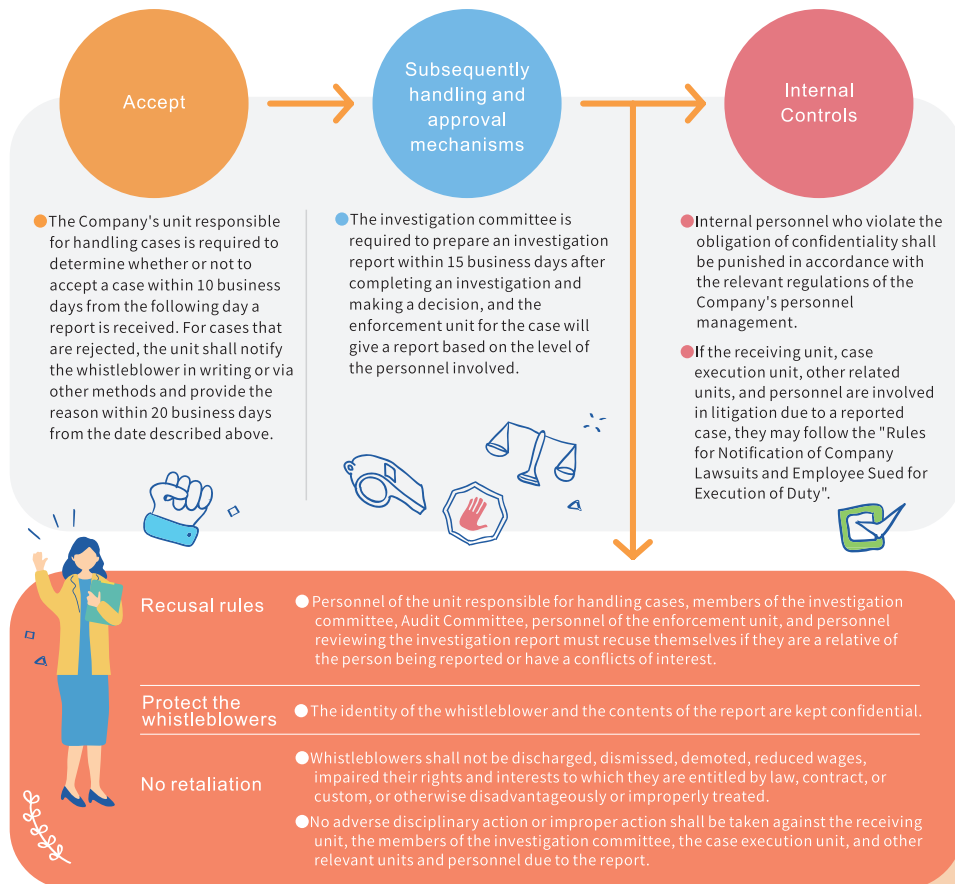
Directors and managers are required to exercise due diligence in the carrying out their duties, to treat all shareholders fairly, and not to compromise the interests of the Company for the benefit of individuals or particular groups.

(2) Employee Code of Conduct

We attach great importance to the ethical conduct of our insurance employees and have established the "Personnel Management Rules" and "Rules for Rewards and Punishment of Salespersons" to protect the rights and interests of our policyholders and the Company. There was no incident of acceptance of bribery in 2022.

C.Regulations for Handling Reported Cases

The Company has established a reporting mechanism. Anyone who finds that if the Company's or its subsidiary's personnel are committing crimes, fraud, or violating laws and regulations can report to the Company in writing or by email (whistleblower@skl.com.tw) ✉, and if the case is determined, upon investigated to be true, the relevant personnel will be rewarded and punished in accordance with internal regulations. In 2022, we will continue to review the reasonableness and effectiveness of the "Regulations for Handling Reported Cases" in order to improve the reporting channels and strengthen the protection mechanism for whistleblowers. The confidentiality and protection system for whistleblowers includes:



6.1.3 Strengthen Anti-money Laundering Mechanisms | GRI 205-2 |

A. Establish a Dedicated Unit

In order to ensure the establishment and implementation of the anti-money laundering system, an independent and dedicated unit is set up, with the Board of Directors designating an executive as the dedicated director, who will report to the Board of Directors and the Audit Committee at least half-yearly, and to immediately report to the Board of Directors and the Audit Committee in accordance with the regulations in the event of a material breach of laws and regulations. In 2022, the Money Laundering and Terrorism Risk Assessment Report was completed for all departments (including those in the field) of the Company, and no significant risks occurred.

B. 100% Anti-Money Laundering Education and Training

In order to fully communicate the company's internal anti-money laundering policy and mechanism, and to establish a corporate culture that places emphasis on anti-money laundering and combating the financing of terrorism, various anti-money laundering training courses are held for the Board of Directors, general employees, and key departments handling anti-money laundering business. In 2022, the Board of Directors receiving anti-money laundering training was 100%, and specialized supervisors, specialized staff, and the supervisors of the domestic business units receiving the required training was also 100%.

In addition, for external business partners, the rights and duties of both parties in the prevention of money laundering are regulated through formal contracts, supplementary contracts, etc., to reduce the impact of money laundering and financing of terrorism on the economy and society.

C. AML Risk Management Measures

The Company conducts an enterprise-wide risk assessment of money-laundering and terrorism financing risk each year. If control measures are assessed to be insufficient, a risk improvement plan must be formulated and submitted to the Board of Directors and Audit Committee, and a dedicated unit tracks the improvement plan until it is completed.



6.1.4 Sound Internal Control and Internal Audit Systems

SKL has established a comprehensive internal control system and an independent auditing unit to conduct audits. The main purpose is to identify and improve operational deficiencies at an early stage and prevent them in a timely manner. We have also strengthened our internal controls to prevent the occurrence of fraud, and have included the rights of policyholders and employees, as well as the prevention of money laundering in our audit plan. For the implementation results and the improvement plans of internal control, please refer to the 2022 SKL Annual Report.

Audit mechanism

1. At the end of each year, the next annual audit plan shall be drawn up in accordance with the risk assessment, relevant laws and regulations, the requirements of the competent authorities and the regulations of the parent company (SKFH), and shall be subjected to the approval of the Board of Directors.
2. At least once a year, general audits shall be carried out, and special audits shall be carried out in accordance with actual needs and relevant laws and regulations.
3. Continuously follow up on the relevant units and the inspection opinions, deficiencies, and improvements listed in the statement of internal control system, and submit the results to the Board of Directors and the Audit Committee and Independent Directors for review.

6.1.5 Implementation of Information Disclosure | GRI 2-27 |

SKL has established a comprehensive internal control system and an independent auditing unit to conduct audits. The main purpose is to identify and improve operational deficiencies at an early stage and prevent them in a timely manner. We have also strengthened our internal controls to prevent the occurrence of fraud, and have included the rights of policyholders and employees, as well as the prevention of money laundering in our audit plan. For the implementation results and the improvement plans of internal control, please refer to SKL information disclosures.

Fines Imposed by the Competent Authority and Improvement Measures

A total of 7 fines amounting to NT\$9.32 million was imposed in 2022. One of the fines was a major fine (NT\$3 million and above) due to deficiencies in fund use and real estate investment management. Related expenses have been recovered for the case and a mechanism for inspecting the reasonableness of expenses reimbursement was established. For the real estate business, we have strengthened the management and inspection of contractors, and also established operating regulations regarding the completeness of data submitted to the Board of Directors. We revised the checklist for stakeholder transactions and strengthened inspection mechanisms for transaction terms and the basis for comparison.

