6 Corporate Governance Realizing Sustainability Governance

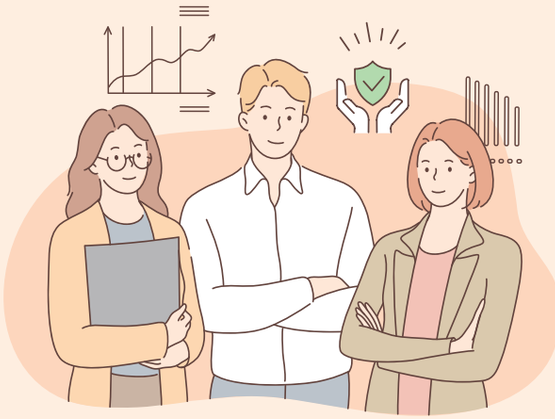
GRI 3-3

Plan

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

Commitment

Shin Kong Life understands that only by treating each other with sincerity and establishing a complete mechanism for corporate governance, risk management, and information security can it operate in a stable manner, provide protection for many families, and protect each and every policyholder in a solid manner.



Material Topic	2024 Target	Status of Achievement	Major Performances in 2024	Short-term Target (2025)	Medium- to Long-term Target (2030 as the Target Year)
Corporate Governance and Ethical Management	Organize ethical management training for directors and employees annually.	☑	• Completed ethical management training for directors and employees in the 3rd quarter of 2024.	• Assist SKFH to reach the top 20% in the Corporate Governance Evaluation.	
	Conduct external evaluations every three years and disclose external performance evaluations, including suggestions and improvement measures.	☑	• Completed board performance evaluations and functional committee performance evaluations, as well as disclosed internal evaluations and internal and external performance evaluations in the past three years.	• Complete performance evaluations of the board and functional committees and disclose the results thereof. • Maintain an average attendance rate of the Board of Directors of above 85%.	
Risk Management	Obtain ISO 22301 Business Continuity Management System (BCMS) certification.	☑	• Continued to obtain "ISO 22301 Business Continuity Management System (BCMS)" certification from the British Standards Institution (BSI).	• Implement risk management practices to swiftly address emerging risks. • Continue to obtain "ISO 22301 Business Continuity Management System (BCMS)" certification.	
Legal Compliance	Optimize compliance management operations.	☑	• Optimized the compliance business management system.	• Continue to optimize compliance management operations.	• Actively respond to the policies of the competent authority, maintain good communication and interaction, and implement legal compliance operations.
Information Security and Privacy	Implement information security protection and response mechanisms.	☑	• Completed DDoS drills on e-commerce websites to ensure the effectiveness of protection mechanisms. 100% information security alert handling rate.	• Purchase information security insurance, continue to strengthen information security protection, simulate hacking techniques, and evaluate the effectiveness of response mechanisms.	• Continue to improve and enhance the maturity of information security governance.
	Maintain ISO 27001 and BS 10012 international standard certification, and implement the ISO 27001 conversion plan.	☑	• Implemented the ISO 27001:2022 conversion plan, introduced new control measures, and continued to pass the certification.	• Maintain ISO 27001 and BS 10012 international standard certification and pass ISO 27001:2022 conversion certification.	• Maintain information security certification.

6. Realizing Sustainability Governance

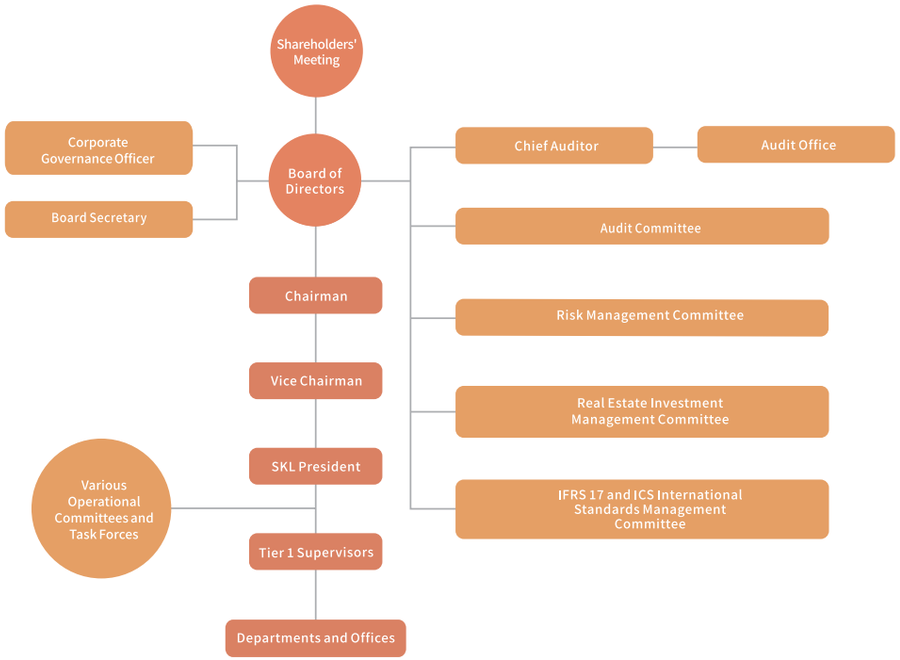
6.1 Corporate Governance and Ethica l Management

GRI 2-9、2-11、3-3

Shin Kong Life is committed to the business philosophy of "stability and prudent", and continues to strengthen its 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 established a Code of Corporate Governance, 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



Note: The Company voluntarily established an Audit Committee on June 30, 2017 to strengthen the corporate governance and audit oversight mechanism.

6.1.1 Board of Directors and Functional Committees

GRI 2-10、2-11、2-12、2-15、2-16、2-17、205-2

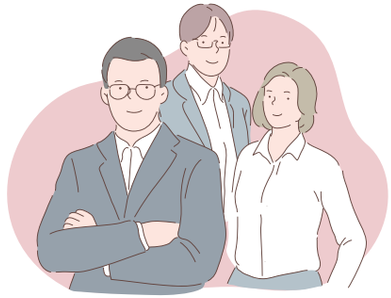
SKL is a subsidiary of Shin Kong Financial Holdings Co., Ltd. (SKFH), who owns 100% of its shares, and has established the overall structure and authority of the Board of Directors in accordance with relevant laws and regulations. The members of the Board of Directors are designated by SKFH after qualification examination and approved by the Chairman of SKFH. The Chairman does not concurrently hold other positions in the management team. In 2024, the Board of Directors consisted of 15 directors (including 3 independent directors and 1 vacancy) who are responsible for the Company's operational policies, overseeing and managing the results of ESG initiatives at all levels, and safeguarding the rights and interests of all shareholders. The information of the Board members is disclosed based on the 21st Directors who were re-elected on June 29, 2023. For information on the directors' term of office and professional background, please refer to the Market Observation Post System for the Insurance Industry.

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 invite credible and professional independent directors to participate in corporate governance and safeguard the rights and interests of all shareholders. The Audit Committee, Risk Management Committee, Real Estate Investment Management Committee and IFRS 17 and ICS International Standards Management Committee were established under the Board of Directors to strengthen the supervision of the Board of Directors. For the implementation status of the Board of Directors and functional committees, please refer to the Market Observation Post System - Corporate Governance.

Board of Directors' Members Information

unit：person

Age/Type	Male	Female	Directors	Independent Directors	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	1[Note]	0	1[Note]	0	0	0
> 50	13	1	11	3	1	0
Totel	14	1	12	3	1	0



Name	Title	Term of office	Gender	Age	Professional Background							Concurrently Serving as a Manager	Family Relationship	Attendance Rate of Board Meetings 2024.1.1 to 2024.12.20
					Insurance	Finance	Law	Actuary	Risk Management	Information Security	Others			
Wei, Mark	Chairman	3 years	Male	66	V						Banking, securities	N/A	N/A	100%
Hung, Michael	Vice Chairman	3 years	Male	53	V						Banking, securities	N/A	N/A	93%
Huang, Min-Yi	Director	3 years	Male	68	V					V Chair of the Information Security Committee		V	N/A	93%
Wu, Hsin-En[Note]	Director	3 years	Male	47	V							N/A	N/A	80%[Note]
Tsai, Hsiung-Chi	Director	3 years	Male	71	V			V		V Chair of the Information Security Committee		N/A	N/A	100%
Chen, Ting-Chung	Director	3 years	Male	59	V							N/A	N/A	100%
Wu, Min-Wei	Director	3 years	Male	90	V							N/A	N/A	100%
Hung, Shih-Chun	Director	3 years	Male	59	V							N/A	N/A	93%
Huang, Hsin-Chang	Director	3 years	Male	59	V	V					Banking, securities	N/A	N/A	80%
Wu, Hsin-Ta	Director	3 years	Male	56	V						Architecture	N/A	N/A	93%
Chen, Shih-Fei	Director	3 years	Male	62	V							N/A	N/A	100%
Wu, Pang-Sheng	Director	3 years	Male	71	V							N/A	N/A	100%
He, Hung-Neng	Independent Director	3 years	Male	70	V						Medicine	N/A	N/A	80%
Chien, Min-Chiu	Independent Director	3 years	Female	61	V	V						N/A	N/A	100%
Chang, Jung-Feng	Independent Director	3 years	Male	70	V				V Chairman of the Risk Management Committee		Economics	N/A	N/A	87%

Note: The director resigned on May 24, 2024. The attendance rate of Board meetings was calculated based on the meetings held from January 1, 2024 to May 9, 2024.

Operations of the Board of Directors in 2024

Attendance Status	The average attendance rate of Board meetings in 2024 was 94% (the statistics included the attendance rate of the director Wu, Hsin-En). Each Board meeting was attended by at least 2 independent directors in person.
Cases under Consideration	The Board of Directors is SKL's highest governance body and is responsible for leading and supervising the Company's operations and promoting sustainable development. The total number of key material events in 2024 was 96. Topics of communication included: corporate sustainability, corporate governance, ethical corporate management, financial performance, risk management, legal compliance, and treating customers fairly. **The Board of Directors considered and approved ESG-related measures and reports on material issues:** 1. Evaluation of the appropriateness of the overall risk management mechanism with respect to risk management policies, execution and review, and the effectiveness of internal audits. 2. Amended the Articles of Incorporation, the Internal Control System, the Rules of Procedures of the Board of Directors Meetings, the Audit Committee Charter, the Operating Regulations for Interaction Mechanisms with Controlling Shareholders, the Regulations for Handling Reported Cases, the Consumer Dispute Handling System, the Internal Control Procedures for Outsourcing Operations, the Regulations Governing Transactions Other Than Loans with Stakeholders and Prospective Stakeholders, the Policy for Total Investment in Securities, the Procedures Governing Discretionary Investment Business for Investment-linked Insurance, the Real Estate Investment Management Committee Charter, the Procedures Governing Real Estate Investment and Management, the Procedures Governing Real Estate Investment in Overseas Countries and Mainland China, the Measures on Procurement Management and Acceptance, the Corporate Sustainability Committee Charter, the Measures on the Organization of the Real Estate Planning Committee. 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 implementation of principles for treating customers fairly, performance report on investing in special projects for public utilities and social welfare enterprises, compliance report, AM L/C FT report, project report on financial friendly services and measures, and report on the implementation progress of GHG inventory.

A. Board Diversity Policy

All members of the Board of Directors of the Company are appointed in accordance with various regulations, taking into account their professional background. The members of the Board of Directors of SKL specialize in a diverse range of professions, including insurance, finance, business, information technology and accounting. Please refer to SKL's information disclosures website or the 2024 SKL Annual Report (P.16~P.21).

B. Strengthening the Competencies of the Board of Directors

In order to enhance the Board of Directors' knowledge in various aspects, courses like "Corporate Governance Lecture – Corporate Sustainability", "Risk Management", "Ethical Corporate Management (Including Anti-corruption), Principles of Treating Customers Fairly, and Trends of AML/CFL Supervision", and "Analysis of the Impacts of IFRS 17 Capital Supervision and IFRS Financial Reporting on the Life Insurance Industry" were conducted in 2024. The total number of training hours for directors was 155 hours, and the average training hours was about 11 hours. In particular, the completion rate of the "Corporate Governance Lecture – Corporate Sustainability" for directors was 100%. Furthermore, content of the statement on the AML/CFT internal control system has been regularly reported to the Board of Directors. We also completed the promotion of ethical corporate management (including anti-corruption) practices to all board members. For details, please see SKL's information disclosures website.

C.Remuneration Scheme for Directors and Executives

The Code of Conduct for Board of Directors specifically stipulates that those who have an interest in themselves or the legal entity they represent should explain the important contents of their interest at the current board meeting, and if there is a risk of harming the company's interests, they are not allowed to join in the discussion and vote, and should recuse themselves from the board meeting, and are not allowed to act as a proxy for other directors in the exercise of their voting rights, for details, please refer to the 2024 Shin Kong Life Insurance Annual Report (P31.~P.40).

D.Participation of Directors in Functional Committees

In addition to participating in the Company's operating decisions through the Board meetings, the directors of the Company also actively participate in business discussions of the functional committee meetings in order to strengthen the supervision of important business by directors. The evaluations of functional committees provide the Board of Directors with more comprehensive opinions for decision-making. The status of directors' participation in functional committee meetings is shown in the table below.

