

SUSTAINABLE SHIN KONG



Shin Kong Life Insurance (SKL) has strongly emphasized value to the lives of human beings in hopes of bringing happiness to people. We always adopt a humble approach to providing down-to-earth services and giving back to society. Aiming to make insurance available to all and provide security for every family, SKL has shaped an organizational culture of “maintaining status quo means lagging behind, quality and service first, respecting human sentiment and honor, and incorporating to build a splendid life.” We actively transforming ourselves into a leading life insurance company with stable profitability and customer trust.

- Table of Contents
- Message from the Chairman and President
- Awards and Recognition
- Key Sustainability Achievements
- Featured Column on Sustainability
- 1. Sustainable Shin Kong
- 2. Strengthening Climate Resilience
- 3. Advancing Towards a Net Zero Future
- 4. Nurturing Diverse Talents
- 5. Excellent Customer Experience
- 6. Realizing Sustainability Governance
- 7. Unleashing the Importance of Sustainable Finance
- 8. Creating a Society of Mutual Prosperity
- Appendix

SUSTAINABILITY VISION AND COMMITMENT

- **VISION** | Aim to become a benchmark company for sustainable operation and a trusted financial partner.
- **COMMITMENT** | Provide financial products that are friendly to the global environment, all corners of society and all stages of life, and promote sustainable financial development together with our stakeholders.
- **CORE VALUES** | LOW CARBON / INNOVATION / COMMON GOOD

SKL SUSTAINABLE CHRONICLE

- 1963 • Establishment of SKL
- 1983 • Establishment of SKL Foundation
- 2012 • Establishment of Corporate Social Responsibility (CSR) dedicated unit
• Issuance of CSR report
- 2013 • Establishment of CSR Committee
- 2014 • First financial insurance company to hold a supplier conference
- 2016 • Signing of the "Stewardship Principles for Institutional Investors" compliance statement
- 2017 • Voluntary adherence to the Principles for Responsible Investment (PRI) and Principles for Sustainable Insurance (PSI)
- 2020 • Voluntary adherence to Sustainable Accounting Standards Board (SASB) guidelines
- 2021 • Renaming of the "Corporate Social Responsibility Committee" to "Corporate Sustainable Committee", addition of TCFD group, and reporting of sustainability goals and achievements to the Board of Directors
• Voluntary adherence to the Task Force on Climate-related Financial Disclosures (TCFD) framework
• Completion of SROI calculation for the Happy Dining Table with an Acre of Land project
• Membership in the Asia Investor Group on Climate Change (AIGCC)
- 2022 • Publication of an English sustainability report
- 2023 • Celebration of SKL's 60th anniversary
• Issued SKL's first Task Force on Climate-Related Financial Disclosures (TCFD) Report



1.Sustainable Shin Kong

1.1 About SKL GRI 2-1、2-6、2-7

SKL has been deeply involved in Taiwan for more than 60 years, Shin Kong Life Insurance (SKL) strongly emphasized value to the lives of human beings in hopes of bringing happiness to people. We always adopt a humble approach to providing down-to-earth services and giving back to society. Aiming to make insurance available to all and provide security for every family, SKL has shaped an organizational culture of "maintaining status quo means lagging behind, quality and service first, respecting human sentiment and honor, and incorporating to build a splendid life." We actively transforming ourselves into a leading life insurance company with stable profitability and customer trust.

1.1.1 Basic information

Company name: Shin Kong Life Insurance Co., Ltd.
Date of incorporation: July 27, 1963
Headquarters: Taipei City, Taiwan
Number of employees: 9,283 full-time employees and 3,566 unofficial employees
Total capital: NT\$80 billion
Scope of products: savings insurance, protection insurance, investment-linked insurance, medical injury insurance, group accident insurance, etc.
Scope of services: payments, claims, living benefits, modifications of insurance contracts, policy loans, online transactions, etc.



Business Philosophy

The happiness of most people in society hinges on the sustainable development of life insurance companies.

Therefore, the future of the insurance industry should focus on "returning to protection, serving policyholders, making stable profits, and developing sustainably". SKL adopts the people-oriented strategies, upholds the business philosophy of "innovation, service, sincerity, and giving back to society.", as well as strives to make a contribution to a sustainable society as a responsible corporate citizen with its stakeholders.

Operations

Domestic Operations across Taiwan

Region	Branches	Regional sales offices and branch offices	Service centers
Regions with low population density <small>(Note 1)</small>	2	15	1
Offshore islands <small>(Note 2)</small>	1	2	0
Total <small>(main island and offshore islands)</small>	23	317	32

Note 1: According to the area of administrative districts and the population at the end of December 2023, these regions are administrative districts in municipalities, counties, and cities with a population density of fewer than 100 persons/ square kilometer, including Hualien County and Taitung County.
 Note 2: Offshore islands refer to Kinmen County, Penghu County, and Lambai Island.
 Note 3: Service location information: <https://www.sk.com.tw/serviceCenter.html>

Overseas Operations

Country	Explanation	Number of Operations
Myanmar	In 2015, SKL set up Yang representative office, the first Taiwanese life insurance company which set up a representative office in Myanmar.	1
Vietnam	In 2006, SKL set up Hanoi representative office in Vietnam to collect information and maintain the relationship between industry, government, and academia.	1

- ◆ Branches
- ◆ Regional sales offices and branch offices
- ◆ Service centers

Shin Kong Life's headquarter locates in Shin Kong Life Tower, Taipei

- Table of Contents
- Message from the Chairman and President
- Awards and Recognition
- Key Sustainability Achievements
- Featured Column on Sustainability
- 1. Sustainable Shin Kong**
 - 1.1 About SKL
 - 1.2 Corporate Sustainability Committee
 - 1.3 Sustainability Strategy and Target
 - 1.4 Material Issues Assessment
 - 1.5 Stakeholder Engagement
- 2. Strengthening Climate Resilience
- 3. Advancing Towards a Net Zero Future
- Innovation**
 - 4. Nurturing Diverse Talents
 - 5. Excellent Customer Experience
- Common Good**
 - 6. Realizing Sustainability Governance
 - 7. Unleashing the Importance of Sustainable Finance
 - 8. Creating a Society of Mutual Prosperity
- Appendix

1. Sustainable Shin Kong

- 1.1 About SKL
- 1.2 Corporate Sustainability Committee
- 1.3 Sustainability Strategy and Target
- 1.4 Material Issues Assessment
- 1.5 Stakeholder Engagement

2. Strengthening Climate Resilience

3. Advancing Towards a Net Zero Future

4. Nurturing Diverse Talents

5. Excellent Customer Experience

6. Realizing Sustainability Governance

7. Unleashing the Importance of Sustainable Finance

8. Creating a Society of Mutual Prosperity

Appendix

1.1.2 Economic Performance GRI 2-2、201-1

SKL continues to focus on value products and implements a channel diversion strategy that takes into account both momentum and value. In 2023, total consolidated assets amounted to NT\$3.6 trillion. First-year premiums totaled NT\$38.9 billion, total premium income reached NT\$167.5 billion, and the market share was 7.7%. By actively promoting foreign-currency denominated insurance products, the FYP of foreign-currency denominated insurance products accounted for 55.4% of the total FYP, which exceeded the industry average of 39.3%. Looking ahead to 2024, sales will continue to sell foreign-currency denominated insurance products, stacking new contract values and reducing hedging costs. Investments will comply with market changes, flexibly adjust asset allocation, and obtain stable returns.

In response to the impact brought by the implementation of IFRS 17 and ICS international standards, SKL established a project team in 2018 to integrate relevant units and actively promote alignment measures. The company also regularly holds investor conferences to convey business conditions to investors, and discloses this information in the SKFH Investor Relations section. Starting in 2022, economic performance and profitability have been impacted by factors such as global interest rate hikes, the widening interest rate spread between Taiwan and the US, the cost of hedging instruments, and foreign exchange losses. The company has reported response and improvement measures to shareholders and investors. For highly significant and high-risk events, we will continue to implement risk management, financial, and business improvement plans. We will also continue to communicate with competent authorities. For more details, please refer to section 6.3 Risk Management.