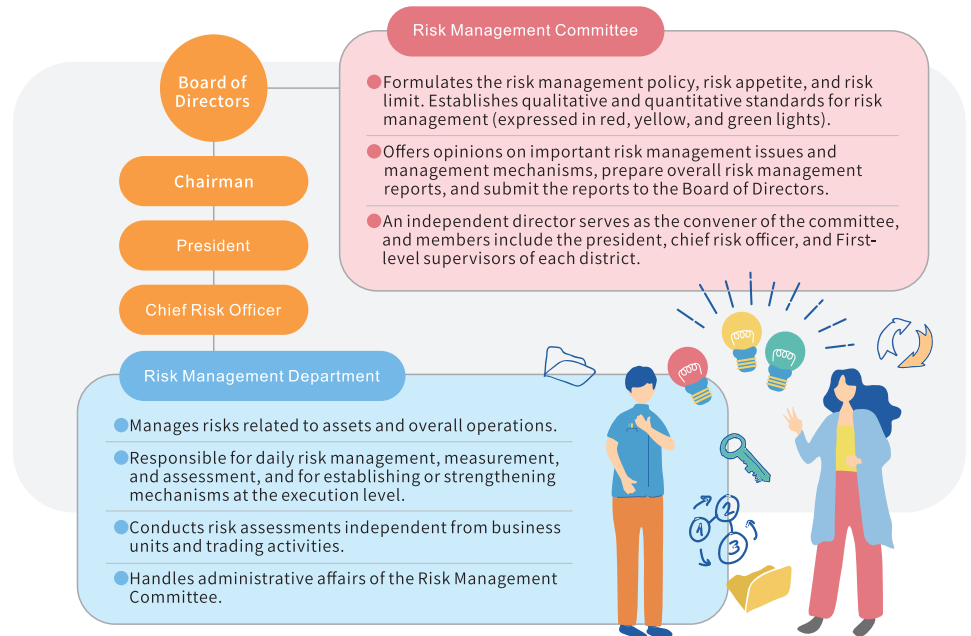
6.2 Risk Management | GRI 2-23、2-24 |

Undertaking risks and safeguarding the rights and interests of the policyholders is an important key to maintaining stable operations. In order to ensure the rights and interests of the vast number of policyholders and shareholders, the Company has established a solid and efficient risk management mechanism for all risks faced in our operations, beyond the financial aspect, to create value for our shareholders and policyholders.

6.2.1 Risk Management Framework

In order to effectively plan, monitor, and execute risk management matters, a Risk Management Committee is set up under the Board of Directors. An independent director serves as the convener of the committee, and members meet once a quarter in principle, elevating risk management to a strategic position to show our determination to implement risk management.

SKL Risk Management Committee

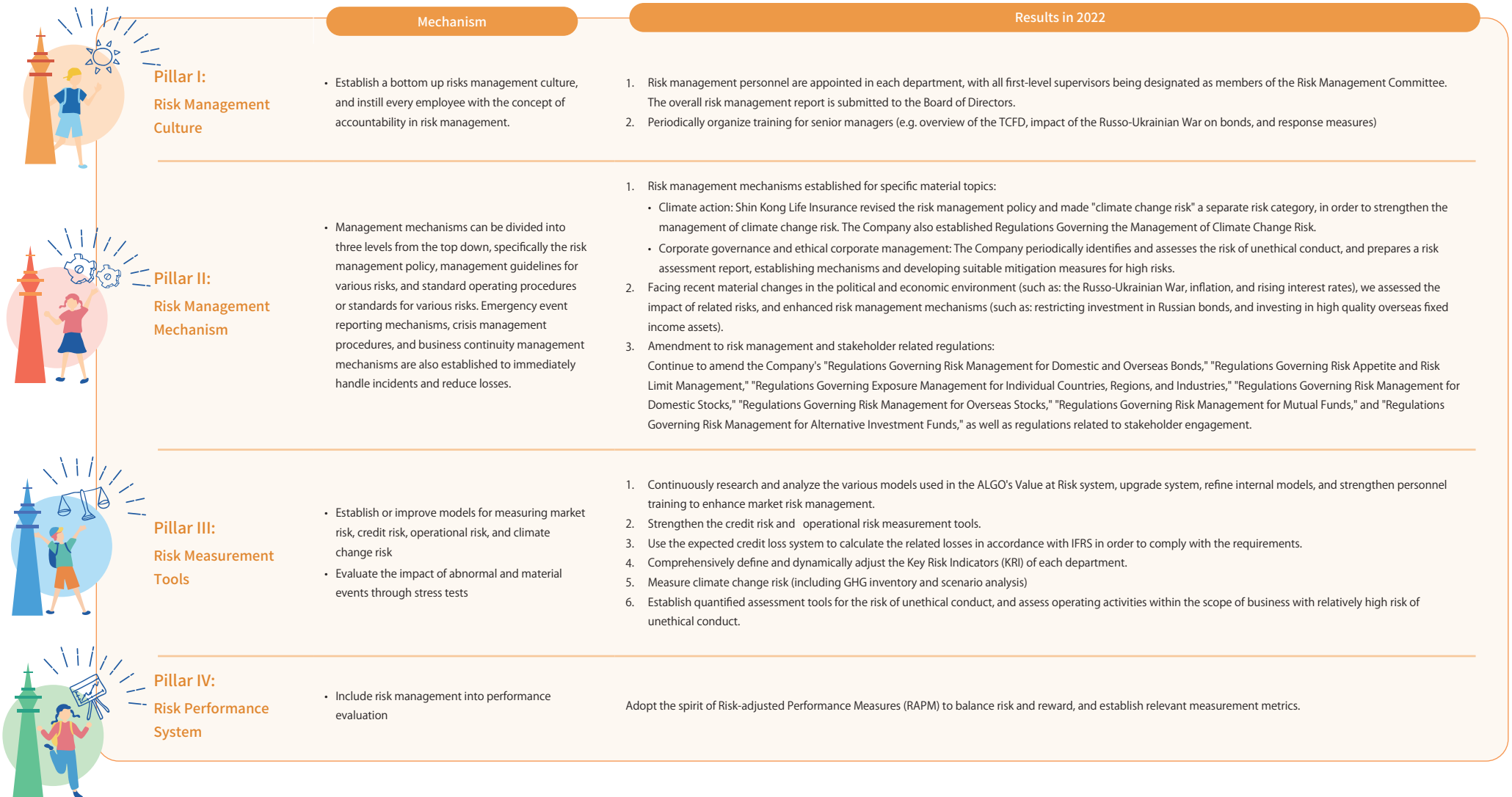


(For more details on risk management mechanisms, please refer to SKL's Annual Report and SKL information disclosure).

6.2.2 Risk Management Execution Methods

Shin Kong Life Insurance established its risk management policy as the highest guiding principles for the Company's implementation of risk management. The policy is aligned with the Company's business goals, has clear implementation guidelines, and emphasizes operational risk management. The four pillars of risk management were established on this basis, and operational risks are managed in response to changes in

external regulations or the environment. Furthermore, Shin Kong Life Insurance periodically prepares Own Risk and Solvency Assessment (ORSA) reports, and assesses its current risk management and solvency. We defined material and relevant risks based on the nature, scale, and complexity of risks related to our business, and carried out risk identification, quantified assessment, supervision and management, and results reporting.



6.2.3 Risk Management Measures and Response Mechanisms

We are committed to reviewing the possible impacts of changes in the internal and external environments to ensure business continuity. Regular drills are also conducted to make sure that business continuity plans are appropriate and effective and continuously enhanced.



When multiple major emergency events (such as: suspension of information services, large-scale epidemics, and earthquakes) occur, it may cause Shin Kong Life Insurance to suspend operations or prevent a portion of key services from operating. Shin Kong Life Insurance has a Business Crisis Response Team, crisis response measures, and emergency event reporting regulations to minimize the impact of accidents. The Company also established a business continuity management system (BCMS) to lower the probability of operations being suspended or reduce losses. The system strengthens the Company's ability to respond and rapidly recover from material events, allowing the Company to maintain sustainable operation, and thereby protect the interests of customers and all stakeholders.

In order to refine the business continuity management mechanism, the Company has obtained the "ISO 22301 (BCMS)" international standard certification from the British Standards Institute (BSI) in January 2022. Through business impact and risk analysis, the Company identifies critical business activities and takes stock of the resources required to recover these activities (e.g., personnel and equipment), and formulates recovery strategies and business continuity plans.