Functional Committees	Number of Participating Directors	Attendance Rate
Audit Committee	3	96%
Risk Management Committee	1	100%
Real Estate Investment Management Committee	4	98%
IFRS 17 and ICS International Convergence Management Committee	5	93%

6.1.2 Performance Evaluation of the Board of Directors and Functional Committees

GRI 2-18

The Company conducts performance evaluations of the Board of Directors and functional committees in accordance with the"Rules for Evaluating Board of Directors and Functional Committee Performance". External performance evaluations are conducted at least once every three years, and evaluation results are disclosed on the company website.

The internal evaluation in 2024 and the external evaluation in 2023 covered the performance of the entire Board of Directors, individual directors and functional committees. The evaluation method, frequency and results are described as follows:

Evaluation method	Evaluation frequency	Evaluation aspects	Results of the most recent evaluation
Internal performance evaluation	Once a year	The board performance evaluation includes 5 major aspects: degree of participation in company operations, improvement of board decision-making quality, board composition and structure, director election and continuing training, and internal control. The board member performance evaluation items include 6 major aspects: mastery of company's goals and tasks, awareness of directors' responsibilities, degree of participation in company operations, internal relationship management and communication, directors' professionalism and continuing education, and internal control. The functional committee performance evaluation includes 5 major aspects: degree of participation in company operations, awareness of functional committee responsibilities, improvement of functional committee decision-making quality, composition and election of functional committee members, and internal control.	In 2024, the average score of each evaluation aspect of SKL's Board of Directors was between 4.7~4.9 points; the average score of each evaluation aspect of the performance evaluation of individual directors was between 4.4~5.0 points; and the average score of self-evaluation of the functional committee's performance was 4.8 points. All evaluation results were "excellent" (scores from 5 to 4.6 are considered "excellent", with the highest score being 5).
External performance evaluation	Once every three years	Four aspects of board performance evaluation: 1. Board professionalism: diversity of board composition, directors' continuing education status, utilization of external resources, etc. 2. Board decision: degree of directors' participation in meetings, the board's understanding of company's operation status, directors' management of company's risks, the adequacy of information on which the directors make decisions, etc. 3. Board of Directors' attention to and supervision of internal control: formulation and implementation of code of conduct for employee, supervision of internal audits, smooth communication and reporting channels, disclosure and avoidance of conflicts of interests, etc. 4. Board of Directors' attitude towards sustainable operation: disclosure of ESG information, planning of talent cultivation and succession plans, actions for sustainable operation, etc.	In 2023, the "Taiwan Institute of Ethical Business" was appointed to carry out the external performance evaluation of the Board of Directors. In the questionnaire, the Board of Directors' effectiveness was evaluated based on four major aspects. The evaluation result was 4.47 points (the highest score is 5 points). In addition, based on the objective suggestions of the directors interviewed by the external evaluation agency through open-ended questions, the Company will discuss and implement refined measures to continue improving the effectiveness of the Board of Directors and strengthening the corporate governance mechanism.

6.1.3 Remuneration Scheme for Directors and Executives

GRI 2-19、2-20、2-21

In order to create long-term value for shareholders, the Company has established the "Rules for Evaluating Board of Directors and Functional Committee Performance", the "Guidelines for the Remuneration of Directors" and the "Measures for the Implementation of Stock Ownership Trust for Senior Executives ".Directors' remuneration is authorized to be determined by the Board of Directors based on their participation in the company's operations and the value of their contributions, and is agreed upon at the industry standard. In addition, the remuneration of independent directors is fixed by the Board of Directors' meeting and is excluded from the distribution of SKL's earnings. Please refer to the 2023 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", "Regulations Governing the Distribution of Longterm Incentives", and "Measures for the Implementation of Stock Ownership Trust", encouraging and linking bonuses to the company's long-term performance and value creation for shareholders. In 2024, the Company's highest-paid individual's annual total remuneration was 20.79 times the median pf the annual total remuneration of other employees in the organization (excluding the highest-paid individual); the percentage increase in the annual total remuneration of the highest-paid individual was 2.73 times the median of the average annual total remuneration increase percentage of other employees in the organization (excluding the highest-paid individual). The Company has separately established the "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

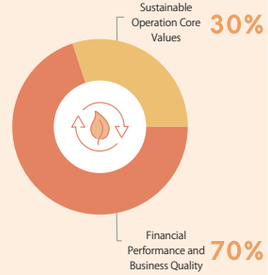
All directors (except independent directors) are awarded the Chinese New Year bonus based on their monthly fixed remuneration and the base amount pf the overall employee performance bonus for the year, while considering the individual performance evaluation results of directors. Furthermore, in addition to receiving fixed monthly remuneration, the Chairman and Vice Chairman can subscribe for stocks in accordance with the Measures for the Implementation of Stock Ownership Trust for Senior Executives; performance bonuses are also determined by the Board of Directors based on the annual performance of senior executives (as below, the 2023 overall key performance indicators, including the sustainable operation core value items).

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 corporate sustainable development philosophy and the Fair Treatment of Customers shall also have been included in the formulation of the Company's overall key performance indicators (KPIs) in 2024 to shape the culture of corporate responsibility.

2024 Overall Key Performance Indicators

Item	Weight	Indicator Description
Sustainable Operation Core Values	30%	Including corporate sustainable operation performance (including material ESG issues such as DJSI evaluation, inclusive financial products and services, and organization of general sustainability courses), legal compliance, and digital financial services
Financial Performance and Business Quality	70%	Including financial and business aspects (such as: profitability, risk control, business quality / promotion)
Bonus items		Group synergy



6.2 Ethical Management

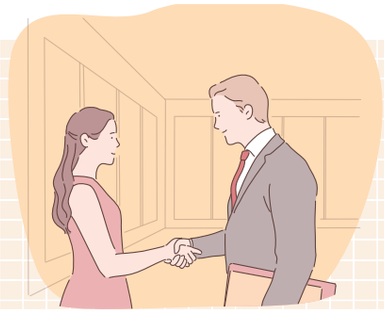
GRI 2-23、2-24、3-3、205-1、205-3

We established the "Ethical Corporate Management Policy and Best Practice Principles" and the "Ethical Corporate Management Operating Procedures and Code of Conduct" to provide training to all employees each year. All employees completed the ethical corporate management training in 2024. For education and training on ethical corporate management for directors and senior management, lecturers from the Taiwan Academy of Banking and Finance were invited this year to conduct training on topics such as "Ethical Corporate Management (Including Anti-corruption), Principles of Treating Customers Fairly, and Trends of AML/CFL Supervision".

Companywide risk of unethical conduct is assessed regularly each year, in order to 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 2024; a total of 11 risks were assessed, including bribes, inappropriate sponsorship, unfair competition, and accepting improper gains; the results of the overall risk assessment of unethical conduct showed that the residual risk was 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. Living up to the financial professional ethics

(1) Code of Ethical Conduct

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

(2) Employee Code of Conduct

Insurance agents should have good conduct and abide by the Company's regulations on labor contracts and contracting agreements. Insurance agents are required to execute business operations based on the principle of good faith. In the event of any breach, penalties will be imposed in accordance with the "Personnel Management Rules" and the "Rules for Rewards and Punishment of Salespersons" to protect the rights and interests of the Company and policyholders. There was no incident of acceptance of bribery in 2024.

B.Regulations for Handling Reported Cases

The Company has established a reporting mechanism, with the Compliance Department being the handling unit. Anyone who discovers that 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 2024, 1 case was accepted from the reporting channel, and was transferred to the responsible unit for consideration. 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:

Accept	Subsequently handling and approval mechanisms	Internal Controls
・The Company's unit responsible for handling cases is required to determine whether or not to accept a case within 10 business days from the following day a report is received. For cases that are rejected, the unit shall notify the whistleblower in writing or via other methods and provide the reason within 20 business days from the date described above.	・The investigation committee is required to prepare an investigation report within 15 business days after completing an investigation and making a decision, and the enforcement unit for the case will give a report based on the level of the personnel involved.	・Internal personnel who violate the obligation of confidentiality shall be punished in accordance with the relevant regulations of the Company's personnel management. ・If the receiving unit, case execution unit, other related units, and personnel are involved in litigation due to a reported case, they may follow the "Rules for Notification of Company Lawsuits and Employee Sued for Execution of Duty".

Recusal rules	・Personnel of the unit responsible for handling cases, members of the investigation committee, Audit Committee, personnel of the enforcement unit, and personnel reviewing the investigation report must recuse themselves if they are a relative of the person being reported or have a conflicts of interest.
Protect the whistleblowers	・The identity of the whistleblower and the contents of the report are kept confidential.
No retaliation	・Whistleblowers shall not be discharged, dismissed, demoted, reduced wages, impaired their rights and interests to which they are entitled by law, contract, or custom, or otherwise disadvantageously or improperly treated. ・No adverse disciplinary action or improper action shall be taken against the receiving unit, the members of the investigation committee, the case execution unit, and other relevant units and personnel due to the report.

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

A. AML risk management measures

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. An enterprise-wide risk assessment of money-laundering and terrorism financing risk is conducted 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 shall track the improvement plan until it is completed. In 2023, the money-laundering and terrorism financing risk assessment report had been completed, 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 launderin 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%.

C. Perfection of the internal AML regulations.

The Company has established internal regulations such as "Regulations for AML / CFT Authority and Responsibility", "Regulations for Identity Confirmation for AML / CFT", and "Regulations for Situation Management of AML / CFT Transaction Monitoring" to complete the internal control system to prevent money laundering. In addition, for external insurance brokers, agents, and business partners, the "Regulations for Cooperation Channel Management for AML / CFT" have been established, which clearly stipulate that when selecting a cooperation channel, its AML / CFT implementation shall be reviewed, the content of the contract shall specify the rights and obligations of both parties in preventing money laundering, and the cooperation channels shall be examined regularly on an annual basis, ensuring that external partners and the Company adopt consistent AML standards.

6.2.2 Establishment of legal compliance culture and internal audit system | GRI 2-27 |

A. Implementation of legal compliance

The Company has long been paying attention to changes in financial policies and laws implemented by supervisory authorities. We strictly abide by relevant laws and regulations. The legal compliance plan is also regularly submitted to the Board of Directors. In 2024, we continued to optimize the "Legal Compliance Business Management System" to incorporate legal compliance self-assessment and legal compliance evaluation into systematic operations. We also provide suggestions on relevant control points for violation cases and track follow-up improvements, striving to ensure the compliance of all operations. The goal is to cultivate legal compliance awareness among all employees for them to abide by laws and various business regulations, uphold integrity and discipline, and implement the Company's business philosophy of "ethical corporate management".

Implementation	Results in 2024
Legal compliance self-assessment	Each year, we conduct sampling self-assessment in the first half of the year and written examination in the second half of the year. The Compliance Department reviews whether each unit's business operations comply with laws and regulations and supervises their improvements.
Regular submission of legal compliance plan to the Board of Directors	The 2025 legal compliance plan was submitted to the Board of Directors and the Audit Committee in December so that governance units and senior management can fully understand the implementation status of legal compliance matters.
Notifications and management of regulatory changes	The latest laws and regulations (including interpretations) and peer administrative sanction cases related to the Company and its subsidiaries' industries had been automatically collected on a daily basis. Such information was submitted to each unit by email for the purpose of legal compliance promotion as well as review on the current internal regulations and operation methods.
Internal compliance review	Through the intelligent application of legal compliance business management system, we completed the comparison between internal and external regulations, improved the efficiency of determining and tracking the adjustment of internal control measures by relevant units, and updated all operations and management regulations in a timely manner.
New product compliance assessment	For applications for new products and new services, the top executive of the legal compliance department shall sign the "New Product / New Service Legal Compliance Opinion" to confirm that they are in compliance with the laws and internal standards.
Assessment of legal compliance implementation	Legal compliance assessments were conducted on all departments and offices of the Company to facilitate their strengthening of related operations' handling and improvement, as well as disclosures of assessment results.
Legal compliance education training and online testing	1. We handled 15 hours of in-service education training and legal compliance business promotion for the unit's Chief Compliance Officer and 6 hours of seminar on AML/CFT and legal compliance practices. 2. The teaching materials and courses of the "2024 Legal Compliance Promotion Week" had been reviewed and adjusted. The total number of education training hours was 14.44 hours.

B. Internal audit system

The third line of defense, the internal audit unit, is affiliated with the Board of Directors. It performs audit work in an independent and detached spirit, assists the Board of Directors and senior management in checking and evaluating whether the risk management and internal control systems are operating effectively, and provides improvement suggestions in a timely manner to reasonably ensure the continued and effective implementation of the internal control system and serve as a basis for review and revision of the internal control system.

C. Implementation of internal audit operations

According to the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises", routine audits on finance, business, information and other management units shall be conducted at least once a year, and special audits shall be conducted based on actual needs and relevant laws and regulations. The internal auditors prepare an audit plan for the next year at the end of each year, submit it to the Audit Committee for discussion, and after approval by the Board of Directors, report it to the competent authority.

We continue to track and review the inspection opinions or deficiencies raised by the competent authorities, accountants, internal audit units (including the internal audit unit of the parent company, SKFH) and self-inspections. The chief auditor reports the audit work to the Audit Committee and the Board of Directors on a quarterly basis.

