

2019

CSR Report

○

W E L L I N E

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead



1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders



2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management



3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace



4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs



5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

A Message from Management

In 2019, a number of changes shook the global economy, presenting significant challenges to the sustainable operations of companies around the world. Despite the transformations underway, supported by the hard work of all our employees China Life still performed remarkably. Net profit reached a record high of NT\$13.598 billion and total assets surpassed NT\$ 2 trillion. For the fifth consecutive year, the Taiwan Stock Exchange Corporation ranked us among the top 5% of listed companies in the Corporate Governance Evaluation Awards, and for the fourth consecutive year, the Taiwan Academy of Corporate Sustainability awarded us a prestigious Top 50 Corporate Sustainability Report Award, the highest ranking given to a finance and insurance company. We placed third in the "Best Report" category of the Corporate Register Reporting Awards (CRRA), the world's largest global annual awards for corporate responsibility reporting, and won a gold medal in the Asia Sustainability Reporting Awards, run by the well-known sustainability consultancy CSR Works International. Our performance stood out in the global finance industry and among major enterprises in Taiwan. China Life follows international practices and sets higher and higher standards to follow, in order to optimize governance, ethical management, and risk control. We actively seek innovations and breakthroughs in order to steadily continue down the path to sustainable operations.

In 2020, as the COVID-19 pandemic severely impacted the world, people awakened to the importance of public health. Adhering to "love and care" as core values, China Life immediately launched policyholder care measures. For health workers and Company employees, we significantly increased insurance support and care. Meanwhile, we cancelled waiting periods for specific products to help people get through these difficult times. As the pandemic spread, China Life arranged employees from the same team to work at different office buildings and took other risk response measures to ensure that operations and services would continue unabated. We exhibited our core professional influence by leveraging products and services that encouraged people to do more to manage their personal health. In the process, we aimed to be a powerful support for resisting this disease.

According to the "Global Trade Impact of the Coronavirus (COVID-19) Epidemic," issued by the United Nations Conference on Trade and Development, COVID-19 was set to cause a chain reaction that would affect global industry and the world economy. We were entering a new economic age even more focused on consumer demand as a driving force. Recognizing that in this environment our future strengths must include big data, artificial intelligence, and algorithms, we launched the Digital China Life transformation plan. Important milestones in 2019 included becoming the first life insurance company to launch a pilot facial recognition system for use with mobile policy services, which was awarded a fintech utility model patent. Through the implementation of the IFRS 17 accounting model, we build a management and decision-making platform for big data analysis. These innovations raise our corporate competitiveness by reducing burdens on staff, giving them an opportunity to put greater attention on customer care while offering an all-new service experience for policyholders.

With Taiwan becoming an aged society and facing low birth rates, China Life is responding by continuing to promote inclusive financing. Besides offering microinsurance and small-amount life insurance, at the end of 2019 we issued a pioneering composite insurance for people with specific disabilities, ensuring that senior citizens, people with disabilities, and economically disadvantaged groups qualify for basic insurance protections. In addition, we participate in organizations that support people with dementia. Staff at customer service centers and call centers joined online certification courses, so that they would be prepared to provide appropriate service to customers and families with special needs. We also offered dementia insurance products with spillover effects to encourage people to take action to protect their health. Through these initiatives and actions, we build an environment that is more supportive of people with dementia, thus fulfilling our CSR promise.

Strict corporate governance and risk management have always been core elements of China Life's competitiveness. They support our ambition to "create the greatest benefits and value for policyholders, shareholders, employees, and society in order to become the most reliable life insurance company in Taiwan." We aim to produce a winning situation for a wide variety of groups so that we can all forge ahead in the pursuit of sustainable development.



China Life Chairman

Yu Ling Kuo

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

About This Report

This is the 2019 Corporate Social Responsibility Report (hereinafter referred to as "The Report") of China Life Insurance Company Limited (hereinafter referred to as "China Life" or the "Company.")

» Report Disclosure Period

The Report reveals information relating to CSR and sustainable corporate development of China Life between January 1st, 2019, and December 31st, 2019. Due to the compiling of information and transparency, the content disclosed is not limited to 2019. The previous report was released in June 2019; the next report will be released in June 2021. Each year's CSR report is available for download from the CSR section of our corporate website.