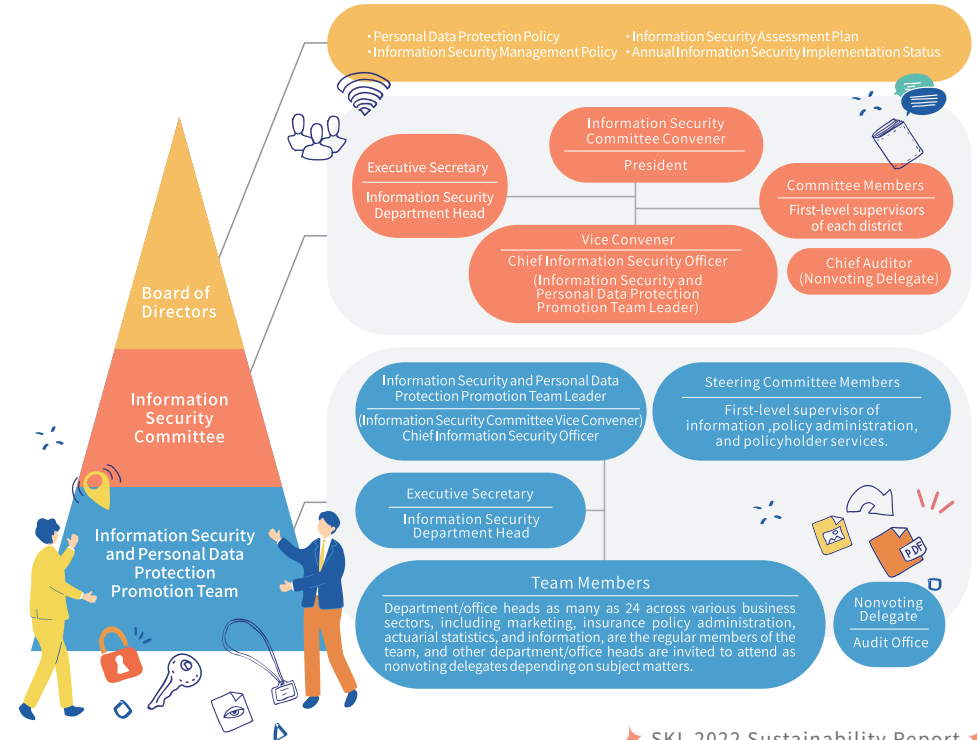


6.3 Information Security | GRI : 418-01 · 419-01 |

Shin Kong Life Insurance has made a commitment to the protection of customers, and continues to promote the culture of information security. The Company established a dedicated information security unit with independent authority that is responsible for planning, monitoring, and implementing information security management. The Information Security Department does not handle affairs with a conflict of interest with IT or other positions, and has an appropriate amount of human resources, 13 personnel in total. The Company further appointed a Chief Information Security Officer in September 2021 to oversee policy implementation and resource allocation, significantly improving execution ability for information security and personal data protection issues.

The Company established an Information Security Committee responsible for overseeing the basic guidelines and major projects related to information security and personal data protection management. The Information Security and Personal Data Protection Division was established under the Information Security Committee to lead the planning, coordination, and implementation of information security and personal data protection operations. The abovementioned organizations meet once a quarter in principle. The Information Security Committee convened a total of 4 meetings in 2022, and the Information Security and Personal Data Protection Division convened 4 meetings as well, in order to ensure that information security and personal data protection issues are properly communicated and coordinated for implementation.

Information Security Committee





Information security awards in 2022

1. Award of Excellence in Digital Information Security in the 2nd Digital Financial Service Awards of Commercial Times
2. Information Resilience Award in the BSI InfoSec Standards and excellent organization commendation ceremony

6.3.1 Information Security Management

Strategies	Management Mechanism
Continue to obtain international certification for information security	<ul style="list-style-type: none"> • Obtained ISO 27001:2013 Information Security Management System and BS 10012: 2017 Personal Information Management System. • Promote the integration activities of information security management system and personal information management system.
Policy promulgation and implementation of regulatory compliance	<ul style="list-style-type: none"> • Establish the "Information Security Policy" and "Personal Information Management Policy" approved by the Board of Directors as the highest guiding principles for information security and personal data protection. • In 2022, a total of 18 internal regulations relating to information security and personal data management were revised. • The KPIs for information security and personal information management, such as the completion rate of important information security projects, the number of information security incidents, and the cultivation of information security personnel, were all achieved ahead of schedule in 2022, indicating that information security and personal information have been fully integrated into the Company's business.
Customer Data Protection and Storage	<ul style="list-style-type: none"> • Establish a personal data management cycle in accordance with laws, regulations, and international standards to ensure the adequacy and effectiveness of the operation of the personal data protection system. • Conduct annual personal information breach drills to enhance employees' ability to respond to personal information breaches. • Implement the security of the network, data center management and insurance application system development, operation and maintenance of various management operating environments. • Commission external professional institutions to provide information security diagnostic services and complete the information security diagnostic report, annually. • Implement the information security assessment according to the self-regulatory regulation of information security protection in the insurance industry, as well as following the SWIFT Customer Security Programme (CSP) and the Payment Card Industry Data Security Standard (PCI DSS) to integrate various information security project inspections and measurements. • Continue to expand resources for remote backup and increase the scope of backup for major systems.
Joint Information Security Defense	<ul style="list-style-type: none"> • Establish an information security incident management system to control information security incidents in real-time through immediate notification and processing of the system. • Engage a professional information security provider for collaborative monitoring, providing 24/7 of uninterrupted incident analysis and monitoring management. • Actively participate in the information security joint operation, use the latest domestic and international information, and identify gaps at an early stage to achieve early warning and prevention. • In 2022, RSA AFCC's Anti-Fraud Services were used to help detect and shut down phishing websites, counterfeit mobile software, and international social media forgeries incidents to protect the security of the Company's online customer transactions and the Company's brand and assets.
Education and Training	<ul style="list-style-type: none"> • We raise awareness through a wide variety of training methods, promote compliance with various regulations, and all employees complete compliance week training every year. Furthermore, we organize additional communication events for specific topics as needed. In 2022, we offered 3 in-person courses, 18 online communication events during morning meetings, and issued 8 information security e-newsletters. • Personnel of information security units complete 15 hours and above of professional information security training courses every year according to regulations. Furthermore, we arrange customized professional courses based on business attributes and with consideration to suitability. • We encourage information security personnel to obtain international certifications for information security, and employees held a total of 32 international certifications as of the end of 2022.

6.3.2 Information Security Incident Informing and Handling Mechanism

SKL has established the "Emergency Reporting Regulations", "Guidelines for Information Security Incident Reporting and Response Management", "Guidelines for Response to Personal Information Breaches", etc. In the event of a data security incident or personal information breach, the Company shall follow the relevant procedures for reporting. In addition, in order to ensure the complete protection of information systems and information security management, black box penetration testing, service interruption attack drills, etc. are conducted annually, and professional institutions are commissioned to conduct overall information security assessment to strengthen the information security level. There were no urgent incidents related to information security attacks or personal data breaches in 2022, and there were no complaints from the competent authorities or verified violations of customer privacy from external sources.



Item	2020	2021	2022
Breach of information security or network security (number of incidents)	0	0	0
Data leakage (number of incidents)	0	0	0
Customers and employees affected by data leakage (number of persons)	0	0	0
Amount of fines imposed for information security or network security incidents or information operations management failures	0	0	0



7. Unleashing the Importance of Sustainable Finance

We promise to utilize our core investment expertise to implement the spirit of "responsible finance," and to continue investing in sustainable development industries, shaping a sustainable management environment for the investment chain, and contributing to the sustainable development of society.


7.1 Promote Sustainable Finance | GRI 2-23 · 2-24 |

As an insurance company and asset owner, Shin Kong Life Insurance utilizes its own funds and various reserves for investment. By establishing a sustainable investment system, ESG strategies and concepts are integrated into financial operations such as investment, lending, and insurance. We collaborate with customers, business partners (including suppliers) and other stakeholders to promote responsible financial products and services. In the future, we will continue to keep pace with the trend of sustainable development, gradually increase the proportion of responsible investment, and keep up with global sustainable progress and opportunities.

7.1.1 Sustainable Finance Mechanism

SKL complies with the United Nations' Principles for Responsible Investment (PRI), the Principles for Sustainable Insurance (PSI), and SKFH Sustainable Finance Policy, incorporating ESG mechanisms into operational processes and methods for different investment business properties. When making investment choices and providing financing and loans, we follow the asset-specific guidelines of the SKFH Sustainable Finance Policy and integrate ESG issues into decision-making and practices, adhering to the six principles of responsible investment. With the exception of some assets (such as foreign exchange hedging derivative products), all new investments are 100% compliant with responsible investment principles.