Internal Audit Operations

STEP.1 Formulation

Principles for consideration in the annual audit plan:
- Key points of supervision by competent authorities
- Matters sanctioned by competent authorities
- Major deficiencies in internal and external audits
- Risk assessment results of each subject of audit

STEP.2 Approval

- The annual audit plan is submitted to the Audit Committee and the Board of Directors for review
- After approval, report it to the competent authority

STEP.3 Implementation

- Routine audit
- Special audit
- Regularly review internal and external audit opinions until improved
- Self-assessment review

STEP.4 Report

- Report audit engagements to the Audit Committee and Board of Directors on a quarterly basis
- Annual symposiums are held with members of the Audit Committee to discuss internal control deficiencies and the formulation of the annual audit plan; records are made and submitted to the Board of Directors for discussion.

Awarded the "Patent for Continuous Auditing System" and the "Patent for Cross-company Data Alert Account System"

In response to FSC's philosophy of promoting internal risk-oriented and continuous monitoring, SKL leverages its professional influence in auditing to create a "Continuous Auditing System" based on data-driven audits by utilizing its existing internal database and setting up key risk factors. The system is capable of automatically screening the cases of audited units with risk factors. Additionally, visualized graphic reports are presented according to the risk level, and high-risk cases are prioritized for audits to improve the effectiveness and accuracy of verification.

Moreover, in order to strengthen the risk control of financial institutions and promote cross-industry cooperation among financial institutions, the "Cross-company Data Alert System" has been developed to detect and alert suspected fraud, money laundering, and other criminal alert cases prior to the audit, and then prioritize high-risk cases for actual audits in order to reduce the incidence of fraud and protect the rights and interests of customers.

SKL commences digital audit transformation, actively improves risk prevention and detection capabilities, and strengthens corporate risk management and sustainable governance. In March and November 2024, we were awarded two new patents from the Intellectual Property Office, Ministry of Economic Affairs.

D. Material sanctions and improvement measures

A material sanction was imposed by the Financial Supervisory Commission in 2024 due to the fact that the capital adequacy ratio failed to meet the capital adequacy level stipulated by the Insurance Act for the second consecutive period in 2023. The capital increase, financial or business remediation actions proposed to meet the "capital adequacy level" failed to raise the capital adequacy ratio to the legal standard, which violated the relevant provisions of the Insurance Act, resulting in a penalty on April 23, 2024. Based on the principle of materiality, the case was reported to the directors and the parent company SKFH's Audit Office immediately on the day of sanction, and a report was submitted to the Board of Directors in May 2024.

The Company's capital adequacy ratio reached the legal standard in the first half of 2024 and achieved the plan for cash capital increase from 2023 to 2025 in accordance with remediation actions submitted to the competent authority (a total of NT$21 billion).In addition, on December 3, 2024, we obtained the approval of the competent authority to lift the restriction regarding "new credit or other transactions with stakeholders are prohibited".

Please refer to Market Observation Post System for the Insurance Industry.

6.3 Risk Management

GRI 3-3

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, in addition to financial aspects, we will also keep pace with the times and incorporate issues such as climate change risks, emerging risks and ESG into risk management, so as to build a solid and efficient risk management mechanism for all risks that may be faced by the overall operation and to continue creating value for our shareholders and policyholders.

6.3.1 Risk management organizational structure and system

To effectively plan, supervise, and implement risk management, and also establish an effective risk management organizational structure, a three-line-of-defense structure has been adopted for internal control, with the Board of Directors serves as the highest supervision and decision-making unit for risk management. The Risk Management Committee was established 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. For the main risks faced by business operations, relevant risk indicators are formulated, included in the overall risk management report of the Risk Management Committee, and reported to the Board of Directors on a quarterly basis. The implementation of risk management has also been reflected to the Board of Directors to makes necessary improvement suggestions.

Shin Kong Life Insurance Risk Management Committee

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

Line of defense	Description
First line of defense	Responsible for and continuously manage the relevant risks arising from operating activities; implement risk management procedures and maintain effective internal controls
Second line of defense	Formulate overall policies and establish management systems for each major risk category to assist and supervise the first line of defense in risk management and self-assessment implementation.Establish an independent and effective risk management mechanism to assess and supervise the overall risk-taking capacity, the current status of risk exposure, determine risk response strategies and compliance with risk management procedures. The risk management results are regularly reported to senior management.
Third line of defense	Assist the Board of Directors and senior management to check and evaluate whether the risk management and internal control systems are operating effectively, which includes evaluating the effectiveness of risk monitoring implemented by the first and second lines of defense, and timely provide suggestions for improvement.

6.3.2 Main risk management measures

The Company established its risk management policy as the highest guiding principles for the 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. 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.

A. Four pillars of risk management

Pillar I: Risk Management Culture	Establish a bottom up risks management culture, and instill every employee with the concept of accountability in risk management.
Pillar II: Risk Management Mechanism	Management mechanisms can be divided into three levels from the top down, specifically the risk management policy, management guidelines for various risks, and standard operating procedures or standards for various risks. Emergency event reporting mechanisms, crisis management procedures, and business continuity management mechanisms are also established to immediately handle incidents and reduce losses.
Pillar III: Risk Measurement Tools	Establish or improve models for measuring market risk, credit risk, operational risk, and climate change risk. Evaluate the impact of abnormal and material events through stress tests.
Pillar IV: Risk Performance System	Establish evaluation indicators by incorporating risk management into performance appraisal based on the spirit of the risk-adjusted performance measure (RAPM) to balance risk and return.

B. Main risk management methods and implementation status

Main risk type	Management methods and implementation status
Market risk	Establish appropriate market risk management mechanism in response to the risk of asset losses arising from changes in market prices over a certain period of time. 1. Formulated market risk indicators and set up signal management standards to continuously implement market risk limit management and foreign exchange risk limit management. With respect to foreign exchange gains and losses, the Company has formulated complete management standards for foreign exchange price change reserves as the reserves are fully offset by the foreign exchange price change reserves. 2. Continue to improve various models for calculating the market value at risk of the ALGO system and strengthen personnel training; in addition, in response to the expansion of asset scale and changes in demand, an ALGO system upgrade project has been completed to strengthen the Company's market risk assessment and management capabilities. 3. In 2024, we strengthened the risk management mechanism for domestic stocks by adjusting the standards of the testing mechanism mainly based on the Company's risk appetite; amended the Foreign Stocks Risk Management Measures to strengthen the control of differences in investment classification. In addition, in conjunction with the revision of "Guideline Governing Reserves for Change on Foreign Exchange Price by Life Insurance Enterprises", the new method of managing the balance of foreign exchange price change reserves had been added to continue to improve quota-related management.
Credit risk	Establish an appropriate credit risk management mechanism in response to the risk of the debtor's credit being downgraded or unable to repay, or the counterparty being unable or refusing to perform its obligations. 1. Formulated credit risk-related indicators, set signal control standards, and continue to monitor and implement management of the credit risk of the overall investment portfolio, individual assets and loans. 2. Continue to adjust risk management measures based on changes in the financial market, changes in laws and regulations, and the Company's business strategy, such as strengthening investment limits and related management mechanisms for high-risk industries in recent years; strengthened differentiated limit management based on the order of claims for bonds issued overseas and in China according to Basel III capital requirements and increased limits for relevant management mechanisms such as TLAC. 3. Strengthened interest rate hedging management mechanisms in 2024 to meet the future needs for interest rate hedging; added concentration risk early warning mechanisms by countries, regions, and industries.
Liquidity risk	Liquidity risk management measures have been formulated and the management mechanism for capital liquidity risk and market liquidity risk has been implemented in accordance with such measures. 1. Formulated liquidity risk-related indicators and set signal management standards to continuously monitor and implement the management of capital liquidity and market liquidity risks. 2. If there is an abnormality in short-term funds, relevant contingency plans will be put forward and reported to the Risk Management Committee.
Operational risk	Establish an appropriate operational risk management mechanism in response to the risk of direct or indirect losses of the company caused by improper operations or errors in the company’ s internal operating procedures, staff, or systems, or external events. 1. Formulated operational risk-related indicators and set signal management standards to continuously monitor and implement operational risk limit management and key risk indicator management. 2. In order to strengthen the risk management of ethical corporate management, we have established quantified assessment mechanism for the risk of unethical conduct, assessed operating activities within the scope of business with relatively high risk of unethical conduct on a regular basis, and formulated relevant offset plans and tracked implementation results. 3. For BCM, we continue to expand the scope of certification, and also newly identified the threat of "staff canteen fire" and incorporated it into the annual business continuity drill scenario.
Insurance risk	Establish appropriate management mechanisms for the product design and pricing, underwriting, reinsurance, catastrophe, claims and reserve-related risks involved in insurance risks. 1. Formulate insurance risk-related indicators and set signal management standards to continuously monitor risks related to product design and pricing, underwriting, reinsurance, catastrophes, claims and reserves, and implement their management operations. 2. Before insurance products are submitted to the competent authority for review, items such as laws and regulations, pricing, design, reserve deposits, and system administration must be deliberated; when selling insurance products, the product information disclosure, actuarial data posting and verification, risk management mechanism and reinsurance arrangements, information system setup and testing, marketing document printing and education and training, etc. must be reviewed before the product can be sold. 3. In order to have a more substantial effect on underwriting quality management, set the number of deficiencies for underwriting quality sampling inspection. 4. For reinsurance arrangements for new products, complete reinsurance evaluation arrangements before the products are sold; identify, measure and manage catastrophic events that may cause heavy losses to the company based on product characteristics. In addition, changes in reinsurers' credit ratings are regularly reviewed and if any abnormal information is found, it will be reported. 5. The claims management unit regularly produces various claims business reports, analyzes abnormal parts, and evaluates whether to initiate subsequent improvement projects in accordance with internal procedures. 6. Regularly review items such as the legality and correctness of various reserve fund set aside, the adequacy of the provision processing procedures, and the consistency between the version of the reserve fund settlement program and the version of the demand order modification.

Main risk type	Management methods and implementation status
Asset-liability matching risk	Consider the main factors that affect the inconsistent changes in the value of assets and liabilities, and establish an appropriate management mechanism to evaluate and measure the asset-liability matching risk with reference to methods such as ROI and debt cost rate, duration, cash flow, and scenario analysis. Develop relevant indicators for asset-liability matching risks, set signal management standards, and conduct regular asset-liability matching risk inspections (including analysis of the difference between ROI and debt cost rate, cash flow management, duration analysis and random scenario analysis); if any inspection results do not meet the warning standards, relevant departments will be gathered to discuss countermeasures and report them to the relevant committees.
Climate change risk	Consider climate change risks that may affect the Company's operations and business based on the TCFD framework (covering governance, strategy, risk management, and indicators) to establish a climate change risk mechanism. 1. Implemented climate change risk management and included the management of climate-related risks and opportunities in the sustainability report and other public information. 2. Regularly implement greenhouse gas inventory operations and carbon intensive sub-industries' management.
Country risk	Country risk refers to the uncertainty and possibility of crisis faced by a country in the political, economic and social aspects. The Company considers national geopolitical and economic risks and other factors, establishes appropriate management mechanisms to assess national risk, formulates "Concentration Risk and Country Risk Control Measures ", and monitors them regularly to control the national risk of asset positions. 1. Formulated country risk-related indicators and set signal management standards to continuously monitor and implement country risk management. 2. In 2023, country risk scores were included in country risk management to differentiate the investment quota management of each country. 3. In 2024, we strengthened the concentration risk early warning mechanisms by countries, regions, and industries.
Information security risk	The Company is risk-oriented and develops Key Risk Indicators (KRI) for information security risks, and regularly performs information asset risk assessment operations. For projects that exceed acceptable risk levels, it develops risk treatment plans, uses appropriate control measures to achieve information security goals, so as to ensure the confidentiality, integrity and availability of information assets. (See 6.4 Information Security and Personal Data Protection for details) 1. Developed information security risk-related indicators and set signal management standards to continuously monitor and implement information security risk management. 2. Established an information security incident reporting mechanism to ensure that emergency response measures can be taken quickly when an incident occurs, and analyzed and tracked the effectiveness of improvement measures; in 2024, there were no emergencies such as hacker attacks on information security or leakage of personal data. 3. Established a personal data risk assessment mechanism to calculate the risks of personal data files in a systematic way, and used the calculated risk levels to implement risk reduction or risk transfer and other response measures for high-risk matters; in 2024, the personal data assessment results were still within the acceptable risk value, and there were no high-risk matters.

6.3.3 Emerging risk management

In the face of rapid changes in the future political and economic environment and technological development, emerging risks may also arise, which may have a significant impact on the company's operations. Therefore, in order to capture and strengthen response management of such risks, SKFH and its subsidiaries jointly identify emerging risks, screen emerging risk factors with reference to domestic and international reports, conduct surveys on SKFH and its subsidiaries through questionnaires, rank the materiality of risks, screen the emerging risks that the entire Group may face (as shown in the table below), and formulate response and mitigation plans.