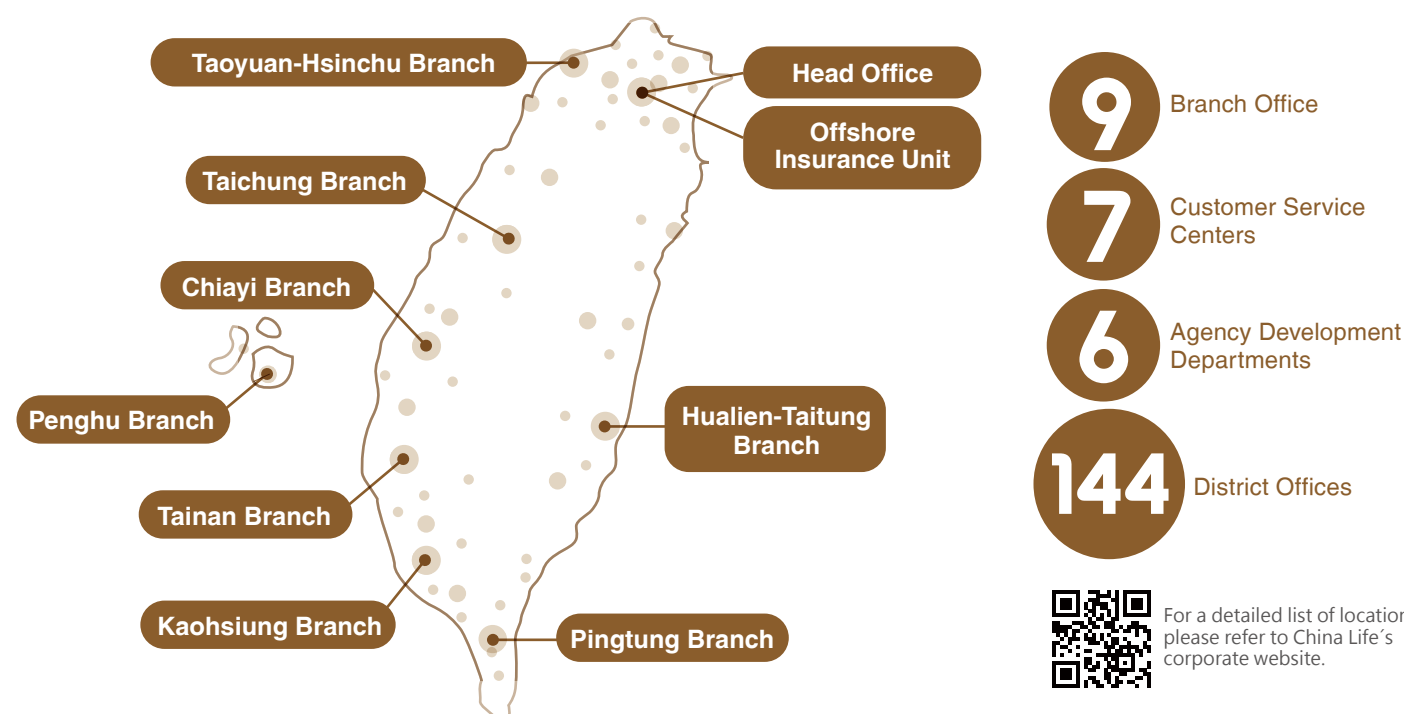


China Life 2019 CSR report download.
<https://www.chinalife.com.tw/wps/portal/chinalife/CSR/home>

» Report Scope and Boundary

Information in The Report covers the China Life head office, all nine China Life branches in Taiwan, and all 144 China Life district offices. It discusses China Life's practical achievements related to CSR and corporate sustainable development as well as future strategic planning.

Points of Operation



For a detailed list of locations, please refer to China Life's corporate website.



Public Relations Department, China Life Insurance Company

Address: 14th Floor, 122 Dunhua North Rd., Songshan District, Taipei 105
Tel: 886-2-2719-6678, ext. 1050
Fax: 886-2-8770-7375
E-mail: pr@chinalife.com.tw



» Guidelines

The Report follows the core disclosure method contained in the GRI Sustainability Reporting Standards (GRI Standards), published by the Global Reporting Initiative (GRI), for related analysis, data collection, and drafting. It follows the Integrated Reporting framework of the International Integrated Reporting Council, the UN's SDGs, the Ten Principles of the UN Global Compact, social responsibility guidance under ISO 26000, the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies," the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies," as well as other international and domestic standards to strengthen disclosure of sustainable practices.