Marketing Channels

Unit: NT\$ million




Item	Premium Income	Percentage
Sales representatives	27,419	70.6%
Banks	7,692	19.8%
Insurance brokers and others	3,749	9.6%
Total	38,859	100.00%

Note 1: Premium Income is the first year premium (FYP) of each marketing channels in 2023.

Note 2: Others include direct marketing and others

SKL's Financial Performance in the Past Three Years GRI 201-1

Unit: NTD million

Item	2021	2022	2023	
 Operating Ability	Total assets	3,417,399	3,565,106	3,587,524
	First year premium income	52,783	53,698	38,859
	Total premium income	239,586	189,463	167,513
	Operating revenue	360,771	289,810	259,430
 Profitability	Net profit after tax	12,586	-4,872	-17,193
	Retained earnings	94,175	89,569	74,828
	Earnings per share (NT\$)	1.86	-0.68	-2.33
	Return on Assets (ROA) (%)	0.40	-0.11	-0.45
	Return on Stockholders' Equity (%)	7.39	-3.05	-11.58
 Economic value	Payments to the government	1,175	1,225	1,234
	Operating Costs	339,702	281,200	269,505
	Employee wages	9,572	8,688	9,393
	Employee benefits	1,491	1,358	1,273
	Community Investment ^{Note 3}	84	71	73
	Economic value retained ^{Note 4}	8,747	-2,732	-22,048
	Dividends for shareholders ^{Note 2}	0	0	0

Note 1: The data above come from 2023 Individual Financial Statements and the 2022 annual reports to shareholders.

Note 2: The Company adopts a stable and balanced dividend policy for the distribution of dividends and bonuses. The distribution of dividends may be adjusted appropriately depending on the needs of business operations and funds, approval of competent authorities, and major amendments to laws and regulations. In recent years, to supplement capital in response to the application of IFRS17, SKL had no plan to distribute cash dividends.

Note 3: Community investments were compiled by SKL (refer to the Creating Mutual Benefit section).

Note 4: Economic value retained = "Direct economic value generated" - "Economic value distributed". Direct economic value generated refers to revenue; economic value distributed includes operating costs, employee wages and benefits, payments to providers of capital, payments to the government by country, and community investments.

1. Sustainable Shin Kong

- 1.1 About SKL
- 1.2 Corporate Sustainability Committee
- 1.3 Sustainability Strategy and Target
- 1.4 Material Issues Assessment
- 1.5 Stakeholder Engagement

- 2. Strengthening Climate Resilience
- 3. Advancing Towards a Net Zero Future
- 4. Nurturing Diverse Talents
- 5. Excellent Customer Experience
- 6. Realizing Sustainability Governance
- 7. Unleashing the Importance of Sustainable Finance
- 8. Creating a Society of Mutual Prosperity

Appendix

1.2 Corporate Sustainability Committee

GRI 2-9、2-12、2-13、2-14、2-16

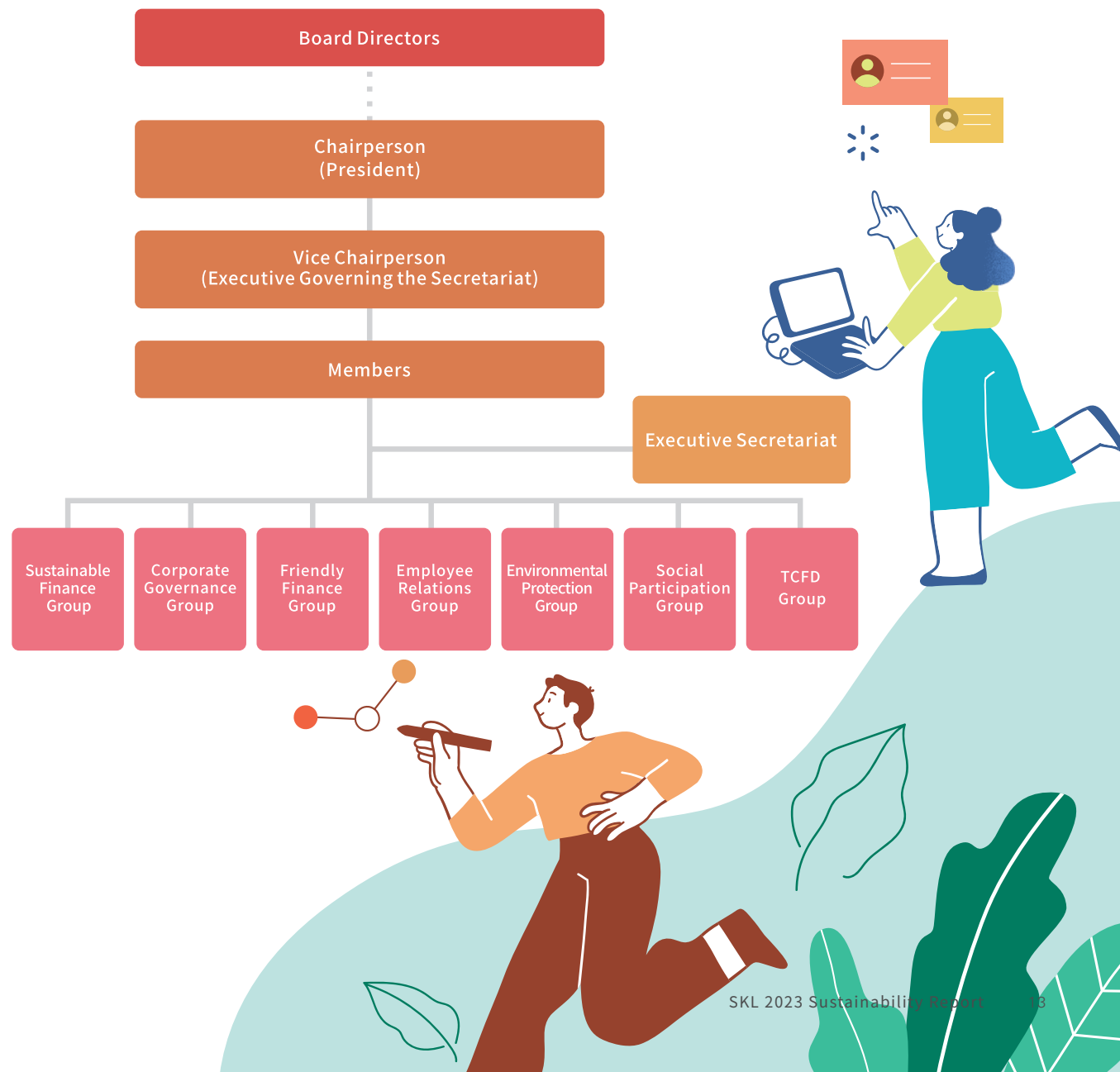
SKL incorporates the concept of sustainable development into day-to-day business activities, in addition to the establishment of a dedicated organization, we also encourage employees to receive ESG training to improve their knowledge and skills in relation to sustainability, in an attempt to make sustainability part of the Company's DNA. In 2013, SKL established the "Corporate Social Responsibility Committee", which was later renamed as the "Corporate Sustainability Committee" (CSC) in 2021, following approval by the Board of Directors. The committee is chaired by the President and comprises members who are senior executives from various departments to supervise and manage the operation of the working groups. The committee consists of an executive secretary and seven execution groups, with each group led by a department head, responsible for conducting discussions on relevant topics and implementing specific projects.

Committee Operating Mechanisms

The CSC execution groups meet on a quarterly basis to track the progress of their respective initiatives. Regular meetings of the CSC are also held to monitor the overall progress of sustainability initiatives. Annually, updates on sustainability goals and performance are reported to the Board of Directors.

In 2023, the Company held a total of 4 task force meetings and 3 committee meetings. The topics included the promotion of sustainability actions, revisions to organizational regulations, review of the corporate sustainability report, confirmation of major sustainability issues, formulation of annual strategies and goals, and assessment of sustainability implementation results. In addition, the implementation results related to material sustainability issues and annual sustainability goals and TCFD and ethical management implementation status were reported to the Board of Directors.

Organizational Chart of the SKL Corporate Sustainability Committee



1.3 Sustainability Strategy and Target

Shin Kong Life Insurance (SKL) always strives to live up to parent company Shin Kong Financial Holding's sustainable development value proposition of carbon reduction, innovation, and mutual benefit. SKL has developed the corporate sustainability vision, strategies, and medium- to long-term targets based on our core competencies, and have also promoted and implemented various sustainability/ESG initiatives to move towards sustainable corporate development.