Risk name	Risk description	Potential operational impact and influence of the risk	Response / mitigation plan
 Advanced technology impact and network risks	Due to the rapid development of advanced technologies (e.g., AI, biotechnology, and innovative digital technologies), the negative impacts brought by related applications are increasingly significant. These impacts include the concentration of technological power, the dissemination of false or incorrect information, cybercrime, cyberattacks, data ethics, data theft, key talent shortage, and failures in key digital systems, which may pose significant risks to the financial industry. In addition, due to the convenience of the Internet and the widespread rendering of social media information, the number of investment fraud and impersonation fraud incidents has increased dramatically, resulting in significant financial losses and personal data theft. As of the 4th quarter of 2024, the total amount of losses from "investment fraud" in Taiwan amounted to NT$24.5 billion, accounting for 66% of the total financial losses from fraud, which shows the expansion of fraud risks in the financial sector and highlights the urgent need of the financial industry to enhance its fraud prevention capabilities.	• Reputation risk and customer trust crisis: When people suffer financial losses due to investment fraud or impersonation fraud, and these fraud incidents are associated with an insurance company (whether occurred within an insurance company or by scammer using the name of an insurance company), the reputation of the insurance industry as a whole can be seriously damaged. It may negatively impact customers' trust in insurance companies, as they believe that insurance companies fail to effectively protect their rights and interests, or are unable to identify and prevent fraud. • Financial fraud, AI deep fake and dissemination of false investment information on social media may affect consumer decisions and even lead to financial disputes, affecting product sales and corporate image. • Information security risks: The Company holds a large number of customers' personal data, including sensitive financial information and health status. Fraud syndicates may use online attacks and data leakage to steal customer data for use in impersonation or other illegal activities. Once a data leak occurs, it will seriously affect customer trust and may lead to legal liabilities. • Digital operation disruptions affect customer experience: In the event of an advanced technology network attack or failure of important databases, the member section, mobile app, smart digital customer services, and insurance service systems may not function properly, thereby affecting customer experience, leading to a decline in trust, and even causing customer losses. • If we fail to adapt to the ever-changing market conditions, introduce advanced technologies in a timely manner, and dynamically adjust the service and product structure, individuals or corporate customers may choose companies with higher fintech capabilities for capital transactions, resulting in the loss of customer relationships and affecting profitability.	• Strengthen customer education and promotion: Take the initiative to strengthen anti-fraud education and promotion for customers through diverse channels, such as the official website, social media, customer service center, and physical activities, as well as increase customers' awareness. • Implement personal data protection: Establish a comprehensive defense system for "technical protection", "process control", and "legal compliance" to comprehensively improve risk resistance capabilities. • Purchase information security insurance: Take out information security insurance to reduce financial and operational impact as a result of information security attacks or data leakage. • Leverage on SKFH's advantages in digital technology, provide products and services that meet customer needs, and develop new digital marketing in line with the transformation of business models. • Pay close attention to the legislative developments of advanced technologies, comply with relevant regulatory regulations, and conduct regular compliance reviews and risk assessments to ensure that innovative services meet regulatory requirements and reduce regulatory risks. • Plan to promote relevant issues in employee education and training to raise employees' awareness.
 Complex challenges and risks in global security	Terrorism or tensions between two or more sovereignties due to geographical, political, economic, cultural and other factors may trigger financial weapons (such as monetary policy, investment review, economic sanctions, and tariffs) or armed conflicts, form a new world order of protection and sanctions, impede the flow of global capital, strategic resources, or important raw materials, and extend restrictions on the flow of talents, information, and professional knowledge. Violent conflicts or terrorist attacks may cause instability in financial markets, cause loss of life or various forms of serious injury, or even disrupt the security and operations of physical infrastructure, and create a need for insurance claims.	• Deteriorating geopolitics and economic turmoil compromise company profitability: Deteriorating geopolitics may lead to a decline in corporate and government solvency, which in turn increases credit risks and default risks in loans, stocks, bonds, or other financial products. A political conflict or sanction will increase financial pressure and affect profitability. • Risks of global economic and market turmoil affect company profitability: Global economic collapse, terrorist attacks, and geopolitical conflicts may drive inflation and affect monetary policies, cause market turmoil or disrupt financial infrastructure. International sanctions will restrict cross-border transactions and severely disrupt capital flows. These factors will exacerbate the instability of the financial markets, increase the Company's difficulty in risk management, and reduce profitability, such as: • Financial weapons such as sanctions and tariffs may reduce market liquidity, affect the room for asset realization and allocation, make it difficult for the Company to screen investment targets, and affect the profitability of SKFH. • Economic recession leads to an increase in financial risks, which may undermine consumers' and investors' confidence and willingness to make investments, thereby affecting business growth and operating revenue of investment-linked products.	• Pay close attention to the economic policies and regulatory trends of major countries or regions, predict possible market responses, and adjust investment strategies in a timely manner. • Strengthen the regional and asset diversification of the investment portfolio, reduce geopolitical risks of a single market or country, and adjust the asset allocation structure in a timely manner. • Regularly examine the impact of different risk factors on investment portfolios and formulate response strategies in line with dynamic risk management, stress testing, and scenario simulation mechanisms. • In terms of national risk control, formulate relevant risk control indicators and set indicator signal management standards; include country risk scores to differentiate the investment quota management of each country and continuously monitor and implement country risk management. • In addition, strengthen the concentration risk early warning mechanisms by countries, regions, and industries.

6.3.4 Business continuity management mechanism

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.

The Company has formulated relevant regulations such as guiding principles for business continuity management and has obtained ISO 22301 BCMS certification from BSI. We continue to improve such mechanisms and expand the scope of certification, while maintaining the effectiveness of the certification after being certified by BSI in 2023. We identified key operating activities and determined the resources (such as personnel and equipment) required for recovery of the activities through operational impact and risk analysis, formulating a recovery strategy and business continuity plan (BCP) on this basis. Every year, we conduct business continuity drills and tests, increase the breadth and depth of drills, and increase the number of on-site drills; for the company's external partners / suppliers, we have strengthened the business continuity capability assessment to ensure that the business continuity plan meets the company's business continuity goals.

SKL's "ISO 22301 Business Continuity Management System (BCMS)" Certificate.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Certificate of Registration

BUSINESS CONTINUITY MANAGEMENT SYSTEM - ISO 22301:2019

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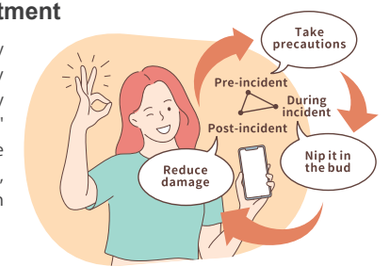
6.4 Information Security and Personal Data Protection | GRI 3-3 |

6.4.1 Information security organization and policy

A. Information security strategy and resource investment

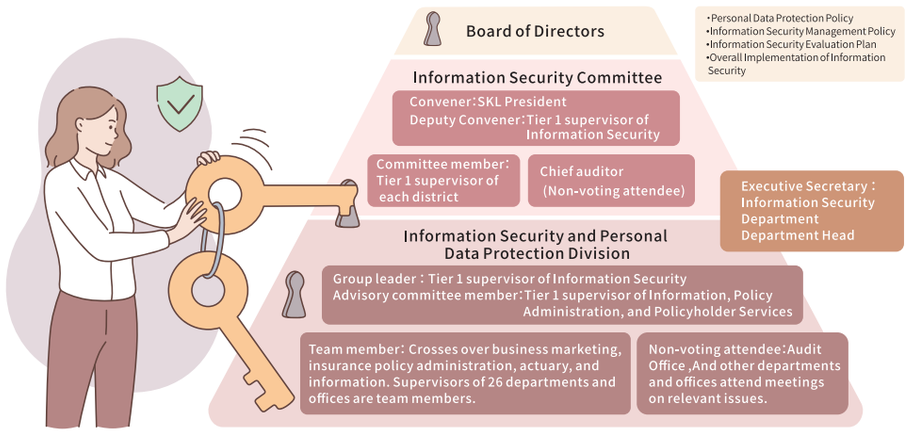
SKL is committed to providing customers with a sense of security and continuously promoting a culture of information security. In order to build a solid and trustworthy financial information security system, we have developed information security strategies from three aspects: "pre-incident protection", "during incident response" and "post-incident recovery". SKL continues to invest in building a complete information infrastructure, implementing information security management, monitoring, protection and other related budgets. In 2024, the information security budget accounted for 9.45% of the total information budget.



B. Information security organizational structure

An Information Security Department has been established since 2018, responsible for planning, monitoring and executing information security management operations, appropriate human resources have been allocated, with a total of 13 dedicated personnel; starting from 2021, a Chief Information Security Officer at the Vice President level has been established for the comprehensive management of information security policy promotion and resource allocation affairs.

Furthermore, Tsai, Hsiung-Chi and Min-Yi Huang with information security backgrounds were appointed as directors to strengthen corporate governance and ensure the diversity of board members. The "Information Security Committee" has been established under the board of directors. The President serves as the convener, the Chief Information Security Officer serves as the deputy convener, and the top-level managers of each jurisdiction are the members, directly supervising information security and personal data protection policies through management. SKL has also established the "Information Security and Personal Data Protection Division" task force, with the Chief Information Security Officer taking the lead in planning, coordinating, and promoting information security management strategies from top to bottom. In addition, we regularly convene joint information security meetings with SKFH and its subsidiaries to maximize the synergy of the Group. We convened a total of 12 information security senior supervisor meetings as mentioned above in 2024 in order to ensure effective communication and coordination on information security and personal data protection issues.



6.4.2 Information security management mechanism

A. Information security action plan and results

Information security management solution		Specific results in 2024
Bolstering information security management	• Information security courses for directors and senior executives are held every year to improve information security risk identification and supervision capabilities. • Every year, the Chairman, President, Chief Auditor, and Chief Information Security Officer jointly issue an internal control statement on the overall implementation of information security in the previous year and submit it to the Board of Directors. • Actively participate in relevant meetings or discussions of the competent authorities, pay attention to policy directions and maintain communication channels. • In conjunction with the policy promotion of the financial information security action plan, conduct information security governance maturity assessments. According to the FFIEC (CAT) cybersecurity maturity methodology adopted by F-ISAC of the FSC, the maturity assessment is categorized into five major areas, namely, network risk management and supervision, threat intelligence and cooperation, network security control, external dependency management, and network incident management and recovery capability. According to the standard, it is categorized into Baseline, Evolving, Intermediate, Advanced, and Innovative.	• Completed the "Information Security Strategy Mindset and Practical Course" for directors and senior executives. • Completed the overall information security implementation report. • Participated in the joint meeting of chief information security officers held by the Insurance Bureau. • Completed the two annual goals of "Intermediate", planned to meet the requirements of Intermediate in 2025, and included external dependence management in performance indicators;89% of the control management in each aspect of Advanced level was completed, and we will continue to improve our mid- to long-term goals.
Strengthening talent cultivation	• According to the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises", information security personnel must receive at least 15 hours of professional information security training every year. • Continue to cultivate the professional skills of information security personnel and encourage them to obtain international information security professional certificates.	• 12 information security professionals had received a total of 527 hours of information security professional courses. • Information security personnel and information personnel obtained a respective of 30 and 102 international information security certificates endorsed by the Administration for Cyber Security, Ministry of Digital Affairs, totaling 132 certificates.
Customer data protection	• Establish an information security management system (ISO 27001) and personal data management system (BS 10012) in accordance with international standards to ensure the appropriateness and effectiveness of system operations. • Follow the "Self-Discipline Standards for Information Security Protection in the Insurance Industry" and appoint external professional organizations to perform comprehensive information security testing services. • Follow the SWIFT Customer Security Programme (CSP) and PCI DSS Payment Card Industry Data Security Standard, and appoint external professional organizations to perform compliance assessments. • Comply with the "Directions for Operation Outsourcing by Insurance Enterprises" and conduct on-site audits on the information security maintenance measures of the entrusted institutions for businesses outsourced by insurance enterprises each year to ensure the effectiveness of security measures. • Focus on the effective transfer of risks, evaluate information security insurance, and transfer losses from major destructive information security incidents to ensure the steady operation of the Company.	• Continue to pass ISO 27001 and BS 10012 international standard certification. • The overall information security assessment results showed that there were no high- risk non-conformities, and the remaining risk items were patched according to the deadlines. • The SWIFT CSP and PCIDSS evaluation results both met the requirements. • Completed on-site audits on the information security maintenance measures of 7 companies for operation outsourcing by insurance enterprises. • After the evaluation and approval of the Information Security Committee, it is expected to complete the enrollment of information security insurance in 2025.
Major scenario simulation drills	• Conduct annual personal data breach drills to enhance employees' ability to respond to personal data leaks. • An external professional organization is commissioned to simulate distributed denial-of-service (DDoS) attacks every year to enhance detection, notification and response maturity. • Conduct social engineering drills every year to enhance employees' vigilance against phishing and deception. • Information system disaster recovery drills are conducted twice a year to check the information system recovery and support capabilities in the face of regional disasters. • In line with the policy implementation of the Financial Action Plan 2.0, the operations of external services are included in disaster recovery drills to verify effectiveness.	• Completed personal data breach drills to simulate countermeasures against external network intrusion and the security risks of open source software. • Completed the DDoS drill on the online insurance enrollment website, and used random parameters to consume website resources, during which the service was kept operating normally and the protection mechanism was effective after improvement of the protection parameters. • Conducted email social engineering drills, the total number of people tested was 12,341; the results showed that as high as 98% of colleagues were already highly alert. • Completed 26 system disaster recovery drills, and the drill results were all in line with RTO objectives. • Completed drills for external service operations of the member section and successfully connected the external network to the backup environment for testing. • Participated in offensive/defensive drills organized by the FSC. • Participated in the Enterprise Blue Team Competition organized by the Hacks in Taiwan Conference (HITCON).
Information security monitoring and joint protection mechanism	• Real-time tracking and management of information security incidents through the information security incident management system. • Engage a professional information security provider for collaborative monitoring, providing 24/7 of uninterrupted incident analysis and monitoring management. • Actively participate in F-ISAC' s joint information security defense of financial institutions and use external attack surface management (ASM) services to real-time monitor network boundary vulnerabilities, shorten threat response time, and detect signs of threats as early as possible. • Use RSA AFCC's Anti-Fraud Services to help detect and shut down phishing websites, counterfeit mobile software, and international social media counterfeiting incidents in the name of SKL to protect the security of customers' transactions and the company's brand and assets. • In conjunction with the policy promotion of the financial information security action plan, conduct information security governance maturity assessments and develop specific improvement measures.	• Collaborative monitoring had been carried out through professional information security service providers, with an information security alert handling rate of 100%. • According to the weekly detection provided by F-ISAC, the Company did not receive any high-risk vulnerabilities that may exist. • Completed the removal of 8 suspected counterfeit websites and APPs through the services of RSA AFCC to protect customer rights.