» Report Verification

The Report has been verified by an independent third party certification body, the British Standards Institution (BSI), in accordance with AA1000 international standards, and uses Type 1 moderate level assurance. It meets the AA1000 Accountability Principles Standards of materiality, inclusivity, responsiveness, and impact, as well as the core option of the GRI Standards, and is guaranteed by the BSI. Verification details can be found in the appendix.

We pride ourselves on effective communication with stakeholders. If you have any comments or suggestions regarding The Report or China Life's CSR planning or practices, please contact us via any of the methods below and we will respond in a timely manner:

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Getting to Know China Life

Since our establishment more than 50 years ago, China Life has been dedicated to "creating the greatest benefits and value for policyholders, shareholders, employees, and society in order to become the most reliable life insurance company in Taiwan." We have constantly sought to enhance corporate governance and internal controls. Through prudent risk management and steady operational growth, we have achieved sustainable development in all areas of ESG. In the future, we will continue to adhere to the core spirit of "We Share, We Link." By combining a forward-looking operational philosophy, strong financial solvency, strict corporate governance, and risk management mechanisms, we will cooperate with stakeholders to achieve shared value and sustained operations while serving as a benchmark for Taiwan's life insurance industry.



▼ Chain Life information

Official Name

China Life Insurance Company Limited

Headquarters Location

5th Fl., 122 Dunhua North Rd., Songshan District, Taipei

Year of Establishment

1963

Stock Listing

Listed on the Taiwan Stock Exchange in 1995 (Stock Code: 2823)

Equity Investment in Mainland China Insurance Company

In Mainland China, CCB Life Insurance Company Limited had 24 branches and 210 subbranches at the end of 2019

Main Product Types

Individual life insurance, annuity, universal insurance, medical insurance, long-term health care insurance, accident insurance, group insurance, travel insurance, microinsurance, and investment-linked products

Main Market

Taiwan

Number of Employees

Office staff : 2,233
Sales agents : 11,381

Net Sales Revenue (thousand)

Operating revenue: NT\$ 339,115,451
Premium income: NT\$ 279,910,113

Equity

NT\$ 142,669,561 thousand

Liabilities

NT\$ 1,857,568,359 thousand

Total Assets

NT\$ 2,000,237,920 thousand



For more information, please refer to China Life's 2019 Annual Report.
<https://www.chinalife.com.tw/wps/portal/chinalife/investor-relations/shareholder-service/shareholder-meeting>



Honors and Milestones in 2019

- ★ Corporate Register, the world's largest online directory of CSR reports, presented us with a **CRRA 2019 Best Report award in the Corporate Register Reporting Awards (CRRA)**. We were the world's only financial industry member and Taiwan's first enterprise to achieve this honor.
- ★ CSR Works International, a well-known sustainability consultancy in Singapore, gave us an **Asia Sustainability Reporting Award and an Asia's Best Sustainability Report (Stand-alone) gold award**. We were Taiwan's first financial industry member to win these awards.
- ★ **Ranked in the top 5%** of listed companies at the Corporate Governance Evaluation Awards from 2015 to 2019.
- ★ The Taiwan Insurance Institute awarded us a **gold medal for Information Security Promotion Excellent Performance** and a **silver medal for Talent Cultivation Project Planning Excellent Performance** at the Taiwan Insurance Excellent Performance Awards.
- ★ The Taiwan Academy of Corporate Sustainability awarded us a prestigious **Top 50 Corporate Sustainability Report Award** and a **Top 50 Corporate Sustainability Award**. The academy also gave us **specific category awards for social inclusion as well as transparency and integrity**.
- ★ Selected for the **FTSE4Good TIP Taiwan ESG Index**.
- ★ The Financial Supervisory Commission awarded us a 2019 excellence award for microinsurance business.
- ★ Won a BSI award for excellence in sustainability.
- ★ Finished second among insurance companies in the Financial Supervisory Commission's first Financial Service Enterprises Treating Customers Fairly Principles Assessment Program.
- ★ Won the Claims Initiative of the Year at the Asian Banking & Finance's Insurance Asia Awards 2019.
- ★ One of just three Taiwanese companies selected for the Bloomberg Gender-Equality Index (GEI).
- ★ RMIM Magazine awarded us two insurance quality awards for highest awareness and best agents.
- ★ China Life's LEGOTA product was named a Smart recommended policy at the Smart 6th Insurance Awards.
- ★ For the fourth consecutive year, the Taipei City Government awarded us a Green Procurement Award in the Private Enterprise or Group category.
- ★ Named a member of the Forbes Global 2000.
- ★ Placed sixth among financial enterprises in CommonWealth Magazine's ranking of the Top 2,000 large companies in Taiwan.
- ★ Placed sixth among life insurance companies in China Credit Information Service's ranking of the Top 5,000 large companies in Taiwan.