Asset-specific Guidelines of SKFH and Its Subsidiaries

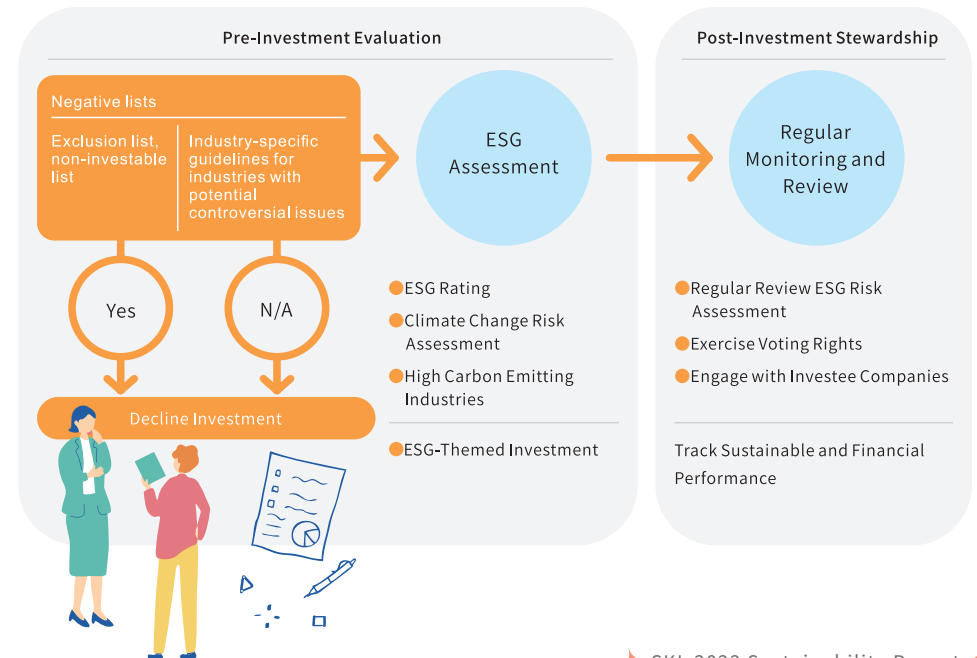
Investment	Financing
<p>During the formulation of investment strategies and investment decision-making processes, the six principles of responsible investment must be followed:</p> <ul style="list-style-type: none"> ● Incorporate ESG factors into investment analysis and decision-making processes ● Actively exercise voting rights and integrate ESG issues into voting policies and practices ● Encourage investee companies to disclose relevant ESG information ● Promote the acceptance and adherence to PRI principles within the investment industry ● Establish collaborative mechanisms with stakeholders to enhance the effectiveness of PRI implementation ● Disclose and report on the progress and effectiveness of PRI activities 	<p>During financing decision-making processes, the ESG risks of the financing clients should be carefully evaluated. If the financing is used to achieve sustainable development goals, appropriate financing preferential terms may be provided. For loan clients in high-controversial and high carbon production industries, engagements should be conducted to guide the clients to improve. No new loans should be added before any improvement has been made, or for those with severe situations, the withdrawal of funds should be phased in.</p> 

A. Responsible Investment

To implement the concept of sustainable finance, we have established the "Policy and Procedures for Sustainable Investing in Securities". Before making any investment, we conduct an assessment of the investment targets, and no new investment should be made in those included in the exclusion list or the list of non-investable targets; For industries with potential controversy, we conduct ESG due diligence on trading partners according to industry-specific guidelines, and make a careful evaluation to determine whether to continue transactions. Compliance with the guidelines and passing the ESG assessment is a prerequisite for any business dealings.

In addition to establishing a comprehensive ESG investment evaluation mechanism, we also actively respond to the United Nations' Sustainable Development Goals (UN SDGs) in our investment activities and continue to search for sustainable investment targets, grasp ESG opportunities, and invest in sustainable development industries. After investing, we conduct post-investment stewardship, regularly track the operational and financial performance of the investee companies (or portfolios), and continue to pay attention to their sustainable performance and ESG assessment. Through engagement actions such as attending shareholder meetings, exercising voting rights, engaging in dialogue and interactions with the management of trading partners, we exert our influence on the investee companies to enhance long-term value for customers, employees, and shareholders, among other stakeholders.

Responsible Investment Procedure



Negative Lists:

- (1) Exclusion list, non-investable list:** In accordance with the SKFH Sustainable Finance Policy, exclusion lists are established for industries or countries with high ESG risks, including pornography, drug industries, and countries or regions with serious deficiencies in anti-money laundering and anti-terrorism financing as identified by the Ministry of Justice Investigation Bureau, Taiwan. Trading counterparties that meet the exclusion criteria should not be traded with.
- (2) Industries with potential controversial issues:** For those industries in the qualified list, decisions should be made in accordance with industry-specific guidelines. Compliance with the guidelines is a prerequisite for any business dealings.

ESG Assessment and Review

We integrate environmental, social, and corporate governance (ESG) factors or refer to third-party independent rating agencies (such as Bloomberg, MSCI ESG ratings, Morningstar Sustainalytics, RobecoSAM, and TDCC IR Platform). For established investment positions, regular ESG reviews are conducted as a basis for making investment, reducing holdings, or deciding not to make new investments.

In addition, we incorporate climate change factors into the investment evaluation mechanism and conduct individual climate change risk assessments for investment targets in high carbon emitting industries. After the transaction, we continuously review the ESG and climate performance of each investment target, actively engage in dialogue with relevant companies, and facilitate industries in achieving zero carbon transition.

Exclusion list

- Pornography industries
- Drug industries
- Armament industry
- The list of countries or regions announced by the government, which have serious deficiencies in anti-money laundering and financing terrorists

Potentially controversial industries

- Tobacco
- Gambling
- Fur trading
- Tropical rainforest logging
- Coal and atypical oil and gas

B. Responsible Lending

ESG factors are incorporated into the credit investigation process, credit approval process, and post-loan management



SKL has incorporated ESG issues into its audit process. In the process of financing review, the borrowers are evaluated for environmental protection, corporate integrity and social responsibility (the status of the labor retirement reserve is disclosed in the credit report, and the borrowers are asked to explain the status of any major labor incidents. When an enterprise (an enterprise that is required by the FSC to prepare the ESG report) applies for a loan, the ESG report shall be included as a reference document for the loan application. Otherwise, when applying for loans from other enterprises that do not fall under the preceding categories (enterprises that are not required by the FSC to prepare the ESG report), the credit granting personnel should make every effort to confirm whether the applicant has violated any major pollution or has major labor disputes, and evaluate the situation carefully. According to the credit report and review letter, during the credit review and evaluation, loans may be denied to companies that have failed to comply with sustainability/ESG requirements, or the companies may be required to improve their labor and environmental issues as a condition for the loan. The format of the credit report have been revised in December 2021 to add an ESG area, and a total of 31 cases were approved in 2022. Furthermore, in 2022, Shin Kong Life Insurance included corporate ESG performance in the evaluation process for granting interest rate reductions. A total of eight companies met the criteria for interest rate reductions on their loans, with a total approved loan amount of 79.2 hundred million dollars.

Responsible lending in last three years

	Units:NT \$ hundred million		
	2020	2021	2022
Responsible lending	39.7	78.7	79.2

Note: Responsible lending statistics are limited to those who have completed the preparation of sustainability reports or have a positive impact on ESG.

Subsequent reviews shall be conducted in accordance with the Credit Review Regulations, and the borrower's improvement status shall be tracked every six months. If improvement is not made within the time frame, default conditions shall be established to ensure the quality of credit and the safety of debts.

7.1.2 Expanding the Influence of Sustainable Finance

| GRI 203-1

A. Institutional Investor Due Diligence and Stewardship

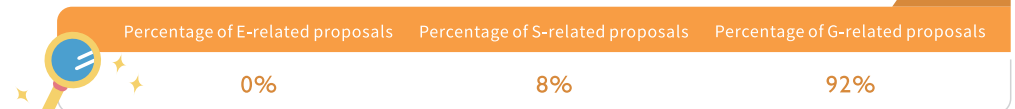
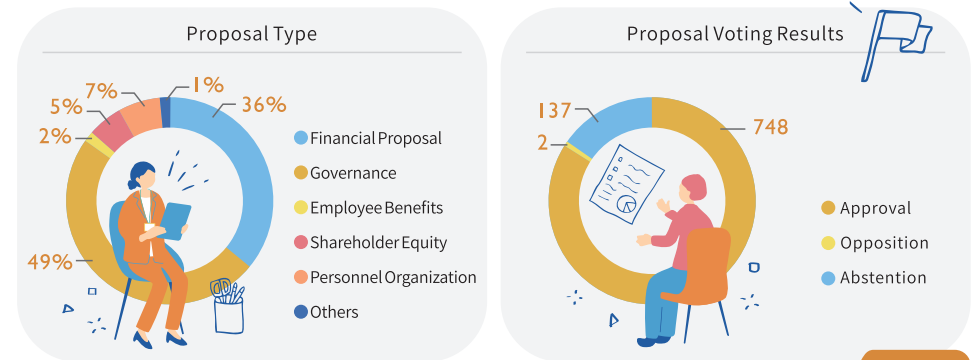
To protect the long-term value of fund providers (shareholders, clients), reduce sustainable-related risks and seize opportunities, and fulfill our responsibilities as an institutional investor, we took the lead in signing the Taiwan Stewardship Principles for Institutional Investors issued by TWSE in 2016. Following the six principles of the code, we have issued a statement of commitment to abide by the "Code for Institutional Investors on Corporate Governance." Through shareholder actions (dialogue with investee companies, exercising voting rights), engagement and other actions, we have improved ESG post-investment management and exert influence on investee companies to enhance the long-term value of stakeholders such as customers, employees, and shareholders. The results will be disclosed in the Stewardship Section.