- Table of Contents
- Message from the Chairman and President
- Awards and Recognition
- Key Sustainability Achievements
- Featured Column on Sustainability

1. Sustainable Shin Kong

- 1.1 About SKL
- 1.2 Corporate Sustainability Committee
- 1.3 Sustainability Strategy and Target
- 1.4 Material Issues Assessment
- 1.5 Stakeholder Engagement

Low Carbon

- 2. Strengthening Climate Resilience
- 3. Advancing Towards a Net Zero Future

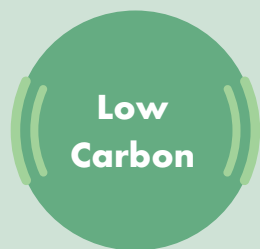
Innovation

- 4. Nurturing Diverse Talents
- 5. Excellent Customer Experience

Common Good

- 6. Realizing Sustainability Governance
- 7. Unleashing the Importance of Sustainable Finance
- 8. Creating a Society of Mutual Prosperity

Appendix



Sustainable Strategy Blueprint

Strengthening Climate Resilience



Plan

- ◆ Strengthen the Company's climate change-related financial disclosures



Short-term Target (2024)

- ◆ Strengthen the quality of TCFD disclosures, obtain third-party verification, and issue TCFD reports



- ◆ Assist SKFH in promoting and implementing TNFD



Medium- to long-term Target (2027 as the target year)

- ◆ Comply with the roadmap for green finance and sustainable development of the competent authority
- ◆ Follow financial holding SBT to implement phased carbon reduction targets
- ◆ Improve policies and guidelines for sustainable finance

Major Performances in 2023

- ◆ Issue the first TCFD report and submit the implementation results to the Board of Directors
- ◆ Calculate the emissions of the investment and financing portfolio and formulate a list of high-carbon emission industries
- ◆ Organize two sessions of director and senior manager education and training

Materiality

- ◆ Risk Management
- ◆ Sustainable Finance
- ◆ Actions for climate change

Advancing Towards a Net Zero Future



Plan

- ◆ Follow the SBTi carbon reduction pathway and establish Shin Kong carbon reduction guidelines
- ◆ Construct green buildings



Short-term Target (2024)

- ◆ Reduce GHG emissions of the Company's operations by 2%

Medium- to long-term Target (2027 as the target year)

- ◆ Achieve carbon neutrality at the headquarters and main offices by 2030
- ◆ Obtain green building certificates (silver and above) for all new projects
- ◆ Expand the introduction of ISO50001 in operating locations

Major Performances in 2023

- ◆ Implement carbon reduction goals and plans in the Company's operations
- ◆ Cumulatively obtained 6 green building certificates and 3 green building candidate certificates
- ◆ In response to the government's Green Lease 2.0 plan, assist tenants in increasing their use of green energy.
- ◆ Create low-carbon service sustainable stores and obtain carbon footprint ISO14067 certification and Carbon Footprint Label

Materiality

- ◆ Actions for climate change



Table of Contents

Message from the Chairman and President

Awards and Recognition

Key Sustainability Achievements

Featured Column on Sustainability

1. Sustainable Shin Kong

- 1.1 About SKL
- 1.2 Corporate Sustainability Committee
- 1.3 Sustainability Strategy and Target
- 1.4 Material Issues Assessment
- 1.5 Stakeholder Engagement

2. Strengthening Climate Resilience

3. Advancing Towards a Net Zero Future

4. Nurturing Diverse Talents

5. Excellent Customer Experience

6. Realizing Sustainability Governance

7. Unleashing the Importance of Sustainable Finance

8. Creating a Society of Mutual Prosperity

Appendix



Sustainable Strategy Blueprint

Nurturing Diverse Talents



Plan

- ◆ Encourage diverse experiences
- ◆ Provide abundant training resources
- ◆ Listen to the employees' opinions

Short-term Target (2024)

- ◆ Conduct regular surveys of employees' career intentions
- ◆ Provide training programs designed for female employees
- ◆ Continue to implement succession plans
- ◆ Increase training hours
- ◆ Conduct employee commitment surveys every two years

Medium- to long-term Target (2027 as the target year)

- ◆ Average training hours per employee reached 100 hours
- ◆ Percentage of open positions filled by internal candidates > 60%
- ◆ Retention rate of outstanding talent > 90%
- ◆ Percentage of females in senior management positions reached 27%

Major Performances in 2023

- ◆ Average training hours per employee: 106 hours
- ◆ Percentage of open positions filled by internal candidates: 84.4%
- ◆ Retention rate of outstanding talent: 95.4%
- ◆ Percentage of females in senior management positions: 20.0%
- ◆ Increase study leave to 2 days
- ◆ Increase pregnancy leave and paternity leave by 2 days each

Materiality

- ◆ Talent recruitment and retention

Excellent Customer Experience



Plan

- ◆ Highlight friendly finance
- ◆ Strengthen insurance knowledge
- ◆ Promote inclusive finance
- ◆ Expand financial accessibility

Short-term Target (2024)

- ◆ Improve the digital capabilities of sales representatives and sales channels
- ◆ Expand digital customers and services to boost customer satisfaction
- ◆ Develop at least one inclusive finance product or service
- ◆ Promote friendly finance and continue to maintain top-of-the-class fair customer treatment evaluation results

Medium- to long-term Target (2027 as the target year)

- ◆ Maintain more than 95% of the e-insured usage rate in our own channels
- ◆ Percentage of e-agent > 65%
- ◆ Each year, the Net Promoter Score (NPS) increases compared to the previous period, or the proportion of detractors (scoring 0-6) decreases.
- ◆ The number of online members reached 1.35 million
- ◆ Establish a friendly financial ecosystem, and maintain top-of-the-class fair customer treatment evaluation results

Major Performances in 2023

- ◆ Percentage of own channel e-insured usage rate reached 94.3%.
- ◆ Percentage of e-agent reached 60.3%
- ◆ Overall NPS for policy administration process increased from 82.8% in 2022 to 89.2%
- ◆ The number of online members reached 1.06 million
- ◆ Ranked in the top 25% of the FSC's "fair customer treatment evaluation"
- ◆ Promote the Wealth Gatekeeper, Shin Kong 165 National Fraud Prevention Plan, etc., to strengthen the financial literacy of all people

Materiality

- ◆ Innovation and digital finance
- ◆ Customer relations and service quality
- ◆ Financial inclusion

Note: Inclusive finance and social participation are material sustainability issues for SKFH in 2023.

Table of Contents

Message from the Chairman and President

Awards and Recognition

Key Sustainability Achievements

Featured Column on Sustainability

1. Sustainable Shin Kong

1.1 About SKL

1.2 Corporate Sustainability Committee

1.3 Sustainability Strategy and Target

1.4 Material Issues Assessment

1.5 Stakeholder Engagement

2. Strengthening Climate Resilience

3. Advancing Towards a Net Zero Future

4. Nurturing Diverse Talents

5. Excellent Customer Experience

6. Realizing Sustainability Governance

7. Unleashing the Importance of Sustainable Finance

8. Creating a Society of Mutual Prosperity

Appendix

COMMON GOOD



Sustainable Strategy Blueprint

Realizing Sustainability Governance



Plan

- ◆ Strengthen the operating mechanisms of the Board of Directors and Functional Committees.
- ◆ Implement and promote ethical corporate management
- ◆ Strengthen information security protection

Short-term Target (2024)

- ◆ Organize ethical management training for directors and employees annually
- ◆ Maintain ISO 27001 and BS 10012 international standard certification, and implement the ISO 27001 conversion plan.
- ◆ Implement information security protection and response mechanisms.