B. Information security incident reporting and handling | GRI 2-27、418-1 |

SKL has formulated the "Emergency Reporting Regulations", "Guidelines for Information Security Incident Reporting and Response Management", "Guidelines for Response to Personal Information Breaches", and other internal regulations, which stipulate that notification of a data security incident or personal information breach shall be completed on the same day to facilitate prompt response and handling. In the event of a material information security incident, relevant departments will be invited to convene emergency response meetings. If a personal information breach incident jeopardizes the rights and interests of a large number of parties, an external expert will be commissioned to conduct overall diagnosis and review of the mechanism on corrective and preventive measures. In 2024, there were 6 cases of dispute involving data leakage and loss of customer data, of which 2 cases were from the Insurance Bureau, an external institution, and the other 4 cases were from the Company's internal customer service hotline and written letters from customers. The investigation results of the above cases showed that there were no information security concerns, no incidents that violated customer privacy, and no incidents that affected the rights and interests of policyholders. All of the cases have been explained to the customers. There were no emergencies such as information security or customer personal data leakage being reported to the competent authority. The statistics for the past 3 years are as follows:

Item	2022	2023	2024
Breach of information security or network security (number of incidents)	0	0	0
Data leakage due to information security incidents (number of incidents)	0	0	0
Number of customers affected by data leakage due to information security incidents (number of people)	0	0	0
Amount of fines imposed for information security or network security incidents or information operations management failures	0	0	0

6.4.3 Continue to pass international standard certification for personal data protection

A. Continue to pass international standard certification

SKL continued to pass the international standard certification of "ISO 27001 Information Security Management System" and "BS10012 Personal Information Management System" in 2024, and followed the PDCA cycle management model to strictly require customer data security and privacy protection. In 2024, a total of 35 internal system audits were completed, and a conversion plan was implemented to introduce the new version of ISO27001:2022 control measures.

SKL's International Standard Certificates of "ISO 27001 Information Security Management System" and "BS10012 Personal Information Management System"

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Certificate of Registration

INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2013

This is to certify that: Shin Kong Life Insurance Co., Ltd.
No. 33, Lane 11, Guangfu N. Rd.
Songshan Dist.
Taipei City
105410
Taiwan

Holds Certificate No: IS 591619

and operates an Information Security Management System which complies with the requirements of ISO/IEC 27001:2013 for the following scope:

The provision of development, operation and maintenance of information systems, management of network infrastructure, server room and other supporting activities within Information Technology Division.
This is in accordance with the Statement of Applicability, IS-2-0403-TB2, version 2.0 dated 26 January 2024.

For and on behalf of BSI: Michael Lam - Managing Director Assurance, APAC

Original Registration Date: 2012-11-09
Latest Revision Date: 2024-04-22
Effective Date: 2024-07-21
Expiry Date: 2025-10-31
Page: 1 of 2

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Certificate of Registration

Personal Information Management System - BS 10012:2017

This is to certify that: Shin Kong Life Insurance Co., Ltd.
No. 66, Sec. 1, Chung-Hsiao W. Rd.
Zhongzheng Dist.
Taipei City
100507
Taiwan

Holds Certificate No: PIMS 659256

and meets the criteria of BS 10012:2017: Specification for Personal Information Management System for the following scope:

Please see scope page.

For and on behalf of BSI: Managing Director BSI Taiwan, Peter Pu

Original Registration Date: 2017-01-20
Latest Revision Date: 2024-07-08
Effective Date: 2024-07-08
Expiry Date: 2027-07-07
Page: 1 of 4

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B.Policy promulgation and regulatory compliance

SKL established 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. The Information Security Committee conducts regular reviews and evaluations every year, or when there are major changes, and publishes the privacy protection statement on the official website.

In 2024, **14** information security and personal data management regulations were reviewed and revised, and **53** information security control measure documents were reviewed and approved.

High-level key performance indicators (KPIs) are included in key information security and personal data items, and the assessment results in 2024 all reached **100%**.

Information security and personal data protection are included in the performance evaluation of departments and offices. There are a total of **45** departments and offices in the head office. The overall evaluation results in 2024 were excellent.

C. Raise awareness of data security protection

In addition to the legally required 3 hours of basic information security awareness training for employees every year, through the virtual-physical integration and diversified methods, SKL focuses on personal data protection and adds themed case studies; in 2024, a total of 28 themed activities were completed, with a training completion rate of 100%.

Item No.	Course / activity title	Number of sessions / hours	Participants	Execution status in 2024
1	Course on Information Security and Personal Data Protection Awareness	4 hours	All employees	100%
2	Education and Training on Business Audit Items	1 session	Business audit personnel	100%
3	Education and Training for New Employees	7 sessions	New employees	100%
4	Online Morning Meeting	12 sessions	Insurance agents	100%
5	Information Security E-Newsletter	8 issues	All employees	100%
6	Course on Personal Information Management System (PIMS)	40 hours	Responsible personnel	100% Obtained 10 licenses
7	Course on Information Security Management System (ISMS)	40 hours	Responsible personnel	100% Obtained 17 licenses

Online Morning Meeting

Information Security E-Newsletter

7 Unleashing The Importance Of Sustainable Finance

GRI 3-3

Plan

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

Commitment

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.

Material Topic	2024 Target	Status of Achievement	Major Performances in 2024	Short-term Target (2025)	Medium- to Long-term Target (2030 as the Target Year)
Sustainable Finance	Support sustainable development financial products or green energy industries	☑	• Invested approximately NT$ 582.9 billion in ESG topics	• Investments in ESG topics increase by NT$ 2 billion compared to that in 2024	• Continue to search for potential sustainability investment targets
	Strengthen engagements with investees	☑	• The proportion of listed / OTC-traded stocks and bonds passing the SBT targets reached 35.0%	• Completed the SBT targets of SKFH (engagement percentage of 30%)	• In 2027, the proportion of listed / OTC-traded stocks and bonds passing the SBT targets will reach 50.3%

7. Unleashing the Importance of Sustainable Finance

7.1 Promote sustainable finance.

GRI 3-3、203-1、203-2

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 adheres to the United Nations Principles for Responsible Investment (PRI) and the Principles for Sustainable Insurance (PSI), and SKFH Sustainable Finance Policy, incorporating ESG risk factors into our financial operations, including investments, financing, and life insurance. Before making decisions, we evaluate the ESG sustainability performance of counterparties based on asset-specific guidelines. With the exception of some assets (such as cash and foreign exchange hedging) where responsible investment is not feasible, all new investments are 100% compliant with responsible investment principles.

SKFH - Asset-specific Guidelines

Investment	Financing	Life Insurance
Listed/OTC-traded stocks, fixed income securities, private equity, real estate	Project financing, corporate financing	Life insurance products
In accordance with Principles for Responsible Investment, ESG risk assessments and evaluations are conducted for different asset types and counterparties: • For listed companies, domestic or foreign, refer to their international ESG ratings or domestic corporate governance evaluation ratings. If the rating falls below the threshold, evaluate cautiously or refrain from adding investments. • For real estate projects, consider the environmental and social sustainability of the target, prioritize those promoting local community welfare and economic development, using sustainable building materials, or awarded green building certifications. • If trading partners exhibit ESG risk violations and show no improvement plans despite engagements, gradually reduce investment positions.	Follow PRB and EPs, and carefully evaluate the ESG risks of borrower companies: • For borrower companies in controversial or high carbon industries, prioritize engagements to guide improvement. Results of engagements should be incorporated into overall credit assessment. • If borrower companies fail to improve or the situation worsens, reduce credit or terminate credit relationships if necessary. • If the lending is used to promote sustainable development goals, preferential loan terms may be offered.	Follow PSI: • Incorporate ESG factors into daily operations such as life insurance decision-making, claims management, risk management, product and service development, sales and promotion, and underwriting policies. • Work with the government, insurance regulators, and stakeholders to promote ESG practices and regularly disclose compliance progress in PSI to ensure transparency.

A. Responsible Investment

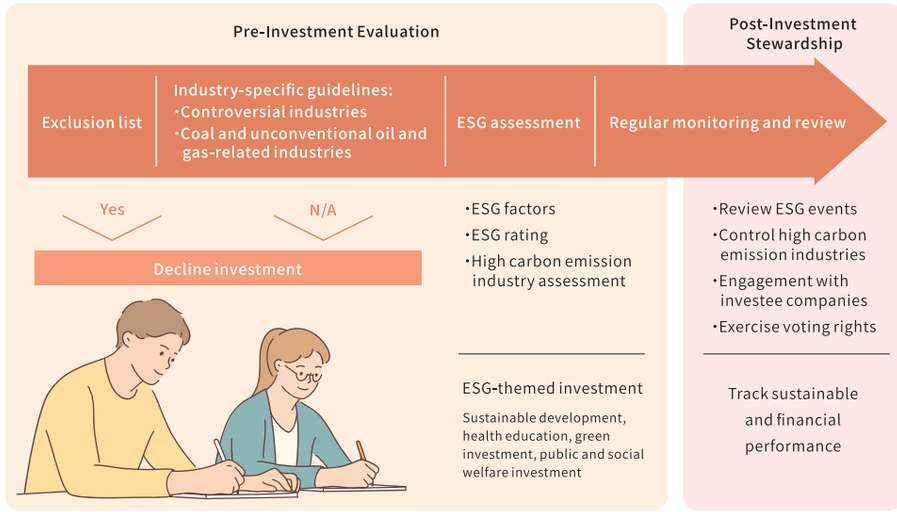
To implement the concept of sustainable finance, we have established the "Policy and Procedures for Sustainable Investing in Securities," integrating Environmental, Social, and Governance (ESG) factors and incorporating information from independent third-party rating agencies into our investment analysis process. 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 (list of non-investable targets). In the case of controversial industries, coal and unconventional oil and gas-related industries, it is required to verify whether the investment aligns with our industry-specific guidelines to determine whether to proceed with transactions. Compliance with the guidelines is a prerequisite for any business dealings. After the investment, we also implement due diligence, regularly or irregularly monitor the financial status of investee companies and ESG-related risks, and engage companies with high ESG risks and high carbon emissions in order to mitigate sustainability-related risks and enhance post-investment ESG management. In addition to establishing a responsible investment evaluation mechanism and conducting post-investment management, we also actively search for sustainable investment targets, grasp ESG opportunities, and invest in industries that promote sustainable development, thereby exerting a positive impact on sustainability.

B. Responsible lending

SKL has incorporated ESG factors into the credit investigation process, credit approval process, and post-loan management. In the process of financing review, the borrowers are evaluated for environmental protection, corporate integrity, social responsibility, and compliance with Taiwan's "Guidelines for the Determination of Sustainable Economic Activities." Key factors to be reviewed in corporate loan applications include checking if the applicant belongs to a controversial industry, assessing the appropriation status of labor pension reserve, and ensuring there are no significant environmental violations or major labor disputes. We also use sustainability reports as reference documents in loan applications. If there are major labor issues, the borrower must provide explanations. Severe cases may result in loan denial or conditional approval requiring the borrower to address labor or environmental issues within a specified time frame. 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.

In 2021, SKL included an ESG section in credit report formats. By 2022, corporate ESG performance was incorporated into credit interest rate reduction evaluations. Companies with positive ESG impacts or contributions to the SDGs are offered favorable financing assistance and conditions, encouraging their use of funds for projects that generate positive environmental or social benefits. This initiative aims to drive companies towards carbon reduction and sustainable development.

Responsible Investment Procedure



Note 1: If the counterparty is in a potentially controversial or carbon-intensive industry, it must be checked for compliance with the industry-specific guidelines.

Note 2: For investment targets in carbon-intensive industries, individual climate change risk assessments are conducted, including information on GHG emissions, international climate-related initiatives, and net-zero carbon reduction targets.