(1) Shareholder Actions

Shin Kong Life Insurance follows domestic and international initiatives and regulations, as well as the SKFH Sustainable Finance Policy, to carefully evaluate proposals related to significant environmental, social, and corporate governance (ESG) issues, controversial events, or matters that affect long-term shareholder interests. Participating in the company's legal and shareholders' meetings, or visiting the investee company from time to time (including personal visits to the plant and telephone calls) and interacting with the management of the investee company, and formulates investment decisions through dialogues and interactions with the investee company, and reports significant investment decisions to the Company's Board of Directors for consideration.

In addition, the Company also follows the "Insurance Act" and related legal interpretations and carefully evaluates the contents of all motions at each shareholders' meeting before attending the shareholders' meetings of investee companies in order to facilitate the exercising of the Company's voting rights. In addition, in accordance with the policy of the Taiwan Depository & Clearing Corp. (TDCC), where an investee company provides electronic voting, electronic voting will be the primary method of choice. In 2022, a total of 174 shareholder meetings were attended (with a participation rate of 100%) and a total of 887 proposals were voted on. There were no environmental-related shareholder proposals in the investee companies in 2022, and the voting results are as follows (see the Institutional Investor Stewardship Section for details [☞](#)):



Note 1: According to Articles 146-1, Paragraph 3 of the Insurance Act, the Company may not vote in director and supervisor elections of the investee companies, hence the abstention votes for proposals to the appointment of directors and supervisors.

Note 2: In the 2022 shareholder meetings of the investee companies, the Company expressed opposition to 2 proposals, demonstrating that the Company does not unconditionally support the proposals of the investee companies' shareholder meetings, but makes important decisions after considering the long-term shared interests of customers, shareholders, and investee companies.

(2) Engagement Actions

Shin Kong Life Insurance pays active attention to sustainable ESG issues and actions of investee companies. Following the SKFH Sustainable Finance Engagement Policy, we prioritize engagement actions on ESG issues of concern in investment and financing activities, and formulate follow-up decisions on future interactions based on the results of engagement. If the engagement target has actually improved its behavior and has a positive impact on ESG or contributes to SDGs, it should be given priority in the investment and financing list; If the engagement results meet the expected goals, or the engagement target has been evaluated to have achieved maximum improvement, the engagement action will be postponed; If the engagement results fall short of expectations, the intensity of engagement will be increased based on the sustainable values, operational needs, and risk management of SKL and the Group. The results of the intensified engagement will be used as a basis for decisions on whether to continue, reduce or withdraw investment.

In 2022, we sent out climate risk issues communication questionnaires to our investee companies in Taiwan that are at high risk for climate change issues. By distributing the questionnaires, we aimed to understand their understanding of climate change and information disclosure on GHG emissions, and to let them know our emphasis on the issues of climate change. We hope to encourage our investee companies to pay attention to the global net zero trend, disclose the environmental performance of their own business operations, and drive the industry towards net zero transition. Together, we can make efforts to mitigate the impacts of climate change and move towards the path of achieving net zero emissions by 2050.

Engagement results


- Questionnaire response rate of 75%
- Understand investee companies' awareness of climate change, risk management, and adaptation plans, such as GHG emissions disclosure, low carbon transition plans and measures
- Encourage investee companies to expand GHG inventory and establish related environmental systems, and actively participate in international sustainability initiatives

Follow-up actions

- Retain holdings
- Continue to pay attention to carbon reduction actions in high carbon emitting industries from a sustainability perspective

B. ESG-Themed Investment

Shin Kong Life Insurance has not only established a comprehensive ESG investment evaluation mechanism, but also actively responds to the United Nations Sustainable Development Goals (UN SDGs) in investment actions. By researching domestic and foreign sustainable investment trends, we have extended ESG-themed investments to support sustainable development industries that address specific social and environmental issues with practical actions. We continue to monitor sustainable and development industries at home and abroad, and strengthen the investment performance of sustainable investment targets so as to fulfill our core financial competencies, and pursue the maximization of stable returns for investors while contributing to sustainable development for a sustainable future. In 2022, SKL's total investment amount in ESG-themed investments exceeded NT\$213.9 billion, with an investment amount of NT\$43.8 billion for sustainable development bonds (sustainable development bonds, social responsibility bonds, green bonds), representing a growth of 75% compared to the previous year.



Unit: in NT\$100 million

ESG-Themed Investment		2021	2022
Sustainable development	Sustainable development bonds	118	197
	Social responsibility bonds	-	5
	Investments in public construction and social welfare industries	26	27
Medical Health, Social Welfare, and Infrastructure	Biomedicine of Taiwanese government's 5+2 Industrial Innovation Plan	2	3
	Green Investments (environmentally friendly or green energy-related industries)	132	235
Green Investments (environmentally friendly or green energy-related industries)	Investments in renewable energy power plants	15	18
	Green Technology, New Agriculture, and Circular Economy of Taiwanese government's 5+2 Industrial Innovation Plan	134	89
ESG Sustainability Benchmark Companies	Investments in Taiwanese companies (stocks and related ETFs) with excellent ESG performance	1,677	1,564
Total		2,104	2,139

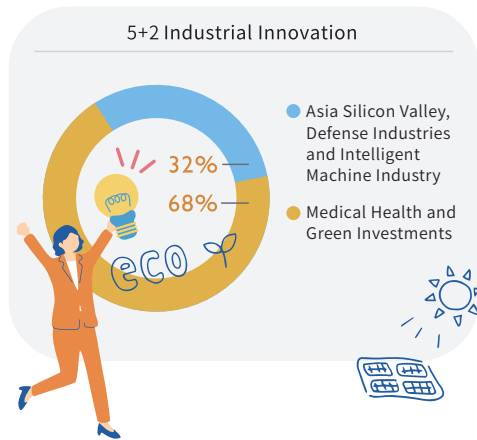
Note 1: In 2022, the total amount invested in sustainable development bonds was NT\$43.8 billion, of which NT\$11.9 billion was invested in sustainable development bonds approved by Taipei Exchange.

Note 2: The investment amounts listed in the table for the government's "5+2" industries have been calculated after excluding its co-investment position with ESG sustainable benchmark companies.



5+2 Industrial Innovation

As of the end of 2022, SKL has invested a total of NT\$93.8 billion in industries related to the 5+2 innovative industries. Among them, investments in industries related to Medical Health (Biomedicine), Green Investments (Green Energy Technology, New Agriculture, and Circular Economy) have reached NT\$63.4 billion, accounting for 68% of the total.



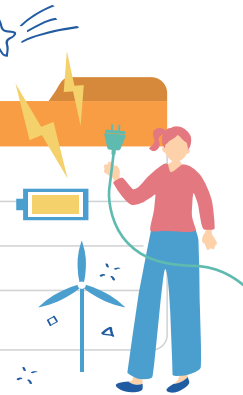
Project-Based Investments in Renewable Energy Industries

In 2022, the investment in project-based renewable energy industries increased by NT\$270 million, with a total investment of NT\$1.8 billion. The annual power generation reached 468.67 million kWh, which can supply 1.51 million households and reduce carbon emissions by 63,321 tCO₂e per year. We expect to leverage our influence in the financial industry and work with the industry to accelerate the development of green power generation in Taiwan, and help Taiwan achieve its green energy policy goals.

Overview of Project-Based Investments in Renewable Energy Power Plants

	2021	2022
Investment amount (in NT\$100 million)	15	18
Annual electricity generation (in 10,000 kWh)	36,646	46,867
No. of households supplied with electricity (in 10,000 households)	108	151
Reduction in carbon emissions (in tCO ₂ e)	54,154	63,321

Note 1: The annual power generation was calculated based on the average monthly household electricity consumption of Taipower.
 Note 2: The annual amount of carbon emissions reduced was calculated based on the carbon emissions coefficient for electricity provided by the Bureau of Energy, Ministry of Economic Affairs.



7.2 Sustainable Supply Chain | GRI 2-6、2-23、2-24

SKL offers a diverse range of insurance products and services to the public. Product design and services are primarily carried out by in-house professionals, while procurement items mainly consist of the items related to labor, goods, and equipment resulting from administrative affairs, as well as real estate construction operations. Although there is no apparent upstream, midstream, and downstream supply chain system compared to traditional or technological industries due to different industry attributes, SKL understands that the procurement business still has a significant impact. Therefore, we actively construct a sustainable supplier management mechanism and connect the supply chain through local procurement, green procurement, and other means to establish sustainable value.