Medium- to long-term Target (2027 as the target year)

- ◆ Assist SKFH to reach the top 20% in the Corporate Governance Evaluation.
- ◆ Maintain an average attendance rate of the Board of Directors of above 85%
- ◆ Complete the Board of Directors and functional committee performance evaluations and disclosures
- ◆ Maintain information security verification

Major Performances in 2023

- ◆ Complete the internal and external board performance evaluation and functional committee evaluation results.
- ◆ Continue to obtain ISO 22301 Business Continuity Management System (BCMS) certification from the British Standards Institution (BSI)
- ◆ Continue to pass ISO 27001:2013 and BS 10012:2017 verification

Materiality

- ◆ Corporate Governance and Ethical Management
- ◆ Risk Management
- ◆ Information security and privacy
- ◆ Legal Compliance

Unleashing the Importance of Sustainable Finance



Plan

- ◆ Promote sustainable finance
- ◆ Expanding the influence of sustainable finance
- ◆ Implementing sustainable supply chain management

Short-term Target (2024)

- ◆ Continue to enhance sustainable finance policies and related measures to achieve sustainable and robust investment outcomes
- ◆ Support sustainable development financial products or green energy industries
- ◆ Strengthen engagements with investees
- ◆ Green purchase accounts for more than 15% of the available purchase amount

Medium- to long-term Target (2027 as the target year)

- ◆ With 2020 as the baseline year, the investment growth rate of project investment in green energy-related businesses is 400%
- ◆ Continue to identify potential thematic and impactful investments
- ◆ Continue to implement the supplier management mechanism

Major Performances in 2023

- ◆ Invested more than NT\$548 billion in ESG topics
- ◆ Continued investments in sustainable financial products or renewable energy industries totaled NT\$4.7 billion, representing an increase of 3%
- ◆ Distributed engagement questionnaires, with more than 60% of the invested companies concluding their case or developing in a positive direction
- ◆ Green purchasing accounts for 43% of the available purchase amount

Materiality

- ◆ Sustainable Finance

Creating a Society of Mutual Prosperity



Plan

- ◆ Make ongoing strategic plans for philanthropic activities
- ◆ Encourage employees to participate in corporate volunteering

Short-term Target (2024)

- ◆ Form public-private strategic alliances and work with employees and customers to initiate philanthropic projects
- ◆ Achieve 3.5 volunteer hours per capita

Medium- to long-term Target (2027 as the target year)

- ◆ Partner with external organizations to plan ongoing philanthropic activities
- ◆ Charity efforts combined with core business activities, commercial initiatives, and community investments account for over 90% of total public welfare expenditures.
- ◆ Achieve 4 volunteer hours per capita in 2025

Major Performances in 2023

- ◆ Invested NT\$72.84 million in community participation, benefiting more than 760,000 people
- ◆ Corporate volunteer hours reached 3.42 hours
- ◆ The Sustainable Insurance Charity Program realizes a circular economy, and is expected to provide microinsurance coverage to 1,375 underprivileged families.
- ◆ The Remote Health Promotion for Rural Areas charity program can create a SROI of NT\$9.57 in social value for every NT\$1 invested.

Materiality

- ◆ Social participation

Note: Inclusive finance and social participation are material sustainability issues for SKFH in 2023.

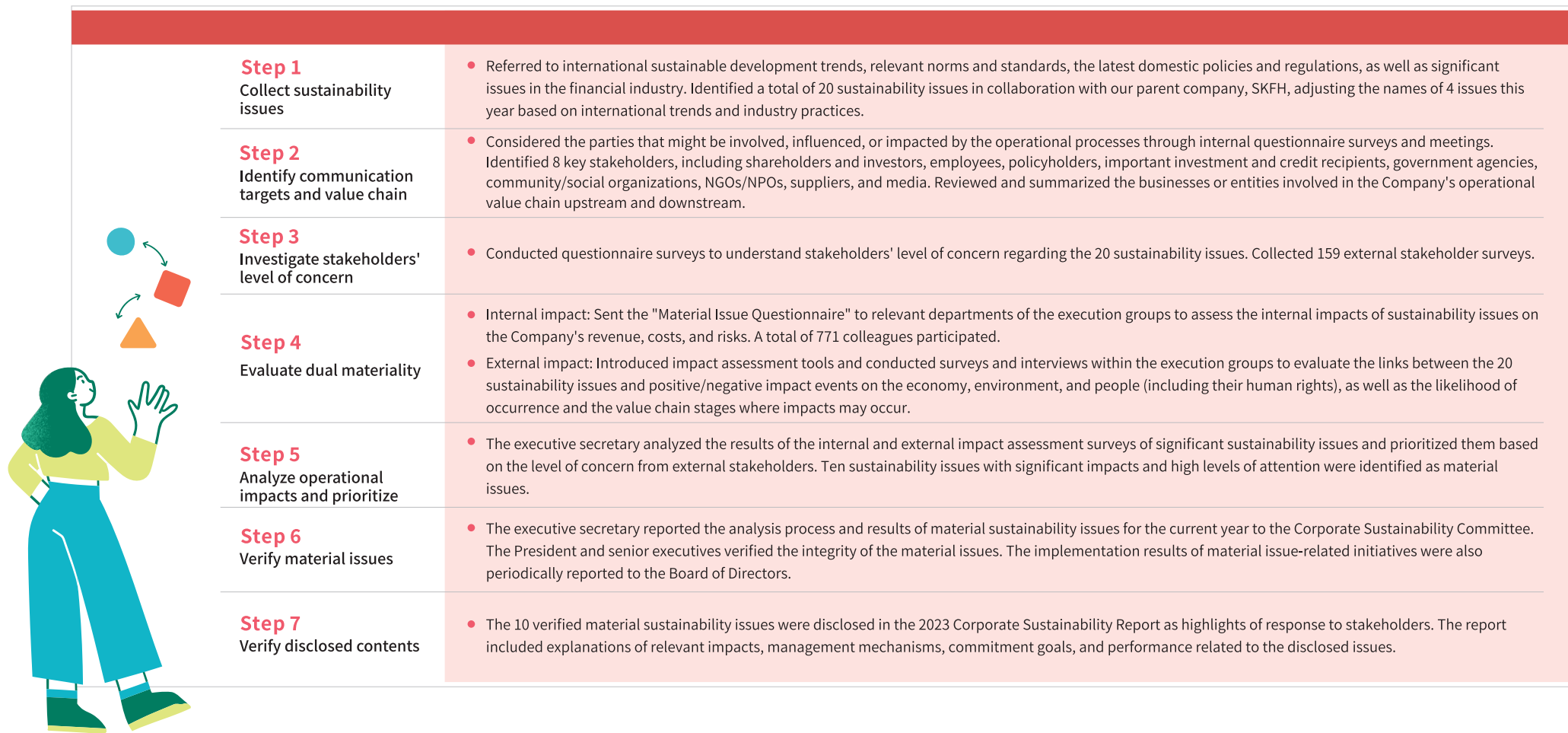
- Table of Contents
- Message from the Chairman and President
- Awards and Recognition
- Key Sustainability Achievements
- Featured Column on Sustainability
- 1. Sustainable Shin Kong**
 - 1.1 About SKL
 - 1.2 Corporate Sustainability Committee
 - 1.3 Sustainability Strategy and Target
 - 1.4 Material Issues Assessment
 - 1.5 Stakeholder Engagement
- 2. Strengthening Climate Resilience**
- 3. Advancing Towards a Net Zero Future**
- 4. Nurturing Diverse Talents**
- 5. Excellent Customer Experience**
- 6. Realizing Sustainability Governance**
- 7. Unleashing the Importance of Sustainable Finance**
- 8. Creating a Society of Mutual Prosperity**
- Appendix

1.4 Material Issues Assessment

1.4.1 Identification of Material Issues GRI 3-1

Shin Kong Life selected the potential sustainability issues by referring to domestic and international trends, and conducted a survey to identify the material issues of the 2023 SKL CS Report based on the views of various stakeholders through the groups of the Corporate Sustainability Committee. The disclosures in this report and the future direction of our sustainability strategy are based on these material issues.

SKL's Material Issues Identification Procedure



1.4.2 Material Issue Impact Assessment^{GRI 3-2}

SKL has been deeply engaged in the field of sustainability for many years, focusing on various sustainability issues. Together with its financial holding parent company, it conducts surveys and discussions to assess the positive and negative impacts of 20 listed sustainability issues on both internal and external stakeholders, as well as the level of stakeholder concern. The results of these surveys are then quantitatively analyzed and ranked.