Exclusion list, non-investable list	Industry-specific Guidelines	ESG assessment
SKFH and its subsidiaries have established an exclusion lists for industries or countries with high ESG risks. Counterparties that meet the exclusion criteria should not be traded with. • Pornography industries • Drug industries • Armament industries • The list of countries or regions announced by the government, which have serious deficiencies in anti-money laundering and financing terrorists	The Company has established guidelines for potentially controversial industries, including • Tobacco • Gambling • Fur trading • Tropical rainforest logging • Coal-related industries • Unconventional oil and gas-related industries	• ESG performance: – ESG factors: The inspection includes ESG information on climate change, biodiversity, environmental pollution, human rights, diversity, equality and inclusion, ethical corporate management, and board performance. – ESG rating: It is required to review the ESG ratings of third-party independent rating agencies (such as MSCI ESG, Morningstar Sustainalytics ESG risk rating, S&P ESG rating, and corporate governance evaluation). If the rating criteria are not met, prudent assessment should be conducted or no new investment should be made. • High carbon emission industries: Conduct climate change risk assessments for high carbon emission industries (chemical, power utilities, steel, transportation and logistics, oil and natural gas, and construction materials), including: information on GHG emissions, international climate-related initiatives, and net-zero carbon reduction targets. • Sustainable economic activities: Examine the proportion of sustainable economic activities in investment positions to understand the degree of sustainability of applicable economic activities carried out by investee companies. In addition, SKL also encourages related companies to disclose "sustainable economic activities" through engagement.

7.1.2 Expanding the influence of sustainable finance

A. Institutional Investor Due Diligence and Stewardship

Institutional investor stewardship is integral to responsible investment, ensuring the overall interests and long-term value of fund providers (including shareholders and customers), reducing sustainability-related risks, and seizing opportunities. SKL actively monitors the operational conditions and sustainability performance of investee companies. Through engagement, shareholder actions, and initiatives, we endeavor to exert positive financial influence.

1. Engagement action

To fulfill our duty of sustainable stewardship and effectively manage and mitigate ESG risks of investee companies, we adhere to the engagement policies set by SKFH, our parent company. We establish guidelines for engagement, conduct sustainability-related risk research and assessment for counterparties in investment and financing activities, and subsequently initiate engagement actions. Based on engagement outcomes, we assess whether escalation measures are necessary and formulate subsequent transaction decisions.

Engagement Action Framework

The Company prioritizes engagement topics aligned with SKFHs' engagement policy and international sustainability trends. We select engagement targets based on the phase goals, the significance of asset exposure positions, and the specific ESG issues and financial performance associated with counterparties in different industries. We regularly review our engagement list, communicate directly with engagement targets, collaborate on improvements, and engage with other public, private, financial institutions, and domestic and international advocacy organizations. Following engagement actions, we evaluate the actual improvement of engagement targets; if expectations are not met, we increase engagement intensity based on SKFH' sustainable values, operational needs, and risk management. The results of escalated engagement efforts serve as the basis for decisions regarding ongoing relationships, reduction of investments, or withdrawal.

In 2024, SKL engaged 164 domestic and foreign companies (accounting for nearly 40% of the total investment position) on major ESG topics, with a total of 204 communications.

Engagement Issues	Main issues of concern (including but not limited to): • Environmental (E): Climate change, biodiversity, environmental pollutions • Social (S): Human rights, Diversity, Equality and Inclusion • Governance (G): Ethical corporate management, board performance
Screening of Engagement Issues and Targets	Based on the engagement issues of concern to SKFH, the materiality of asset exposure, and the domestic and overseas ESG-related database provided by Bloomberg and the TDCC IR Platform, we comprehensively consider the specific ESG issues, ESG ratings, and financial performance involved in different industry characteristics of counterparties, and take into account the FSC's "Guidelines for the Determination of Sustainable Economic Activities" (such as activities that have a substantial contribution to climate change mitigation) to screen priority engagement topics and targets.
Engagement Methods	Include but are not limited to direct communication with investee companies (phone conferences, face-to-face meetings), joint improvement, questionnaire surveys, public forums, participation in shareholders' meetings to express positions and submit proposals, exercise of voting rights, or collaboration with other public or private sectors, financial institutions, and domestic and foreign advocacy organizations for joint engagement.
Engagement Results Evaluation	• Investee companies that have made concrete improvements and exerted a positive impact on ESG or contributed to SDGs should be prioritized for inclusion in the investment list. • If the engagement results are in line with the expected goals or the engagement target has achieved maximum improvement after evaluation, the engagement may be suspended. • If the engagement results are not up to the expectations, the engagement intensity should be increased based on SKFH's sustainability value, operational needs, and risk management.
Engagement Upgrade	• If the engagement results are not up to the expectations, engagement intensity will be increased. Related solutions include but are not limited to: increasing the frequency of engagement, enhancing the level of communication of the engagement target, collaborating with other stakeholders for joint engagement, issuing a public position statement • A shareholders' meeting to express positions and submit proposals, and initiating an extraordinary shareholders' meeting, etc. • If multiple engagements are unsuccessful, the Company may determine to reduce or withdraw funds based on its risk management needs.
Result Disclosure	Disclose the results of corporate engagement in the stewardship section or sustainability report.

Actual results in engagement communication

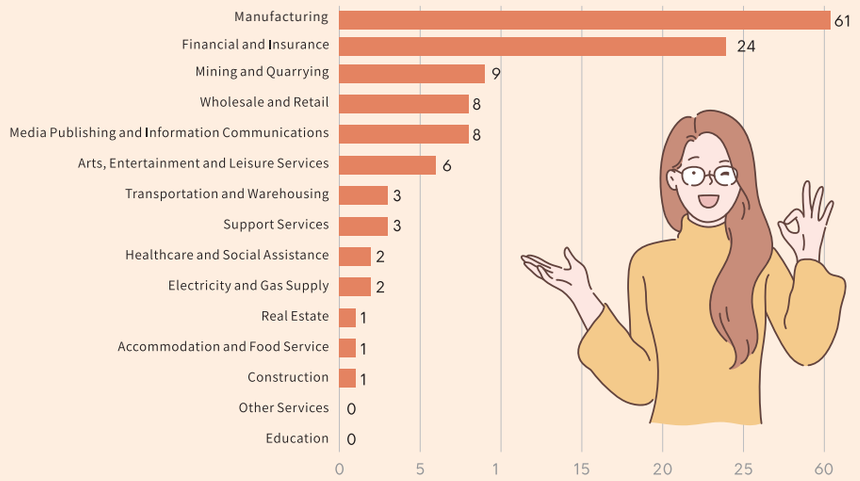
SKFH's Joint Engagement Results

SKL takes the initiative to understand the operating status of investee companies, and pays attention to sustainability issues and actions of investee companies in terms of environmental, social, and governance. In order to further understand the carbon reduction actions of investee companies, the Company and the parent company SKFH focused on the issue of climate change in 2024, with the engagement goal of "joining SBTi". We screened 129 domestic and foreign stock and bond positions (accounting for approximately 37% of the investment positions) based on their investment positions, industries (high carbon emission industries), greenhouse gas targets, biodiversity and environmental protection strategies, and ESG ratings (Corporate Governance Evaluation, MSCI ESG). We distributed engagement questionnaires on "net zero and GHG information disclosure", "climate mitigation and adaptation plans", "biodiversity" , "sustainable economic activity", and "corporate governance", with the main engagement targets being enterprises in the "Manufacturing" and "Finance & Insurance" industries, in order to understand their climate resilience and sustainability of economic activities. We further encouraged these companies to formulate SBTs and transformation plans, while communicating the Company's emphasis on climate change issues. We received responses from 60 companies. Among these, 8% had successfully closed their engagement cases, and 17% were progressing positively. Moving forward, SKL plans to continue engaging with companies that have not responded to the survey and those that have not made clear progress, and collaborate with other financial institutions to jointly visit the management executives of specific investee companies, for the purpose of promoting their understanding of climate-related issues and encouraging them to embark on a low-carbon transition for sustainable development.

Achievement of Engagement

In 2024, more than 25% of investee companies were successful & had closed their cases or were progressing positively.

Distribution of surveyed engagement targets by industry



Engagement Case

Reason and Purpose of Engagement	Engagement Methods and Process	Engagement Results	Follow-up Actions
H Company Time of Engagement: December 2024			
H Company is an investee of the Company. Its business activities include consumer electronics products, cloud network products, and computer terminal products. It has established production and service sites in more than 20 countries and regions. The engagement focused on three aspects: 1. H Company's actions in biodiversity and environmental issues, such as: dependency and impact of global sites on natural resources; 2. H Company's impacts and plans for human rights and supply chain management, such as: third-party ESG audit mechanisms and results; 3. We further inquired about H Company's sustainable development opportunities to understand H Company's investments and financial impacts in relation to sustainability issues, such as: low-carbon technology innovation, green energy investment platform, green energy funds.	The Company collaborated with a total of 16 institutional investors, including peers in the financial industry, to carry out joint engagement with H Company.	H Company first responded to ESG risk management methods on public information, third-party audit results, various policies, and internal control indicators, and responded to improvement measures for lagging indicators. Furthermore, H Company also responded to the three major aspects of this engagement as follows: 1. In terms of the environment, H Company has cooperated with external academic institutions in TNFD and improved the MSCI ESG chemical substance indicators. 2. In terms of labor and supply chain management, H Company has set up more stringent tracking indicators and underwent third-party audits. 3. H Company stated that ESG is not only a cost but also a business opportunity. Currently, it focuses on the development of electric vehicles, batteries, energy storage, and group automation, which is expected to bring positive results to its operations.	The Company will maintain its investment in H Company and continue to communicate with H Company on biodiversity, human rights, and supply chain management. Due to the fact that H Company's ESG events in recent years are mainly related to labor issues, we will continue to monitor the improvement of H Company's labor incidents and ESG ratings.

2. Voting actions

Following domestic and international initiatives and regulations, SKL actively engages with its investee companies by participating in investor conferences, attending shareholder meetings, and conducting regular visits (including on-site visits and phone calls) to maintain ongoing interaction with their management. This engagement helps inform investment decisions, which are then presented to the Board of Directors for deliberation.

Voting Rights Exercise Procedure (Including ESG Proposal Voting)

1. Vote Screening	• Thresholds for voting rights exercise • Exercise of voting rights required after evaluation by the investment department
	• In principle, we exercise voting rights over all investee companies without setting a separate threshold for the exercise of voting rights.
2. Proposal Evaluation	• Review of external regulations and internal voting policies and principles • Evaluation and analysis of investee companies
	• Before attending the shareholders' meeting of the investee company, all proposals of the shareholders' meeting will be carefully evaluated, and the evaluation and analysis of the exercise of voting rights will be explained in writing.
3. Two-way Communication	Communicate with the management of the investee company on a proposal if necessary
	A prudent evaluation will be made if the investee company is involved in major ESG-related issues, controversial events, or raise proposals that affect the long-term rights and interests of shareholders. If necessary, the company's management may be contacted prior to the shareholders' meeting for better understanding and communications.
4. Voting	After analysis and communication, cast votes (electronically or by appointing a representative) following the relevant regulations and voting thresholds
	The Company exercises its voting rights by attending the shareholders' meetings of an investee company directly or by electronic voting. 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.
5. Board Reporting	Compile and report the voting results to the Board of Directors
	After attending the shareholders' meeting, the exercise of voting rights at the investee company's shareholders' meeting will be summarized and reported to the Board of Directors.

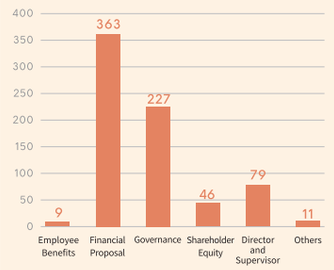
In addition, in compliance with the "Insurance Act", relevant legal interpretations, SKFH Sustainable Finance Policy, and the Company's voting principles, before attending the shareholders' meetings of investee companies, we carefully evaluate the contents of all proposals at shareholder meetings, especially those related to significant environmental, social, and governance (ESG) issues, controversial events, or long-term shareholder interests. If necessary, SKL will communicate with the investee company's management prior to the meeting.

Results of the Exercise of Voting Rights in 2024

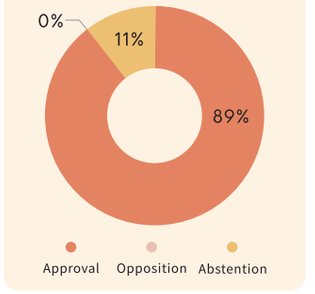
In 2024, we attended the shareholder meetings of 184 publicly listed companies in Taiwan, voting on a total of 735 proposals. The proportion of ESG-related issues among these proposals was disclosed, noting that there were no environment-related shareholder proposals in 2024.

Percentage of E-related proposals	Percentage of S-related proposals	Percentage of G-related proposals
0%	1.2%	98.8%

Proposal Type



Proposal Voting Results



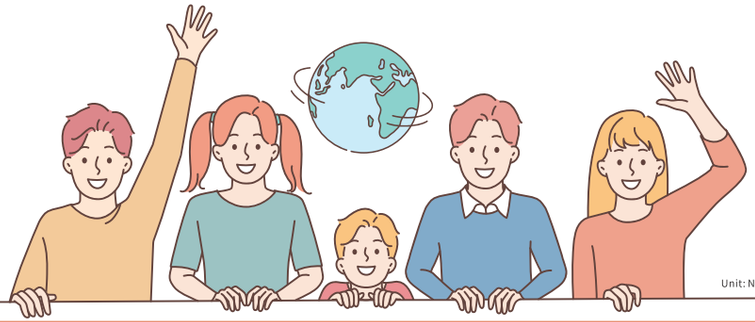
Note 1: According to Articles 146-1, Paragraph 3 of the Insurance Act, the Company may not vote in director and supervisor elections of the investee companies, hence the abstention votes for proposals to the appointment of directors and supervisors.