2022 Supplier Types of SKL

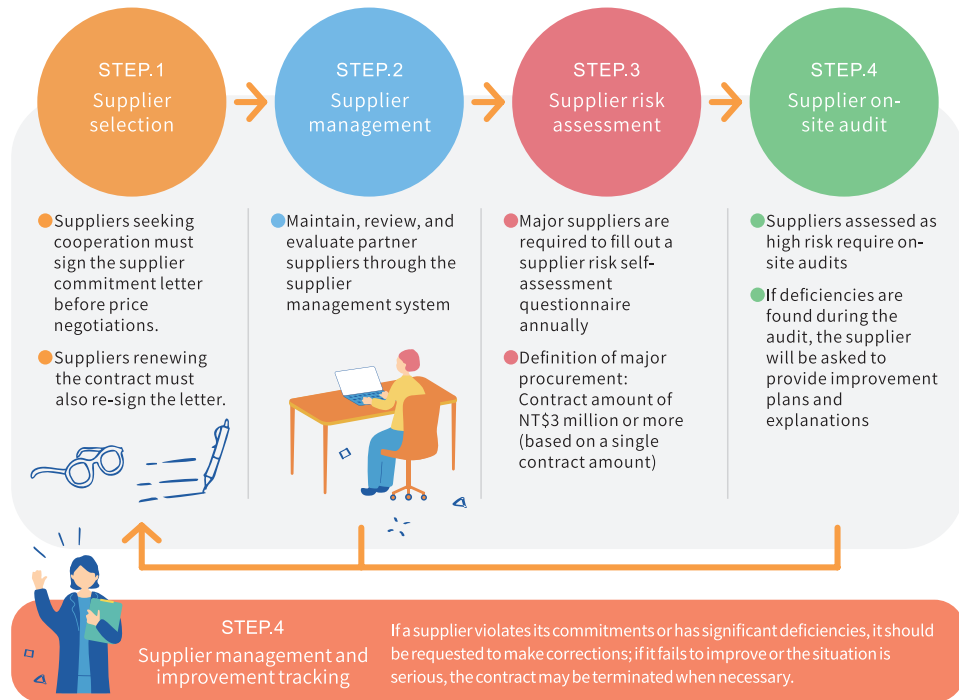
Type	Labor Service	Financial	Construction
Number	39	86	51
Total	176		

7.2.1 Managing Supply Chain Sustainability

In terms of procurement policy, SKL has stipulated supplier management principles and regulations in accordance with the supplier management standards established by the parent company SKFH. Risk assessments and on-site audits of partner suppliers are conducted to encourage them to emphasize sustainable development, eliminate any dishonest behavior, and jointly assume responsibility for employees, society, and the environment to create a better living environment for future generations. Specific actions are described as follows:

- Requiring partner suppliers to comply with our ESG policies: SKL requires partner suppliers to sign a supplier commitment letter, pledging to abide by corporate ethics, focus on employee rights and human rights, and protect the environment. If any violation of relevant regulations is found during the cooperation process and is not corrected immediately, SKL has the right to terminate the cooperation relationship. In 2022, the signatories of the supplier commitment letter were extended from partner suppliers to bargaining suppliers, in the hopes of conveying the company's sustainable business philosophy to more potential partners.
- Establishing a supplier management system: To better manage suppliers in a systematic way, SKL has established a supplier management system that helps register, review and evaluate information about partner suppliers.
- Risk assessment and on-site audits: SKL performs regular supplier risk assessments on key suppliers every year, and conducts on-site audits based on the assessment results. Depending on the situation, guidance or training will be provided to help suppliers improve or mitigate related risks, and move towards sustainability goals.

SKL Supplier Management Procedure



The Results of Supplier Management in 2022

Key suppliers	ESG risk-assessed primary suppliers	The proportion of risk assessments
33	33	100%
<p>Risk mitigation measures</p> <ul style="list-style-type: none"> 100% of contracted suppliers signed the supplier commitment letter; 60 price-negotiating suppliers signed the commitment letter. Supplier risk assessment: To improve risk assessments, although there were no suppliers with major risks this year, 5 suppliers were randomly selected for on-site audits; No issues of violating ESG concept were found throughout 2022. Sustainability promotion for suppliers: ESG and green procurement policy promotion were provided to our partner suppliers. 		

7.2.2 Implementing Local and Green Procurement

SKL helps promote sustainable development in society and the environment through our selection of procurement projects. When purchasing office supplies, information products, air conditioning equipment replacement, and building materials, we prioritize products that have obtained green environmental certification. Since 2016, we have won the "Green Procurement Performance Unit for Private Enterprises and Organizations" from the Department of Environmental Protection, Taipei City Government for seven consecutive years. We also support social innovation enterprises and won the First Prize of Buying Power - Social Innovation Products and Services Procurement Award in 2022.

Item	Summary
Initiatives	<ul style="list-style-type: none"> Announce the green procurement policy and encourage all units to prioritize products with environmental certifications when applying for equipment or services procurement Actively select products with environmental and energy-saving labels for overall office and administrative equipment, gradually increasing the proportion of environmentally friendly and energy-saving products in procurement. Encourage units to collaborate more with innovative social enterprises, or encourage partner units to join relevant matchmaking platforms.
2022 Outcome	<ul style="list-style-type: none"> Local procurement: We prioritized Taiwanese local manufacturers to ensure supply stability and localization, accounting for 99% of the total procurement Green Procurement: The amount of green procurement for office and administrative equipment reached NT\$23.86 million, accounting for 19% of the total green procurement items. Social innovation procurement: The amount of social innovation product and service procurement reached NT\$13.8 million



8. Creating a Society of Mutual Benefit

Shin Kong Life attaches great importance to the connection and interaction with local residents, establishes three major public welfare themes, utilizes abundant corporate human resources, promotes the "corporate volunteer" service plan, and actively participates in community engagement.

8.1 Community Engagement Strategies and Investments

| GRI 203-1 |

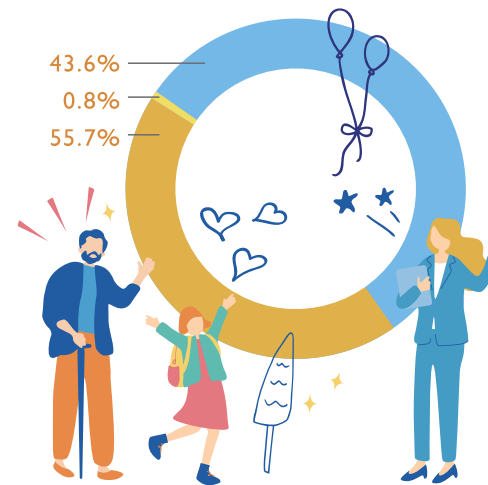
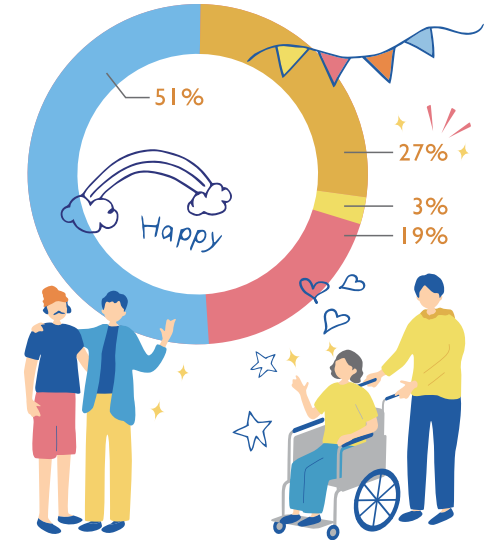
Based on the three major themes in social welfare that we have established, namely "all-round development, health promotion, and environmental sustainability," SKL actively develops relationships via community engagement. Leveraging business operations spanning across Taiwan and the power of the Shin Kong Life Foundation, we follow issues related to senior citizens, ecological environment, and animal conservation closely using flexible and creative communication methods. At the same time, SKL also encourages our office staff and insurance agents to participate in volunteer services in hopes of extending such services to every corner of society, so as to fulfill the business philosophy of "giving back to the community on which success is built". SKL managed to invest a total of NT\$70.86 million in social engagement in 2022, which in turn benefited up to 520,000 people, thanks to the dedication and enthusiasm showed by all our employees. These achievements highlighted our commitment and support for mutual benefit and development in the community and society with concrete actions and resource investment.