Table of Contents

Message from the Chairman and President

Awards and Recognition

Key Sustainability Achievements

Featured Column on Sustainability

1. Sustainable Shin Kong

- 1.1 About SKL
- 1.2 Corporate Sustainability Committee
- 1.3 Sustainability Strategy and Target
- 1.4 Material Issues Assessment
- 1.5 Stakeholder Engagement

2. Strengthening Climate Resilience

3. Advancing Towards a Net Zero Future

4. Nurturing Diverse Talents

5. Excellent Customer Experience

6. Realizing Sustainability Governance

7. Unleashing the Importance of Sustainable Finance

8. Creating a Society of Mutual Prosperity

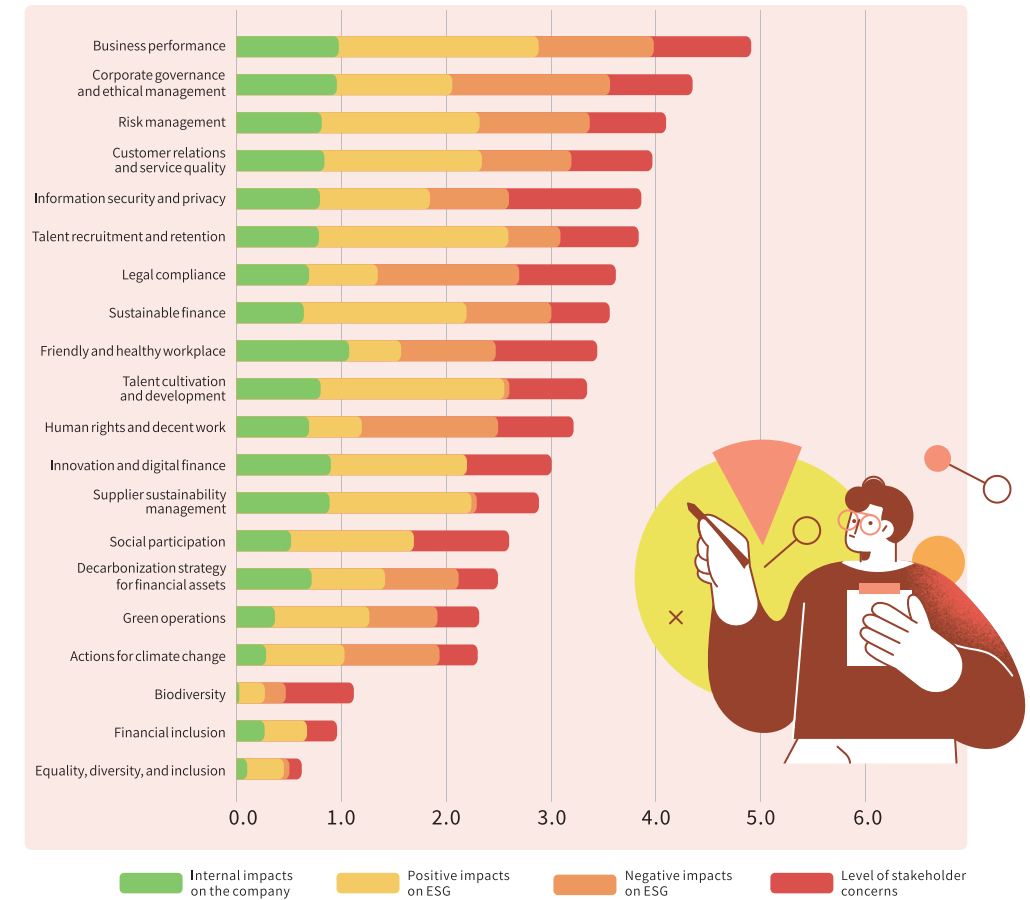
Appendix

Material ESG Issues	Total times of the top 5	Degree of impact on organizational operations	Level of concern of stakeholders	Sustainable development impact	Total number of stars	Order of filling out the questionnaire	Long-term sustainability goals (also material topics in 2022)
Business performance	12	***	***	***	9	1	V
Corporate governance and ethical management	9	***	**	***	8	2	V
Risk management	8	**	***	***	8	3	V
Customer relations and service quality	8	**	***	***	8	3	V
Information security and privacy	5	**	**	*	5	5	V
Talent recruitment and retention	5	**	***		5	6	
Legal compliance	5	*		***	4	7	V
Sustainable finance	0		*	***	4	7	V
Friendly and healthy workplace	5	*	***		4	7	V
Talent cultivation and development	3	*	**		3	10	
Human rights and decent work	3	*	**		3	10	
Innovation and digital finance	2	*		*	2	12	V
Supplier sustainability management	2		*	*	2	12	
Social participation	2		*	**	3	14	
Decarbonization strategy for financial assets	3			***	3	15	
Green operations	2			**	2	16	
Actions for climate change	2			**	2	16	V
Biodiversity	2			**	2	16	
Financial inclusion	1			*	1	19	
Equality, diversity, and inclusion	0				0	20	

Material Topics and Management Approaches

By compiling the number of times each sustainability issue is selected across the three questionnaires for organizational operational impact, stakeholder concern, and sustainable development impact, we identify the intersection of selected issues and include three screening principles: 1. Top 5 in terms of number of times entered in the questionnaires; 2. the company's long-term sustainability goals; and 3. material issues in 2022. The 10 material issues for the year were identified and were identical to the results in 2022.

Ranking of Material Issues



- Table of Contents
- Message from the Chairman and President
- Awards and Recognition
- Key Sustainability Achievements
- Featured Column on Sustainability

1. Sustainable Shin Kong

- 1.1 About SKL
- 1.2 Corporate Sustainability Committee
- 1.3 Sustainability Strategy and Target
- 1.4 Material Issues Assessment
- 1.5 Stakeholder Engagement

2. Strengthening Climate Resilience

3. Advancing Towards a Net Zero Future

4. Nurturing Diverse Talents

5. Excellent Customer Experience

6. Realizing Sustainability Governance

7. Unleashing the Importance of Sustainable Finance

8. Creating a Society of Mutual Prosperity

Appendix

Ranking of Material Issues

Based on the comprehensive screening principles and questionnaire analysis results, compared to last year, the rankings of the three issues, risk management, information security and privacy, and regulatory compliance, have risen. The rankings of the five issues, customer relations and service quality, talent attraction and retention, sustainable finance, innovation and digital finance, and climate change, have declined. Furthermore, the rankings for business performance and corporate governance and ethical management remained unchanged, holding the first and second positions, respectively. This indicates that as a for-profit enterprise, stakeholders still place the highest importance on profitability and governance capabilities.

Comparison table of changes to the ranking of material issues






Material issues in 2023		Material issues in 2022	
Business performance		Business performance	
Corporate Governance and Ethical Management		Corporate Governance and Ethical Management	
Risk Management	↑	Customer relationship management	
Customer relations and service quality	↓	Sustainable Finance	
Information security and privacy	↑	Talent recruitment and retention	
Talent recruitment and retention	↓	Risk Management	
Legal Compliance	↑	Innovation and digital finance	
Sustainable Finance	↓	Actions for climate change	
Innovation and digital finance	↓	Legal Compliance	
Actions for climate change	↓	Information Security	

Material Issues and the Impact Boundaries

Material Issues	GRI-specific topic	SASB Standards	Value Chain Impact			
			Upstream Supplier / Contractor	SKL Operation	Distribution Channel	Downstream Policyholder / Customer
Business performance	■ GRI 201 Economic performance	FN-IN-000.A	▲	●		●
Corporate Governance and Ethical Management	■ GRI 2-1 Detailed organizational information ■ GRI 2-9~2-21		▲	●	▲	●
Risk Management	■ GRI 201 Economic performanc	FN-IN-550a.1 FN-IN-550a.2 FN-IN-550a.3		●		○
Customer relationship management	■ GRI 417 Marketing and Labeling ■ GRI 2-27 Regulatory compliance	FN-IN-270a.1 FN-IN-270a.2 FN-IN-270a.3 FN-IN-270a.4		●	▲	●
Information security and privacy	■ GRI 418 Customer Privacy		▲	●	▲	●
Talent recruitment and retention	■ GRI 401 Employee-employer relations ■ GRI 404 Training and education			●		
Legal Compliance	■ GRI 2-27 Regulatory compliance			●	▲	○
Sustainable Finance	■ GRI 201 Economic performanc ■ GRI 203 Indirect Economic Impacts	FN-IN-410a.2		●		
Innovation and digital finance	■ GRI 203 Indirect Economic Impacts	FN-IN-410b.2		●	▲	●
Actions for climate change	■ GRI 201 Economic performanc ■ GRI 305Emissions	FN-IN-450a.1 FN-IN-450a.2 FN-IN-450a.3 FN-IN-410c.1 FN-IN-410c.2 FN-IN-410c.3 FN-IN-410c.4	▲	●	▲	○