Note 2: In the 2024 shareholder meetings of the investee companies, the Company expressed opposition to 1 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.

Note 3: In line with Taiwan Depository & Clearing Corporation policies, electronic voting is prioritized if provided by the investee company.

B. ESG-themed investmen

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 2024, SKL's total investment amount in ESG-themed investments exceeded NT$582.9 billion, representing a growth of 6% compared to the previous year.



Unit: NT$100 million

Sustainable Value	Corresponding SDGs	Category	2023	2024
Low Carbon		Green Investments	339	327
Innovation		Health education industry	777	816
		Public and social welfare industries	735	582
Common Good		Social responsibility bonds	3	3
		Sustainability/Sustainable development bonds	199	206
		Companies with excellent ESG performance	3,426	3,895
Total			5,479	**5,829**

Note 1: The investment amounts listed in the table above for the government's six core strategic industries have excluded the investments made in ESG sustainability benchmark companies in the same positions.

Note 2: SKL's definition of green investments includes green bonds, project-based investments in renewable energy plants, and green energy and renewable energy industries as defined in the six core strategic industries.

Note 3: The health education industry includes Taiwan's precision health industry and categories related to health products and services, as well as facility suppliers.

Note 4: Companies with excellent ESG performance include constituents of the following indices: TWSE RAFI® Taiwan High Compensation 100 Index, TWSE Corporate Governance 100 Index, and FTSE4Good TIP Taiwan ESG Index, and Dow Jones Sustainability World Index.

1.Six Core Strategic Industries

SKL actively supports the government's efforts to promote industrial transformation. Through our project investment unit, we are responsible for investments in domestic projects, including the six major core strategic industries and public infrastructure to help more key emerging and innovative industries in securing operational capital. As of the end of 2024, the total investment amount in the six major core strategic industries reached NT$151.1 billion. Investments in the green energy, renewable energy, and precision health industries exceeded NT$7.7 billion, demonstrating our commitment to becoming a significant contributor to Taiwan's real economy development and fostering mutual benefits with innovative economy industries.

Industry Category	Investment Amount in 2023 (NT$100 million)	Investment Amount in 2024 (NT$100 million)	Proportion
Information and Digital Industries	1,187	1,256	83%
Strategic Stockpile Industries	136	133	9%
Green Energy and Renewable Energy Industries	75	77	5%
National Defense and Strategic Industries	34	32	2%
Cybersecurity Industry	13	13	1%
Precision Health Industry	2	-	-
Total	1,447	1,511	-

2. Low-carbon Investment and Impact on the Environment

To address climate change, enhance climate resilience, and promote green finance to achieve the 2050 net zero carbon emissions target, SKL is actively investing in the renewable energy sector. In addition to investing in green bonds, we have established a dedicated unit to develop green energy investment plans. By investing in power plant construction and operation enterprises, as well as planning the development of large-scale solar power stations, we are eager to foster the growth of green energy in Taiwan and support industries' transition to clean energy. Among them, approximately NT$16.9 billion was invested in the government's "12 Key Strategies" industries, including solar photovoltaic (1. wind power generation/solar photovoltaic), grid equipment (4. power system & energy storage), energy-saving technology development (5. energy conservation), waste recycling (8. resource circulation and zero waste), public transportation (10. net-zero green living), and green bonds (11. green finance), in response to the government's strategic plan to achieve the goal of net-zero transformation by 2050.

In 2024, SKL invested NT$7.83 billion in the renewable energy sector. This investment is expected to generate an annual electricity output of 3,025.03 GWh, which can avoid 1,497,391 tCO_2e each year. These efforts are anticipated to yield positive environmental benefits, aligning with the industrial goal of achieving net zero emissions.

SKL's green investment increased by NT$79 million, generating approximately 2.81 GWh of electricity, enough to supply about 8,000 households for a month, saving around 1,390.2 tCO_2e

Renewable Energy Investments and Environmental Benefits

		2022	2023	2024
Investment amount	Green bonds-renewable energy category (NT$100 million)	56.9	56.9	56.9
	Project-based renewable energy power plants (NT$100 million)	17.9	20.6	21.4
Total investment amount (NT$100 million)		74.8	77.5	78.3
Estimated annual electricity generation (10,000 kWh)		277,008	281,143	302,503
Expected carbon reduction (tCO2e)		140,997	139,166	**1,497,391**

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.

3. Project-based investment - Public and social welfare industries: Taipei Bioinnovation Park

In support of the government's efforts to develop the biotechnology industry and to foster the agglomeration effects of biotech industry clusters, SKL has partnered with a development company to construct and operate the first biotech-focused development project in Taiwan: the Taipei Bioinnovation Park. This BOT project aims to provide office space for biotechnology companies and affiliated institutions, offering favorable rental rates to nurture startups. The park features modern office facilities and multifunctional spaces designed to meet the exhibition and interaction needs of biotech enterprises. Located adjacent to the Nankang Software Park, the Taipei Bioinnovation Park benefits from strategic advantages in terms of location, transportation, and industry clustering. The park is expected to facilitate the integration of the biotech industry, stimulate the regional economy, and create over 3,000 employment opportunities, ultimately generating an annual output value of NT$50 billion, and further fostering the prosperity and development of the industry. This initiative supports government plans for industrial innovation, talent cultivation, and international alignment, making SKL a pivotal force in Taiwan's industrial transformation.

The total investment amount exceeded NT$600 million, and the overall occupancy rate exceeded 99% in 2024, providing access to approximately 66 vendors.

7.2 Sustainable Supply Chain

SKL's 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.

A. 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. Continuing form 2023, the signatories of the supplier commitment letter are 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

STEP.1 Supplier selection	STEP.2 Supplier management	STEP.3 Supplier risk assessment	STEP.4 Supplier on-site audit	STEP.5 Supplier management and improvement tracking
·Suppliers seeking cooperation must sign the supplier commitment letter before price negotiations ·Suppliers renewing the contract must also re-sign the letter	·Maintain, review, and evaluate partner suppliers through the supplier management system	·Major suppliers are required to fill out a supplier risk self-assessment questionnaire annually ·Definition of major procurement: Contract amount of NT$3 million or more (based on a single contract amount)	·Suppliers assessed as high risk require on-site audits ·If deficiencies are found during the audit, the supplier will be asked to provide improvement plans and explanations	If a supplier violates its commitments or has significant deficiencies, it should be requested to make corrections; if it fails to improve or the situation is serious, the contract may be terminated when necessary.

The Results of Supplier Management in 2024

Signing of the commitment letter	Price-negotiating suppliers: 228; signing rate: 100% Partner suppliers: 143; signing rate: 100%
ESG risk assessment	Key suppliers: 42; ESG risk assessment: 42, with a completion rate of 100%
On-site audit	One supplier underwent on-site audit. No issues of violating business integrity were found throughout 2024.
Other risk mitigation measures	Sustainability promotion for suppliers: Providing ESG and green procurement policy promotion to partner suppliers.

B. Implementing Local and Green Procurement

When purchasing office supplies, information products, air conditioning equipment replacement, and building materials, SKL prioritizes products that have obtained green environmental certification in order to facilitate sustainable social and environmental development.

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 nine consecutive years. At the same time, we have been supporting social innovation enterprises for four consecutive years. Through collaboration with the Digital Humanitarian Association on the "Telemedicine Project", we have introduced online health courses and professional medical consultation for the elderly in remote areas, while providing financial inclusion education and anti-fraud advocacy. In 2024, we won the Special Award of Buying Power Sustainable Development Group of the Small and Medium Enterprise and Startup Administration, MOEA.

Item	Summary
Initiatives	• 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.
Results in 2024	• Local procurement: We prioritized Taiwanese local manufacturers to ensure supply stability and localization, accounting for 97% of the total procurement • Green Procurement: The amount of green procurement for office and administrative equipment reached NT$ 112.21 million, accounting for 55% of the total green procurement items. • Social innovation procurement: The amount of social innovation product and service procurement reached NT$9.36 million

8 Creating a Society of Mutual Prosperity

GRI 3-3

Plan

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

Commitment

Shin Kong Life values the importance of connecting and interacting with local residents, establishes three major public welfare axes, utilizes its abundant corporate talent resources, and promotes the "corporate volunteer" service program, to actively develop community engagement.

Material Topic	2024 Target	Status of Achievement	Major Performances in 2024	Short-term Target (2025)	Medium- to Long-term Target (2030 as the Target Year)
Social Welfare*	Form public-private strategic alliances and work with employees and customers to initiate philanthropic projects.	☑	• The "Happiness Lesson" empowerment program brought resources to remote areas and provided 386 children with diverse learning opportunities.	• Integrate public welfare focus with core business to create innovative public welfare projects.	• Support SDGs by linking sustainability, common good, and local areas to enhance the social value of the brand. • Facilitate cooperation between business units and local community groups to develop community involvement and improve operational efficiency.
	• Achieve 3.5 volunteer hours per capita.	☑	• Corporate volunteer hours reached 3.56 hours per capita.	• Achieve 3.7 volunteer hours per capita.	• Achieve 4.5 volunteer hours per capita.

*Note: Social welfare was included as the sustainability material topic of SKFH in 2024.

8. Creating a Society of Mutual Prosperity

8.1 Community Engagement Strategies and Investments

Shin Kong Life's community involvement activities are based on the three corporate philanthropic pillars of "All-round Development, Health promotion, and Environmental sustainability". By utilizing our offices throughout Taiwan, we are able to focus on issues such as children's education, ageing health, ecological environment, and animal conservation through more flexible and creative communication methods. At the same time, we encourage both internal and external colleagues to join us in volunteering, extending SKL's services to the corners of society and fulfilling our corporate motto of "what we take from society, we give to society." In 2024, thanks to the enthusiasm of all employees, SKL's total social participation amounted to NT$34.77 million, with a total of 640,000 people benefiting from SKL's social service programs, and we have supported the co-prosperity and development of the community through our actions and investment of resources. With these actions and resources, SKL supports the co-prosperity and development of the community.

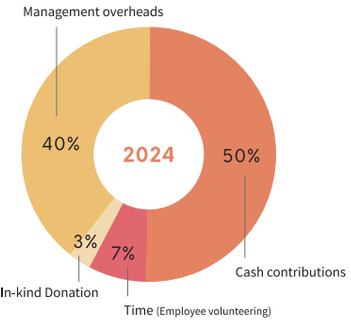
Major themes in social welfare and SDGs

Public Welfare Focus	SDGs	Charity Activities
All-round Development	4 Quality Education, 8 Decent Work and Economic Growth	National Painting Competition, Street Dance Competition, Rubik's Cube Competition, Esport Event, Happiness Lesson, and Summary of Top Ten Challenges for Immigrant Caregivers.
Health Promotion	3 Good Health and Well-Being, 10 Reduced Inequalities, 17 Partnerships for the Goals	Nationwide Blood Donation Campaign, Nationwide Charity Hiking, Always Remember You Conference, Community Care Blossom, Anti-fraud Lectures for the Elderly, Lighting Up the Ribbon for Women's Health, Remote Health Promotion for Elderly in Rural Areas, The LIFE Lab. Seminar Series.
Environmental Sustainability	13 Climate Action, 14 Life Below Water, 15 Life on Land	Happy Dining Table with an Acre of Land, Sustainable Food and Food Conservation, Clean Marine Ecology Conservation, Old Clothes, New Life: Light up the World.

Social Welfare Activities in 2022-2024

Unit:NT$

Type of Contribution	2022	2023	2024
Cash contributions	36,377,572	35,792,413	17,524,677
Time (Employee volunteering)	18,797,050	15,062,733	2,516,890
In-kind Donation	2,095,000	1,679,061	1,042,825
Management overheads	13,594,747	20,307,758	13,690,439
Total	70,864,369	72,841,965	**34,774,831**

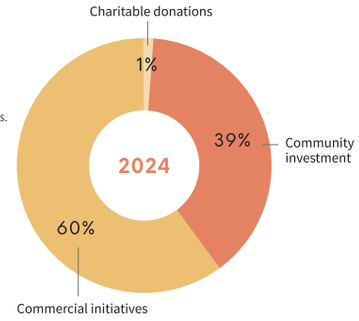


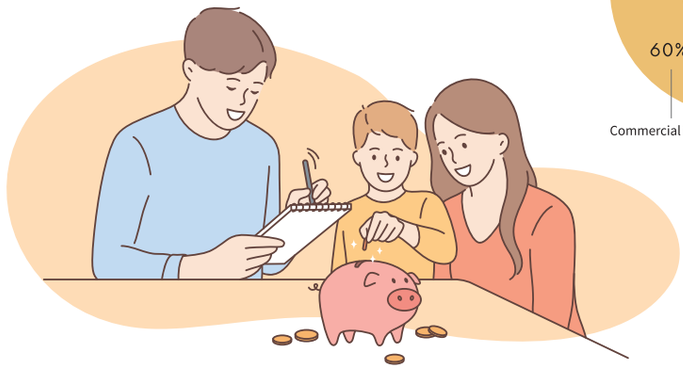
Social Welfare Activities in 2022-2024

Unit:NT$

Type of Contribution	2022 Amount Invested	2022 Proportion	2023 Amount Invested	2023 Proportion	2024 Amount Invested	2024 Proportion
Charitable donations	554,017	0.8%	839,809	1.2%	344,741	1%
Community investment	30,865,780	43.6%	13,697,086	18.8%	13,577,582	39%
Commercial initiatives	39,444,572	55.7%	58,305,070	80%	20,852,508	60%
Total	70,864,369	100%	72,841,965	100%	**34,774,831**	100%

Note 1: Investment expenses consist of activity expenses (including administrative and personnel expenses), in-kind donations, and sponsorships.
Note 2: Some examples of activities/events:
Charitable donations: Women's Health - Breast Cancer Prevention Lectures, Women's Health - Light up the Pink Ribbon Promotion Activities, Taiwan Colorectal Cancer Alliance.
Community investment: 2024 Shin Kong Nationwide Blood Donation Campaign, Painting Competition, Street Dance Competition, Esport Event, and Digital Humanitarian Association's Services for Elderly in Rural Areas.
Commercial initiatives: 2024 Microinsurance Sponsorship Program, Industry-Academia Talent Cultivation, Shin Kong Nationwide Charity Hiking Activities.