Major Themes in Social Welfare and SDGs



Social Investments in 2022

Type of Contribution	Amount invested (Unit: NT\$)	Percentage
Cash contributions	36,377,572	51%
Time: Employee volunteering	18,797,050	27%
In-kind giving	2,095,000	3%
Management overheads	13,594,747	19%
Total	70,864,369	100%



Type of Social Welfare Activities in 2022

Category	Amount invested (Unit: NT\$)	Percentage
Charitable Donations	554,017	0.8%
Community Investments	30,865,780	43.6%
Commercial Initiatives	39,444,572	55.7%
Total	70,864,369	100%

Note: Investment expenses consist of activity expenses (including administrative and personnel expenses), in-kind donations, and sponsorships.

8.1.1 All-round Development

SKL is committed to enhancing the knowledge and abilities of people in all aspects of life by awarding outstanding young students, stimulating artistic creativity, encouraging the new generation to explore diverse fields, and organizing various leisure and sports events to provide opportunities for talents in various fields to showcase their abilities and cultivate positive and healthy leisure and entertainment. At the same time, resources are brought into remote areas to reduce the urban-rural gap,

Major events for teenagers

The Shin Kong National Painting Competition

The National Painting Competition not only encourages children to be creative and cultivate a keen sense of observation among them, but also sets up the "LOHAS Evergreen category" for seniors to showcase their artistic expertise and talents. The 18th Shin Kong National Painting Competition in 2022 with the theme of "Reduce Carbon, Love the Earth, and Draw a Better Tomorrow", focusing on environmental issues to respond to climate action and implement environmental protection actions. This competition not only attracted a total of 138,246 votes from nearly 60,000 netizens in its online voting campaign, but also received around 9,979 entries.

The top three, outstanding, and excellent artworks in each category were selected through a vigorous and professional selection process, with 538 commendable artworks chosen in the process as well.



The Shin Kong Rubik's Cube Competition

It not only encourages young people to engage in proper leisure activities, but also trains people's memory and strengthens their logic while promoting positive interaction between parents and children and stimulating each other's brain. The age range of the competitors from 6 to 48 years old shows that entering the world of Rubik's Cube is not limited by age. It is not only suitable for all ages but also allows students to stay away from the temptation of 3C products and cultivate a good leisure activity that can stimulate creativity and enhance logic. In 2022, for the first time, we entered remote rural areas to promote Rubik's Cube, visiting elementary schools such as Liugui and Maolin Elementary Schools in Kaohsiung, as well as Shuanglong and Fengqiu Elementary Schools in Nantou. We hope to transform education in rural areas, cultivate a good leisure hobby that can stimulate creativity and enhance logic, encourage children to break through themselves, and unleash their wisdom and potential.



Their Distance from Hunger (Andrew Food Bank)

Affected by the epidemic, fundraising for public welfare organizations has become even more difficult. During the event, when an insurance policy is purchased through our partner banks, SKL will donate an additional amount of money allocated from operating expenses to Andrew Food Bank as public resources. The amount will be calculated by multiplying the total number of effective policies during the event period by NT\$100. "They" refer to a group of children who have experienced separation/ illness/ accidents, and then grow from those experiences. Andrew Food

Bank provides long-term care for underprivileged children from disadvantaged families, providing immediate and appropriate resources based on their individual needs to help them develop physically and mentally. The additional donation will be used through Andrew Food Bank to support the monthly food box service program, helping provide food for children under 15 years old from disadvantaged families. In 2022, about 3,000 children benefited from this event, with a donation of NT\$478,500.



other events

Summary

The Pen Pal Program 2.0

- Enterprises and groups are cordially invited to become big pen pals under this program. By matching small pen pals from among rural and disadvantaged children with life mentors, this program helps small pen pals explore a variety of aspects in the society and a diverse range of career choices. In 2022, this program welcomed the participation of 160 big pen pals as life mentors and matched them with 195 small pen pals using warm words, in an effort to help these small pen pals not only discover a variety of areas in the society, but also sow the seeds of dreams. On the whole, a total of 355 people benefited from this program throughout the year.

Scholarships

- The Shin Kong Life Insurance Scholarship is the only scholarship program in the life insurance industry intended for both policyholders and non-policyholders.
- In 2022, a total of NT\$8.259 million in scholarships were awarded to 3,126 out of 23,966 students who applied to this program. On the whole, a cumulative total of over NT\$300 million in scholarships has been awarded to 136,182 students over the past 50 years.

The Shin Kong Street Dance Competition

- By offering a competition for street dancers to showcase their youthful energy and challenge themselves, this event aims to create a better street dance environment for the development of a new generation of outstanding dancers, so that the street dance culture can gain a solid foothold in Taiwan.
- Entering its 19th year in 2022, the Shin Kong Street Dance Competition successfully attracted the participation of over 1,340 dancers.



Neighborhood Activities - Anti-fraud Seminar for the Elderly

- As financial technology develops and online banking and Fintech become increasingly popular, elderly adults who are not familiar with these technologies are more susceptible to financial scams and disputes. Therefore, LIFE Lab. has communicated with local communities and organized anti-fraud seminars for the elderly to help more elderly adults receive more financial and insurance knowledge. In 2022, two seminars were held, assisting 55 elderly adults in establishing anti-fraud knowledge.

ATCC

- In recent years, the life insurance industry has been focusing on "digital transformation" and "implementing ESG policies," which require participation of more talent from different fields. Therefore, we have invested in the "ATCC Case Competition" to brainstorm valuable proposals that go beyond industry frameworks through exchange of ideas in different fields. Through in-depth financial education and mentoring from professional managers, creative ideas and practical solutions are also sparked.

The Shin Kong Esport Event

- This year's Shin Kong E-Sport Parent-Child Event embraced the theme of "Silver Soul Warriors," which represents the spirit of E-Sports transcending age. As long as individuals have proper gaming habits and good sportsmanship, everyone can play games throughout their lives. A total of 120 people signed up for the event, and there were up to 200 people in attendance at the physical event. The online live stream had a total of 43,800 views, allowing everyone to transform into a Pokemon trainer through virtual reality experience.



8.1.2 Health Promotion

In response to the United Nations' Sustainable Development Goal - SDG3, SKL has organized activities such as national blood donation events, and health promotion seminars to encourage people to care about their own health and enhance public health literacy. In addition, through telemedicine, we have helped provide health information to the elderly and eliminate the gap in medical resources between urban and rural areas, in the hopes of establishing a stable and seamless medical protection network.

Major events for the elderly

Oral History

Keeping a close eye on issues related to senior citizens and long-term care since 2005, SKL has brought the "Legacy Art Work" and "History Alive" programs developed by Elders Share the Arts (ESTA) from New York City to Taiwan, with the intention of fulfilling our commitment to raising awareness of long-term care issues among the people of Taiwan and showing care for the health of the elderly through senior citizens' participation in creative aging activities.

Using arts as a medium of communication, "Legacy Art Work" helps senior citizens re-establish their social connections. In "History Alive," which is led by professional guides, senior citizens share episodes that are most easily understood by children in their life experiences through theatrical elements, so that the younger generation can learn about the value and meaning of "old." A cumulative total of 210,131 people benefited from Oral History as the end of 2022.



go!!

	Participant	Number of beneficiaries	Satisfaction
Legacy Art Work	Senior citizens with dementia and disabilities	4,900	94.0%
	Volunteers	3,771	98.1%
	Guides	35	94.7%
History Alive	Senior citizens	2,319	98.67%
	Students	1,467	98.5%
	Guides and middle-aged people	1,580	98%
	Audience	1,019	95.7%



Community Care Everywhere

SKL keeps senior citizens and school children accompany through efforts from the sales offices across Taiwan, and realizes warm interactions between caregivers and care recipients with face-to-face, hands-on paper lantern teaching. In 2022, SKL carried out 94 sessions of the "Community Care Everywhere" social care event, which were participated by around 1,580 volunteers and saw 2,584 senior citizens and 499 schoolchildren being cared for.



Telemedicine

We have partnered with the Digital Humanitarian Association to launch the "Remote Health Promotion for Rural Communities" program, which utilizes digital tools to provide online health courses and professional medical consultations for elderly residents in remote areas. The program aims to help the elderly prevent diseases and delay disability, and has shown concrete results. The remote services are available in four locations including Qimei in Penghu, Dabang in Chiayi, Liuxiang in Shuishang, and Liujiao Township, providing vital support for the health and safety of elderly residents in rural communities.

To strengthen connections with local communities, we have adopted places in rural areas and provided on-site services through the help of corporate volunteers. By combining core insurance competencies, we have provided financial education and fraud prevention outreach to promote financial inclusion. We also spend time with the elderly to teach them origami, which helps to improve hand-eye coordination, enhance brain and organ activity, and delay degeneration. A total of 4,158 people have benefited from these activities.



other events

Summary

The Shin Kong Nationwide Blood Donation Campaign

- To alleviate the problem of blood shortage and help reserve medical resources, in 2022, 29 "blood donation events" were held throughout Taiwan, and a joint campaign with the popular LINE sticker character "Ms. Big" was launched to encourage people to roll up their sleeves and donate blood.
- This year, SKL successfully collected 4,037 bags (equivalent to 1,009,250 ml) of warm blood, making contributions to reserve health care capacity and save more precious lives.