Note 1: ● represents direct impact ○ represents indirect impact ▲ means impacts arising from a business relationship

1.4.3 Material Issues and Management Approaches (Sorted by impact level) GRI 2-25 \ 3-3

Material Issues and Description of impact	Management Mechanism	Policy	Commitment	Target	Communication Channel/ Complaints Mechanism	Outcome and Action
 Financial performance SKL values the rights and interests of shareholders and stakeholders and develops meticulous operational strategies and directions to achieve longterm stability and profitability, bringing positive impacts to stakeholders and the financial market	In the second half of each year, the Company will plan on the overall business strategy, including key business strategies and target profits for the following year, taking into account the industry trends, market conditions, and changes in laws and regulations. The Company also convenes monthly performance review meetings to review the achievements.	Corporate Governance Best Practice Principles Regulations for Performance Management and Development	Focusing on the essence of life insurance, we aim to be a profitable and highly trusted life insurance company that creates sustainable value for shareholders and investors.	Actively promote foreign currency-denominated insurance products and protection insurance products; control the cost of hedging, stabilize income, and increase the value of new business	<ul style="list-style-type: none"> • Hotline: (02)2389-5858 • Investor relations email: ir@skfh.com.tw 	1.1 About SKL
 Corporate Governance and Ethical Management SKL places great emphasis on corporate governance and integrity, implementing comprehensive education and training programs and standards. By prohibiting unfair competition, insider trading, and transactions with entities involved in dishonest practices, we have established robust corporate governance and risk management mechanisms, enhancing the effectiveness of corporate governance and gaining public trust. These efforts have a positive impact on the Company's operations and business activities from an economic perspective.	In addition to formulating internal regulations on corporate governance and ethical corporate management, we establish mechanisms for integrity consultation and whistleblower confidentiality and protection and provide training for the Board of Directors and the staff, hoping to make integrity part of our DNA.	Code of Ethical Conduct Personnel Management Rules Regulations for Handling Employee Complaints Regulations for Handling Reported Cases Life Insurance Enterprises' Anti-Money Laundering and Countering Terrorism Financing Policies and Procedures	We strive to establish a sound anti-money laundering and counter-terrorism financing (AML/CTF) structure in accordance with the laws and regulations at home and abroad to curb money laundering and terrorism financing.	Require that all staff should carry out business activities with fairness and integrity and in compliance with laws and regulations	<ul style="list-style-type: none"> • Mailbox : whistleblower@skl.com.tw • Supplier complaint hotline: (02)2389-5858#2002 • Employee feedback email: speaklouder@skl.com.tw 	6.1 Corporate governance 6.2 Ethical corporate management
 Risk Management For the main risks faced in insurance industry, major global political and economic issues, environmental issues, and emerging risks, we have established relevant risk management regulations and guidelines to assess the impact of these risks. In addition, through the implementation of Business Continuity Management Systems (BCMS), we have strengthened our ability to respond to and recover from major events, safeguarding the interests of customers and all stakeholders, which has positive impacts on society and the economy.	<ol style="list-style-type: none"> 1. SKL establishes relevant risk management mechanisms and regulations for major risks and reviews the implementation status of risks by the Risk Management Committee on a quarterly basis. Subsequently, an overall risk management report is submitted to the Board of Directors. 2. Regular risk assessments are conducted for operational continuity interruptions, and departmental Business Continuity Plans (BCP) are continuously 	Risk Management Best Practice Principles in the Insurance Industry SKL Risk Management Policy Business Continuity Management	Continuously monitor both internal and external environmental changes for potential risk impacts on the Company. Strengthen and enhance the existing risk management mechanisms accordingly.	<ul style="list-style-type: none"> • Implement risk management practices to swiftly address emerging risks. Introduce new measures or reinforce existing ones to ensure robust risk management. • Consistently improve BCMS to meet the Company's operational continuity needs. conduct regular drills and exercises to validate its adequacy and effectiveness. 	The following information on risk and crisis management is conveyed to the public on the company website and in the annual report: <ul style="list-style-type: none"> • Composition, responsibilities, and operations of the Risk Management Committee • Risk management information Annual report - risk management and assessment 	6.3 Risk Management
 Customer relationship management SKL practices ethical management and promotes a financial-friendly environment by ensuring that all services and products comply with legal regulations. This reduces operational and penalty risks. Through satisfaction and NPS surveys, as well as providing customer communication channels, we understand customer pain points and continuously improve to enhance customer relationship management efficiency. These efforts have a positive impact on customers, human rights, and social aspects.	Prior to the launch of new products or services, SKL will disclose the product information in detail in accordance with laws and regulations and internal policies, hoping to make information accessible to the public easily and efficiently.	Self-regulation of Advertisements in the Insurance Industry Guidelines for the Review of Personal Insurance Products Relevant Provisions on Non-dividend Dividend Life Insurance Policy for Sales in the Life Insurance Industry SKFH Sustainable Finance Policy	To implement fair customer treatment and financial friendliness, we make sure that customers understand the product features, risks, and protection, as well as their rights.	Require that all staff should abide by the regulations to protect the interests of all stakeholders	Comments can be submitted through competent authorities, service locations and business operations, and other complaint channels, including telephone, email, and letters, fax, as well as stakeholder area of the company website <ul style="list-style-type: none"> • Customer service hotline: 0800-031-115 • Mailbox: whistleblower@skl.com.tw 	5.1 Sustainable insurance 5.3 Fair customer treatment and customer experience
 Information security and privacy Commit to providing customers with a sense of security and continuously promote a culture of information security, mitigating the risks of improper data usage and privacy violations, to achieve positive impact on business operations and human right	We set up the Information Security Committee, along with the Information Security and Personal Data Protection Group under the committee, to promote information security and personal data protection, including maintaining the information security and personal data management system etc.	Information Security Policy Personal Data Protection Policy Privacy Statement	We are committed to living up to the highest standards for personal data protection and information security, demonstrating our determination and obligation to maintain the confidentiality and security of information.	Strengthen employees' awareness of personal data protection and compliance with laws and regulations	Comments can be submitted through competent authorities, service locations and business operations, and other complaint channels, including telephone, email, and letters, fax, as well as stakeholder area of the company website. <ul style="list-style-type: none"> • Customer service hotline: 0800-031-115 • Mailbox: whistleblower@skl.com.tw 	6.4 Information Security

- Table of Contents
- Message from the Chairman and President
- Awards and Recognition
- Key Sustainability Achievements
- Featured Column on Sustainability
- 1. Sustainable Shin Kong**
 - 1.1 About SKL
 - 1.2 Corporate Sustainability Committee
 - 1.3 Sustainability Strategy and Target
 - 1.4 Material Issues Assessment
 - 1.5 Stakeholder Engagement
- 2. Strengthening Climate Resilience**
- 3. Advancing Towards a Net Zero Future**
- 4. Nurturing Diverse Talents**
- 5. Excellent Customer Experience**
- 6. Realizing Sustainability Governance**
- 7. Unleashing the Importance of Sustainable Finance**
- 8. Creating a Society of Mutual Prosperity**
- Appendix

- Table of Contents
- Message from the Chairman and President
- Awards and Recognition
- Key Sustainability Achievements
- Featured Column on Sustainability

1. Sustainable Shin Kong

- 1.1 About SKL
- 1.2 Corporate Sustainability Committee
- 1.3 Sustainability Strategy and Target
- 1.4 Material Issues Assessment
- 1.5 Stakeholder Engagement