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, enhance international vision, and create a sustainable and better life together.

Youth Activities

The Shin Kong National Painting Competition

The theme of the "20th Shin Kong National Painting Competition " in 2024 was "Smart Wealth Management, Be the Master of Money", aiming to enable more people to have better understanding of the correct concepts of wealth management through the observations and creations of painters at all ages. To implement financial inclusion, we launched a special "You Draw, We Give Back" initiative, in which we gave back NT$10 for each participating project. We planned to organize practical wealth management courses in rural schools to enable students to understand, remember, and apply the knowledge. Through financial education, students can build financial management capabilities for life.

The Shin Kong Rubik's Cube Competition

Rubik's cube is regarded as one of the world's top three intellectual games, which is absolutely beneficial to logical thinking and brain development. The "Shin Kong Rubik's Cube Competition" was held in Taipei, Central and Southern Taiwan for the first time after the COVID-19 pandemic. More than 1,000 players were invited to participate in the competition, enabling players to brainstorm on the same platform and challenge themselves to achieve better results. In 2024, we continued to turn the registration fees into fees for charity use, and called on professional talent to visit remote areas together, in hopes of stimulating the development of children's potential through a positive cycle, and gradually transforming education in remote areas.

The Shin Kong Street Dance Competition

The event continued the Olympic competition "BREAKING BATTLE 1 ON 1" and Line Dance, which attracted 24 teams of online line dance auditions, 122 teams of line dance registrations, and 110 people of breakdance registrations, totaling 1,552 participants. In order to respect the awareness of gender equality, the first "B-GRIL" women breakdance event was organized in 2024, aiming to create more opportunities for female dancers and demonstrate the attractiveness of women dance. At the same time, for the Shin Kong "Happiness Lesson" empowerment project, we also collaborated with female breaking dancers of the Asian Games Hangzhou to teach street dance at elementary schools in rural areas.

Events

	Summary	Highlight in 2024
The Shin Kong Esport Event	• The sixth "Shin Kong Esport Event" was developed into two series, including the "Shin Kong Esport Event" for parent-child communication and the "Shin Kong Esport Competition - Combat Summer Festival" for team exchanges. • For the first time, we planned to extend the "Shin Kong Esport Event in Remote Areas" to Shuang Long Elementary School in Nantou, Saint Francis Girls' Home in Miaoli, and Hsu Hai Classroom in Pingtung. We made use of the immersive experience courses of Minecraft game to develop students' independent thinking and creativity, starting with the construction of "conceptual logic", in hopes that students will be able to develop diversified abilities in accordance with their interests, and see more possibilities in the future.	• A total of 535 people signed up for the two events, and the online live stream had 3,768 views, allowing everyone to transform into a Pokemon trainer through virtual reality experience. • A total of 82 people benefited from the "Shin Kong Esport Event in Remote Areas".
Happiness Lesson	• **Mt. Jade Program:** We arranged students from disadvantaged families in rural areas in Nantou and Taitung to participate in the Carnegie Youth Communication and Interpersonal Relations Training Programs to enhance their competitiveness in the workplace. At the same time, we combined our core business with board games to teach financial insurance, anti-fraud and wealth management knowledge in order to implement financial education and share workplace experience. • **Empowerment Program:** We organized the "Happiness Lesson Empowerment Project" at Shuang Long Elementary School in Xinyi Township, Nantou, to design a variety of creative courses, including breakdance, financial education, esports, Rubik's cube, and painting. Through learning activities outside the classrooms, we broadened the learning horizons of tribal students and enhanced their confidence in pursuit of their dreams. • **Newspaper Reading Program:** We sponsored newspaper reading education in rural areas, hoping to cultivate residents' wealth management concepts at an early age through newspaper reading and writing, and inspire their future career planning. We organized teaching activities in Lung Xing, Zan Shan, and Tao Yuan Elementary Schools in Kaohsiung City in combination of Rubik's cube and street dance in order to enrich students' learning activities and realize their artistic and rhythmic potential.	• Mt. Jade Program: Benefited a total of 106 people. • Empowerment Program: A total of 30 student participants. • Newspaper Reading Program: A total of 250 participants in the six events.
Summary of Top Ten Challenges for Immigrant Caregivers	• We collaborated with the TransAsia Sisters Association Taiwan to launch the "Summary of Long-term Care Rights for New Immigrants" to identify the "10 Challenges" commonly encountered by new immigrant caregivers. Illustrations were produced in a way that might be understood through daily dialogue scenarios, enabling new immigrants to easily share and disseminate them in communities. At the same time, seven language versions, including Chinese, Vietnamese, Indonesian, Thai, Filipino, Burmese and Cambodian, have been provided in order to eliminate information gap between new immigrants, maximize the effectiveness of cross-cultural communication, and assist more long-term care families in Taiwan.	• Launched the Summary through a press conference that successfully attracted media attention, accumulating 16 media reports (excluding repost). • As high as 86 times of repost of a single article on the Facebook page of the TransAsia Sisters Association Taiwan. • Leveraging on social media platforms to expand promotion, three posts related to the Summary of Long-term Care on Facebook page of the TransAsia Sisters Association Taiwan have received 64,868 views, reached 35,136 people, and created 5,629 interactions and 131 shares, showing the high level of concern and engagement of audiences for the content.

8.1.2 Health Promotion

In response to the United Nations Sustainable Development Goals (SDGs) 3, SKL has organized Nationwide Blood Donation campaigns and Health Promotion seminars to encourage people to care about their own health and to raise health awareness among the general public. In addition, SKL also organizes telemedicine to provide health information to the elderly and eliminate the disparity in healthcare resources between urban and rural areas, in order to build a stable and seamless healthcare protection network.

	Summary	Highlight in 2024
Remote Health Promotion for Elderly in Rural Areas	• We have partnered with the Digital Humanitarian Association, which utilizes digital tools to provide online health courses and professional medical consultations for elderly residents in rural areas. The program aims to help the elderly prevent diseases and delay disability, and has shown concrete results. • We promoted financial knowledge in 7 remote communities in Dabang, Chiayi, Dawu, Taitung, Ruisui, Hualien, Guanxi Hsinchu, Wutai Pingtung, Nan'ao, Yilan, and Jinning, Kinmen. By providing remote health promotion services, we successfully linked health resources with experts to improve the health and well-being of the elderly.	• A total of 51 volunteers participated in the service, serving approximately 151 seniors. • Benefited approximately 36,000 seniors. • Provided 280 remote health courses, serving a total of 51,445 people. • The study adopted the social return on investment (SROI) methodology, and the evaluation results showed that every NT$1 invested created a social value of NT$9.76.
The Shin Kong Nationwide Blood Donation Campaign	• In 2024, in order to alleviate the issue of blood shortages, we co-organized the "Shin Kong Nationwide Blood Donation Campaign" with the well-known online illustrator "10 Seconds Class" at 33 blood donation locations across Taiwan. The campaign called on the public to "take 10 more seconds to help more people", gathering the general public to show their love and demonstrate the spirit of corporate care and sharing.	• SKL successfully collected 3,853 bags (equivalent to 963,250 ml) of blood, contributing to reserve health care capacity and save more precious lives.
Nationwide Charity Hiking	• The event combined the "Carbon Reduction Lifestyle Festival" as the main theme, and the first stop was in Kaohsiung. • The event was held at the Dayi Pier-2 Park in Kaohsiung, Central Park in Taichung, and Hua Zhung Campsite in Taipei. It introduced sustainable lifestyle-related brands and invited Zero Market, MY HONG TE, SwingTaiwan, and Beautiful City to participate in exhibitions and sales. No disposable containers and tableware were provided on site in order to promote the concept of sustainable carbon reduction and respond to the corporate philosophy of ESG with practical actions.	• There were more than 1,800 participants in the three events.
Always Remember You Conference	• In 2024, we continued to work with the Taiwan Alzheimer's Disease Association to organize the "Always Remember You" conference at the Shin Kong Life Tower to care about the issue of dementia, as well as promote dementia prevention, treatment, and care work to assist families affected by dementia.	• 9 "Always Remember You" conferences were held and attended by a total of 880 people.
Community Care Blossom	• Through SKL branches throughout Taiwan, we accompany elderly people and school age children in the spirit of local care, and through face-to-face and hand-to-hand lantern paper craft teaching, achieving positive and warm interactions between those who care and those who are cared for.	• There were a total of 25 "Community Care Blossom Activities", involving a total of about 808 volunteers, and caring for about 1,319 elderly and 15 school children.
The LIFE Lab. Seminar Series	• The LIFE Lab. organizes seminars on diverse topics that are closely related to daily life from time to time. Experts from different fields are invited to share their experiences and knowledge online, and provide professional and practical life planning suggestions and new life knowledge in simple language.	• 10 online seminars related to health promotion and financial education were held, attracting 2,400 viewers.

8.1.3 Environmental Sustainability

In response to international concerns about biodiversity and environmental sustainability, SKL has linked corporate and social forces through activities such as the Happy Dining Table with an Acre of Land, and Clean Ocean Project to realize rural innovation and ecological preservation for the benefit of all three parties: the corporation, agriculture, and society. In addition, the Company also organizes Old Clothes, New Life: Light up the World to practice circular economy and achieve the goal of environmental friendliness, so as to enhance the sustainable thinking of its employees through public welfare.

Major Sustainability Activities

Happy Dining Table with an Acre of Land

To care about food safety and sustainable agricultural development in Taiwan, we established the "Shin Kong smallholder farmers' evening market" to provide free venues and stalls for smallholder farmers to exhibit and sell their products. We encourage farmers to cultivate non-toxic, land-friendly fruits and vegetables of higher quality. Consumers can also purchase the freshest seasonal produce at the shortest food miles to ensure food safety. In 2022, we launched the Happy Dining Table with an Acre of Land ESG welfare project, and signed the "Common Good Commitment" with 67 smallholder farmers in Taiwan, calling on smallholder farmers to participate in the sustainable food program, as well as donate near-expiry and high-quality ingredients to extend the life of the food. We also convey the concept of food conservation, caring, and sharing, so as to achieve zero food waste, and demonstrate Shin Kong's core values of "low carbon, innovation, and common good" for sustainable operations. In 2024, a total of 76 Shin Kong smallholder farmers' evening markets were held, with approximately 504 participants and total sales amount of nearly NT$9 million (including Songshanjin Charity Market). In 2023, this project received recognition at international levels, including the "Asia Responsible Entrepreneurship Awards," "National Brand Yushan Award," "Asia-Pacific and Taiwan Sustainability Action Awards (TSAA)," and "PwC Sustainability Impact Awards," underscoring Shin Kong's core values of "low carbon, innovation, and common good" in sustainable management.

Clean Ocean Project

The "Clean Ocean" beach cleanup event in 2024 mobilized 155 corporate volunteers to the "Holiday Forest Beach" in Zhunan, Miaoli, and Sanzhi, removing a total of 475 kilograms of marine waste in the two activities. In addition, 12 volunteers were trained to obtain professional diving licenses. We also organized six beach cleanup activities in Ruibin Harbor, Keelung, and Ruifang Bat Cave in New Taipei City, during which, the volunteers removed a total of 1,369 kilograms of marine waste. In response to the Sustainable Development Goals "SDG 14 " Life Below Water, we took concrete actions to remove marine waste underwater in order to protect the marine ecology.

8.2 Corporate Volunteers

Shin Kong Life Volunteer Participation

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.

Through volunteer service, we enrich the lives of our employees beyond their work environment, fostering a sense of belonging within the company and experiencing the joy and warmth of helping others. In 2024, our corporate volunteers enthusiastically participated in charity events such as Nationwide Charity Hiking activities, Nationwide Blood Donation campaigns, Community Care Blossom, telemedicine services for elderly in rural areas, beach cleanup, and diving volunteer training. We encourage employees to voluntarily participate in basic volunteer education and training courses to enhance professional knowledge, contribute to society, incorporate ESG core concepts such as corporate responsibilities and value to society into employees' daily lives, and realize the core value of the life insurance industry in protecting the society.

In 2024, the average number of hours of participation by business volunteers was 3.56 hours in real terms, with more than 5,702 cumulative participants and 36,268 total service hours.