Nationwide Charity Hiking Activities

- In 2022, a total of 35 hiking routes were planned, inviting over 20,000 employees and policyholders from across the country to bring their families and friends to get closer to nature. In line with corporate sustainability, about 5,000 corporate volunteers participated in the hiking routes while cleaning up the mountains and beaches, encouraging people to not only get in touch with nature but also do their part in environmental protection, ecological conservation, and the promoting of sustainable coexistence between humans and nature.

The "Always Remember You" Seminar

- In 2022, Shin Kong Life, together with the Taiwan Alzheimer's Disease Association, organized nine sessions of the "Always Remember You" Seminar at the Shin Kong Life Tower, which saw the participation of 637 members of the public. While playing a role in conveying information about long-term care and protection, SKL endeavors to enhance awareness and understanding of long-term care issues with help from people with actual caregiving experience.

A Little Less Discrimination, A Little More Knights of Eden

- As 2022 marked the 10th anniversary of the "International Day of the Girl" (Girls' Day), LIFE Lab. set "Fearless with Love, Help Children Move Forward," as its slogan and continues to help the Eden Social Welfare Foundation raise funds to assist disadvantaged children, keeping them away from poverty and abuse. We call on people with a heart of kindness from all walks of life to join in doing good deeds. In 2022, a successful fundraising of NT\$833,159 was achieved, benefiting about 14,400 people.

The LIFE Lab. Seminar Series

- With seminars conducted each Monday specifically for four target groups, including "rookies at work," "junior supervisors," "new-generation moms," and "happy retirees," Finding common ground with the philosophy of LIFE Lab., 27 online seminars related to health promotion and financial education were held in 2022, attracting 23,241 viewers.
- Questionnaire results: NPS for "Content": 72%; NPS for event "Lecturers": 80.7%

Lighting Up the Ribbon for Women's Health

- In conjunction with the Breast Cancer Awareness Month in 2022, the Shin Kong Life Foundation, Shin Kong Bank, and Shin Kong Wu Ho-Su Memorial Hospital joined forces to make arrangements for a breast screening van to provide free screening services at the Shin Kong Bank Headquarters Building. This initiative enabled busy working women to undergo breast screening and receive related consultation without having to take time off work or travel afar. A total of 48 women underwent screening, with abnormalities found in ten of them.

8.1.3 Environmental Sustainability

SKL responds to international concerns about biodiversity and environmental sustainability by organizing events such as "Shin Kong Sustainable Lifestyle - From Farm to Table" and "sustainable oceans," which bring together the power of corporations and society to promote rural revitalization, preserve natural ecology, and achieve a win-win situation for corporations, agriculture, and society. In addition, through the Christmas Charity Market event, SKL has practiced a circular economy with the goal of achieving a friendly environment, while also promoting sustainable thinking among employees via public welfare activities.

Major sustainability events

Shin Kong Sustainable Lifestyle - From Farm to Table

In 2022, we expanded the "Shin Kong Sustainable Lifestyle - From Farm to Table" project to include multiple dimensions such as ecological balance, environmental protection and carbon reduction, food and agriculture education, and rural revitalization. 67 local farmers were invited to sign the "Pledge of Mutual Benefit," which was witnessed by the Agriculture and Food Agency, Council of Agriculture, Executive Yuan. We have extended the benefits to employees, their families, and policyholders, and held food and agriculture education experiences to practice the concept of mutual benefits between food and agriculture through hands-on participation in farming. Continuing the sustainable dining concept of the "Shin Kong Sustainable Lifestyle - From Farm to Table" project, SKL has announced that NT\$100 will be donated to the Alliance of Taiwan Foodbanks for each policy purchased, calling on Shin Kong farmers to contribute to the Foodbanks' sustainable food programs by donating quality ingredients that are about to expire, and implementing public welfare feedback. This has showcased Shin Kong's core values of "low carbon, innovation, and mutual benefit" in sustainable management.

SKL organized a total of 39 such markets in 2022 (including Charity market at Songshan Financial Building), which not only benefited 57,367 participants, but also recorded nearly NT\$4 million in sales. With the SROI method

adopted for assessment in 2022, the assessment results revealed that a social value of NT\$9.85 can be created for every NT\$1 invested in this program. In other words, this program has a far-reaching impact on the sale of high-quality products from Taiwan's agricultural industry and young farmers.



Ecological Conservation

With a long-term commitment to ecological conservation, SKL has been sponsoring Gorilla conservation activities for 26 years in a row as we aim to raise public awareness of the natural environment and implement the concept of wildlife conservation. In 2022, we collaborated with Taipei Zoo to make "behavior-enriching devices" for gorillas to promote ecological conservation and education with the participation of foundation employees and volunteers. In 2018, Taipei Zoo gorilla "Bao Bao" was sent to the Netherlands for an international breeding program, which not only helped Taiwan gain world recognition for its efforts in animal conservation, but also brought Taiwan closer to the international community. With concerted efforts from both SKL and Taipei Zoo, two Gorilla mothers imported from the Netherlands have given birth consecutively in 2020 and 2021, successfully passing on the genes of endangered species. People have benefited from these activities.



Sustainable Oceans

We joined the international Reef Check program and provided professional training to 9 individuals who obtained international ecodiver certification. We also completed 2 coral reef inspections in Fanzhiao and Longdong. In cooperation with the National Museum of Marine Science and Technology, we held the Coral Watch program, producing 400 "international coral health color cards". We also went deep into coastal communities such as Yeliu and local elementary schools to conduct teacher training on marine education. A total of 47 coral reef inspectors were trained during the program. We invited experienced divers and divers with a certain level of skills to participate in 4 deep-sea cleaning events, involving 106 participants, and removing 1,395 kilograms of marine debris.



8.2 Corporate Volunteers

8.2.1 Volunteer Participation at Shin Kong Life

Based on our belief in guardianship and our effort to integrate social welfare action into our core corporate values, SKL actively promotes the Corporate Volunteering Program to encourage our employees to learn about the needs of the society outside of work, so that we can spread love and care to even more corners of the society where care is needed.

By participating in these services, corporate volunteers develop a sense of belonging among employees within the company while experiencing the joy and warmth from helping others and enriching areas of life outside of work.

In 2022, our corporate volunteers enthusiastically participated in the Shin Kong Volunteer Corps and various activities across the country such as hiking activities, blood donation campaign, the "Community Care Everywhere" social care events and telemedicine care for the elderly in rural areas. A total of 11,622 people participated in our corporate volunteering program and served as corporate volunteers for up to 69,571.4 hours cumulative over the year, thereby contributing to the society with practical efforts and participation.

8.2.2 Shin Kong Volunteer Corps

Since its establishment 13 years ago, Shin Kong Volunteer Corps has been the first corporate volunteer association registered with the Department of Social Welfare in Taipei. It encourages employees, family members, and policyholders to participate in volunteer services, and promotes the concept of corporate volunteering in collaboration with the government. Having gained widespread recognition from the government and all walks of life, Shin Kong Volunteer Corps not only received the National Outstanding Corporate Volunteer Team Award from Taiwan President Ing-Wen Tsai in 2018, but was also invited by the Department of Social Welfare under the Taipei City Government to share the secrets to the successful management of its corporate volunteers at the Taipei Broadcasting Station and the National Volunteer Report Meeting in 2021. In 2022, calling on more people to participate in social welfare activities and give back to the society, Shin Kong Volunteer Corps was invited to participate in the Volunteer Service Workshop for New Sales Representatives, and was awarded the "Outstanding Volunteer Supervisor of Taipei City" by the Department of Social Welfare, Taipei City Government.

In 2022, Shin Kong Volunteer Corps organized 386 volunteer service sessions, which means more than one volunteer service per day on average, involving 2,218 volunteers and 22,701 hours of service in total. As the local COVID-19 outbreak raged on, Shin King Volunteer Corps joined Taiwan's COVID-19 prevention national team by contributing to the efforts in packing and distributing medical masks aimed at alleviating demand for medical masks among medical practitioners across the country. Shin Kong Volunteer Corps' collaboration with the government to combat COVID-19 has become a strong and powerful backing for medical staff. In 2022, Shin Kong Volunteer Corps carried out 17 COVID-19 prevention volunteer activities, saw the participation of 77 volunteers, who contributed 561 hours of service in total.