2. Strengthening Climate Resilience

3. Advancing Towards a Net Zero Future

4. Nurturing Diverse Talents






5. Excellent Customer Experience

6. Realizing Sustainability Governance

7. Unleashing the Importance of Sustainable Finance

8. Creating a Society of Mutual Prosperity

Appendix

Material Issues and Description of impact	Management Mechanism	Policy	Commitment	Target	Communication Channel/ Complaints Mechanism	Outcome and Action
 <p>Talent recruitment and retention</p> <p>SKL values talent recruitment to infuse new energy and vitality into the organization. We help employees develop clear career directions and achieve optimal utilization of human resources, ensuring a talent development strategy for the sustainable development of the organization. This has a positive impact on employees and social aspects, including human rights.</p>	<p>To bring in new blood and vitality to the organization, help employees have a clear career path, and achieve optimum manpower utilization for the sustainable development of talent within the organization.</p>	<p>Personnel Management Rules</p> <p>Regulations for Education and Training Management</p> <p>Regulations for Internal Lecturer Management</p> <p>Regulations for Overseas Continuing Education</p> <p>Regulations for Performance Management and Development</p> <p>Regulations for Rewarding the Professional and Technical Personnel</p>	<p>We aim to be a reassuring company that takes the best care of its employees by creating a friendly workplace.</p>	<p>By 2027 :</p> <ul style="list-style-type: none"> • Average training hours per employee reached 100 hours • Percentage of open positions filled by internal candidates > 60% • Retention rate of outstanding talent maintained at > 90% • Percentage of females in senior management positions reached 27% 	<ul style="list-style-type: none"> • Employee feedback email: speaklouder@skl.com.tw • Feedback area on the Intranet • Dissuasion from leaving • Labor-management meetings • Employee opinion surveys • Sexual harassment grievance email: shinkong113@skl.com.tw 	<p>4.1 Diverse Recruitment</p> <p>4.2 Talent cultivation and development</p> <p>4.3 Friendly and happy workplace</p>
 <p>Legal Compliance</p> <p>Build a comprehensive legal compliance management and oversight framework and review the compliance level of each department. Conduct regular training and education to enhance the legal compliance awareness of all employees, ensuring company compliance and optimizing customer service while reducing operational risks and the risk of penalties to achieve positive impact on the economy</p>	<p>We conduct regular self-assessments on the effectiveness of compliance. In the event of major disciplinary actions, we will report the cause, possible impact, and recommendations for improvement of material deficiencies or malpractices to the Board of Directors.</p>	<p>Internal Control System</p> <p>Rules and Procedures for Compliance Assessment</p> <p>Regulations for Reporting Material Compliance Incidents</p>	<p>The Company aims to ensure that business operations comply with laws and regulations.</p>	<p>Develop the compliance personnel to help drive corporate compliance and mitigate the risk of disciplinary actions</p>	<ul style="list-style-type: none"> • Employee feedback email: speaklouder@skl.com.tw • Mailbox: whistleblower@skl.com.tw Supplier complaint hotline: (02)2389-5858#2002 	<p>6.2 Ethical corporate management</p>
 <p>Sustainable Finance</p> <p>We continue to enhance sustainable finance policies and regulations, seek sustainable investment targets, and promote inclusive and sustainable economic growth. We support the development of sustainable industries and achieve sustainable and sound investment results. By strengthening engagement with our investees, we exert a positive influence on environmental, social, and human rights aspects.</p>	<p>Following the competent authorities' policies and SKFH's Sustainable Finance Policy, we incorporate ESG criteria into the operating procedures and regulations for investing and lending, and communicate with investees using our core competencies and influence in the financial sector.</p>	<p>Stewardship Principles for Institutional Investors</p> <p>Self-Regulation Regulations on Asset Management in the Insurance Industry</p> <p>SKFH Sustainable Finance Policy</p> <p>Rules and Procedures for Sustainable Investing in Securities</p>	<p>We strive to strengthen responsible investing by investing in green energy products or philanthropic activities to facilitate the sustainable development of the investment chain.</p>	<p>Improve the procedures and regulations for responsible investing according to the United Nations' Principles for Responsible Investment (PRI); strengthen our engagement with investees to implement the due diligence of institutional investors</p>	<p>We communicate with investors about responsible investing operations through SKFH's investor conferences, shareholders' meetings, press releases, etc</p> <ul style="list-style-type: none"> • Investor relations email: ir@skfh.com.tw • Institutional investor due diligence area on company website 	<p>7.1 Promote sustainable finance</p>
 <p>Innovation and digital finance</p> <p>SKL prioritizes people and adopts a user-centric design approach. We continuously enhance our offerings in response to policyholder needs, societal changes, advancements in underwriting technology, and product development. We strive to provide a wide range of insurance services and digital technologies that cater to these factors. Moreover, we collaborate with government agencies, academic institutions, and social enterprises to deliver diverse digital services to the public, thereby making a positive impact on society and the economy.</p>	<p>Adopting a people-oriented approach, SKL innovates customer experience through technology. We also strengthen the supervisory function to implement the fair treatment of customers. In addition to setting out indicators for tracking and monitoring, we continue to explore new opportunities for customer service.</p>	<p>Convention on the Rights of Persons with Disabilities Enforcement Act</p> <p>Guidelines for Friendly Financial Service in the Insurance Industry</p> <p>SKFH Sustainable Finance Policy</p>	<p>We improve processes and services based on user-driven design to enhance user experience and increase the diversity and accessibility of financial services.</p>	<p>Continuously change the service model for business transformation, deepen customer relationship, improve business performances, and expand applications</p>	<ul style="list-style-type: none"> • Customer service hotline: 0800-031-115 	<p>5.4 Innovative digital services</p>
 <p>Actions for climate change</p> <p>While climate change may cause economic and environmental impacts to our business operations in terms of costs and revenue, it also presents opportunities for the industrial transformation. We have implemented the TCFD framework, set carbon reduction targets and implemented measures to reduce our operational carbon footprint. Furthermore, we utilize our financial resources, such as the management of carbon-intensive industries and green investments, to facilitate the transition to a low carbon economy. These efforts allow us to leverage our financial influence and contribute positively to both the environment and the economy.</p>	<p>Following the climate governance mechanisms in accordance with the TCFD framework, SKL has Sustainable Finance Group, Environmental Protection Group and TCFD Group under the Corporate Sustainability Committee in place to incorporate carbon reduction targets and TCFD implementations into the KPIs of the company. We follow up on their achievements each quarter and report to the Board of Directors on a regular basis.</p>	<p>Guidelines on Climate-related Financial Disclosures of Insurance Companies</p> <p>Environmental Policy</p> <p>Greenhouse Gas Reduction and Management Act</p> <p>SKFH Regulations for Greenhouse Gas Reduction and Carbon Pricing</p>	<p>We continuously pay attention to climate risks, plan mitigation and adaptation measures, and practice low-carbon business operations, hoping to address the impacts of climate change.</p>	<ul style="list-style-type: none"> • Implement climate risk management and conduct TCFD in accordance with the regulations • Reduce GHG emissions (Scopes 1 and 2) by 2% annually • Achieve net zero emissions at the headquarters and main offices by 2030 	<ul style="list-style-type: none"> • Disclose the implementation of our climate change management through our sustainable official website and annual reports • We, together with SKFH, have joined the Taiwan Alliance for Net Zero Emission to promote the initiative, "Net Zero 2030/2050". In addition to energy conservation and carbon reduction practices within the organization, we hold annual events such as "Earth Hour" and "Light Shirts in Summer." 	<p>2. Strengthening Climate Resilience</p>

1.5 Stakeholder Engagement GRI 2-29

SKL examined its organizational operations, industry value chain relationships, and industry characteristics, and identified the eight major types of stakeholders after internal discussions. Through diversified communication channels, we collect sustainability issues of concern to stakeholders in a timely manner and respond accordingly. Through the operations of the Corporate Sustainability Committee, SKL also integrated ESG issues that concern stakeholders into annual work items. The implementation of these issues is regularly reviewed and reported to the Board of Directors. Communication results in 2023 are as follows:

Issues and Results of Communication with Stakeholders





Importance to SKL	Concerned Issues	Channel of Communication	Frequency of Communication	Communication Results in 2023
 <p>Shareholders / investors</p> <p>Robust financial performance and effective investment risk management are topics that shareholders and investors care about.</p>	<ul style="list-style-type: none"> • Business performance • Sustainable Finance • Corporate Governance and Ethical Management • Social participation 	General Shareholders' Meeting Extraordinary General Meetings Investor Conference Company website Market Observation Post System	Once/year As needed Once/quarter Permanent Permanent	<ul style="list-style-type: none"> • Held the annual shareholders' meeting, and set up a shareholders' equity area on the company website to disclose matters such as corporate governance and shareholders' equity. • Held 8 institutional investors' conferences in both Chinese and English with SKFH. • Set up an information disclosure area on the company website to regularly disclose information on the Company's finances, credit rating, corporate governance, and fulfillment of corporate social responsibility • Posted financial statements, annual reports, and other information on the MOPS
 <p>Employees</p> <p>Employees are an important asset for the sustainable development of the Company. How to correctly convey SKL's people-oriented approach through employees and actively respond to employees' opinions is the key to long-term business viability.</p>	<ul style="list-style-type: none"> • Business performance • Talent recruitment and retention • Talent cultivation and development • Occupational Health and Safety • Human rights and decent work 	Feedback area on the Intranet E-newsletters (HR e-Newsletter & OHS Quarterly) Email and hotline for employee communication Labor-management meetings Employee engagement survey Occupational Safety and Health Committee On-site labor health services	Permanent As needed Permanent Once/quarter Once every two years Once/quarter 2 times / month	<ul style="list-style-type: none"> • Added 28 comments to the feedback area on the Intranet • Issued 1 OHS Quarterly newsletters and 20 promotions related to pandemic prevention and OHS • Convened 4 Occupational Safety Committee meetings • Held 844 on-site health service sessions totaling 1688 hours • Received 4 employee complaints and 4 labor disputes • Held 4 labor-management meetings
 <p>Customers</p> <p>Insurance is all about serving people. To ensure business sustainability, SKL timely responds to and meets the diverse policyholders' needs for products and communication and continuously enhances service.</p>	<ul style="list-style-type: none"> • Risk and crisis management • Corporate Governance and Ethical Management • Sustainable Finance • Innovation and digital finance • Social participation 	Customer service hotline (080) Company website SKL app EDM Policyholder quarterly Service Locations SKL Facebook fan page Satisfaction survey Insured care project Complaint/Reporting email	Permanent Permanent Permanent As needed 4 times/year Permanent Permanent Regular As needed Permanent	<ul style="list-style-type: none"> • NPS: 89.2% • Answered nearly 470,000 customer service calls, with an 94.3% satisfaction rate
 <p>Key investees and borrowers</p> <p>We pay close attention to investees and ensure the availability of sufficient and effective information on investees to maximize the interests of customers and shareholders.</p>	<ul style="list-style-type: none"> • Financial Performance • Sustainable Finance 	Institutional investor's due diligence report Institutional investors' conference/shareholders' meeting Personal visit	Once/year Once/year As needed	<ul style="list-style-type: none"> • Published the institutional investor's due diligence report • Attended a total of 164 shareholders' meetings (participation rate of 100%) • Voted on 954 proposals • Distributed 169 copies of the engagement and communication questionnaire

Table of Contents

Message from the Chairman and President

Awards and Recognition

Key Sustainability Achievements

Featured Column on Sustainability

1. Sustainable Shin Kong

1.1 About SKL

1.2 Corporate Sustainability Committee

1.3 Sustainability Strategy and Target

1.4 Material Issues Assessment

1.5 Stakeholder Engagement

2. Strengthening Climate Resilience

3. Advancing Towards a Net Zero Future

4. Nurturing Diverse Talents

5. Excellent Customer Experience

6. Realizing Sustainability Governance

7. Unleashing the Importance of Sustainable Finance

8. Creating a Society of Mutual Prosperity

Appendix

Table of Contents

Message from the Chairman and President

Awards and Recognition

Key Sustainability Achievements

Featured Column on Sustainability

1. Sustainable Shin Kong

- 1.1 About SKL
- 1.2 Corporate Sustainability Committee
- 1.3 Sustainability Strategy and Target
- 1.4 Material Issues Assessment
- 1.5 Stakeholder Engagement

2. Strengthening Climate Resilience

3. Advancing Towards a Net Zero Future

4. Nurturing Diverse Talents





5. Excellent Customer Experience

6. Realizing Sustainability Governance

7. Unleashing the Importance of Sustainable Finance

8. Creating a Society of Mutual Prosperity

Appendix

Importance to SKL	Concerned Issues	Channel of Communication	Frequency of Communication	Communication Results in 2023
 <p>Community and NPO/NGO</p> <p>Having long adhered to the business philosophy of giving back to society, SKL strives to invest resources in the communities to promote social welfare.</p>	<ul style="list-style-type: none"> • Sustainable Finance • Risk and crisis management • Corporate Governance and Ethical Management • Impact on the environment of company operations 	<p>Lecture</p> <p>Art and cultural activity</p> <p>Charitable Activities</p> <p>Emergency Assistance</p> <p>Foundation</p> <p>Website</p>	<p>As needed</p> <p>As needed</p> <p>As needed</p> <p>As needed</p> <p>Permanent</p> <p>Permanent</p>	<ul style="list-style-type: none"> • Organize activities to help stakeholders understand the SDGs and sustainable development policies. 1,556 events • Continued to sponsor and participate in local arts and cultural events such as the Yanshui Bee Cannon and the Dajia Mazu Parade • Worked with foundations and NPOs/NGOs to advocate environmental issues and promote the silver-haired elderly Programs • The total investment in social participation was \$72.84 million, benefiting about 760,000
 <p>Government and competent authority</p> <p>As banking and insurance are highly regulated by competent authorities, SKL maintains sound and steady operations in strict compliance with the laws and regulations.</p>	<ul style="list-style-type: none"> • Sustainable Finance • Legal Compliance • Risk and crisis management • Information Security • Innovation and digital finance • Customer relations and services • Financial inclusion • Actions for climate change 	<p>Official letter</p> <p>Meeting organized by the competent authority</p> <p>Court activity</p> <p>Seminars</p>	<p>As needed</p> <p>As needed</p> <p>As needed</p> <p>As needed</p>	<ul style="list-style-type: none"> • Top 20% in the Corporate Governance Review • Attended policy discussions and seminars organized by competent authorities to provide industry opinions.
 <p>Suppliers</p> <p>We partner with suppliers to meet the stakeholders' needs in course of achieving sustainable development</p>	<ul style="list-style-type: none"> • Supplier sustainability management • Information Security • Legal Compliance • Occupational health and safety 	<p>Suppliers' commitment statement</p> <p>Price negotiation meeting</p> <p>Contract negotiation</p> <p>Supplier Conference</p> <p>Complaint hotline</p>	<p>As needed</p> <p>As needed</p> <p>As needed</p> <p>As needed</p>	<ul style="list-style-type: none"> • Signed 100% of supplier commitments for both the bargaining and contracted vendors • Completion of supplier ownership risk assessment, which includes labor relations, privacy protection, workplace safety and health, and other sustainability issues. The assessment includes issues such as labor relations, privacy protection, workplace safety and health, and other sustainability issues (For details, please refer to 7.2 Sustainable Supply Chain)
 <p>Media / Evaluation institution</p> <p>The media/evaluation institutions play a vital role in carrying messages for SKL. To ensure unimpeded communication with stakeholders, it is important to maintain good interaction with the media/evaluation institutions.</p>	<ul style="list-style-type: none"> • Legal Compliance • Corporate Governance and Ethical Management • Actions for climate change • Impact on the environment of company operations • Sustainable Finance • Financial inclusion • Information Security • Talent cultivation and development 	<p>Evaluation survey</p> <p>Seminar/Workshop</p> <p>Press release</p> <p>Press conference</p> <p>Interview</p>	<p>As needed</p> <p>As needed</p> <p>As needed</p> <p>As needed</p> <p>As needed</p>	<ul style="list-style-type: none"> • Participated in the National Brand Monte Jade Award, Vision ESG Corporate Sustainability Award, and Insurance Prestige Love Award • 875 press releases (positive media exposure) • Arranged and assisted in 51 media interviews