03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Key Achievements in 2019

Governance

Ethical Management and a Robust Organizational Structure

- 5 GENDER EQUALITY** Only insurance company to rank in the top 5% of listed companies at the **Corporate Governance Evaluation Awards for a fifth consecutive year**.
- 10 REDUCED INEQUALITIES** Our adherence to the **Principles for Sustainable Insurance** and **Principles for Responsible Investment** standards facilitates compliance with international norms.
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS** **Women comprise 44%** of our Board of Directors, a relatively high percentage that fosters greater gender equality.
- 100%** of our anti-money laundering and counter-terrorist financing staff passed certified anti-money laundering specialist (CAMS) certification. A total of 286 certified employees are the foundation of our anti-money laundering and counter-terrorist financing corporate culture.

Solid Operational Performance

- 8 DECENT WORK AND ECONOMIC GROWTH** Net profit was NT\$13.598 billion and **EPS was a record NT\$3.20**. Premium income was NT\$279.9 billion.
- In response to government policy, China Life directly or indirectly invested **NT\$33.5 billion** in the 5+2 Innovative Industries Plan.
- Signed the "Stewardship Principles for Institutional Investors." Attended **100%** of shareholders' meetings of our invested companies and voted in **100%** of shareholders' meeting votes.

Environment

Green Services and a Low Carbon Economy

- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION** Became an official supporter of the **Task Force on Climate-related Financial Disclosures (TCFD)** to strengthen our management of climate change risks and impacts.
- 13 CLIMATE ACTION** Total green procurement was **NT\$71.73 million**, which was **264%** of the previous year's total.
- Created a green workflow using e-notices, e-service, e-policies, and mobile insurance. Together these initiatives saved over **4.3 million** sheets of paper.
- Energy intensity of our work facilities was 36.16 kWh/NT\$ million, which was a decrease of **5.3%** compared to 2018.
- 100%** of our general procurement partners and construction and repair contractors signed the "Supplier Corporate Social Responsibility Guidelines."
- 100%** of our suppliers that collect, handle or use personal information signed the "Supplier Personal Information Protection Evaluation Form."

Social

Talent Development and a Secure Workplace

- 5 GENDER EQUALITY** Held 60 functional training courses **for sales agents focusing on three key areas** as well as employee micro-study activities, including 25 study groups.
- 8 DECENT WORK AND ECONOMIC GROWTH** To support the transformation of our sales channels, including raising the mobile digital device usage rate among agents to **over 92%**, we provided marketing lessons, added new agents, and incorporated more digital techniques into our administrative procedures. These measures raised the guidance and operational management capabilities of our sales supervisors.
- Our office staff had an average of 2.35 professional certificates, **up 9.81%** compared to 2018.
- Held the employee "Keep Going" health walk competition to encourage more regular exercise. The number of participants increased by **20%** compared to 2018.

Diverse Products and Attentive Service

- 1 NO POVERTY** Held an internal competition that solicited proposals aimed at supporting the fair treatment of customers. A total of 291 people from 45 departments participated by submitting **379 proposals**.
- 8 DECENT WORK AND ECONOMIC GROWTH** Continued to promote creation of a safety net by raising the number of microinsurance beneficiaries to over **22,000**.
- Continued to promote small-amount life insurance, bringing the total amount of policy-holders to over **23,000**.
- The number of customers who bought plans online increased by **26%** compared to 2018.
- Scores of 4 or higher (out of 5) were recorded in **99.9%** of satisfaction surveys at general service counters. **100%** of respondents to surveys at care counters rated their experience as a five.

Core Functions and Social Participation

- 4 QUALITY EDUCATION** Used the London Benchmarking Group (LBG) global standard in measuring community involvement to manage and measure our social influence.
- Donated NT\$19.16 million to charitable activities, an increase of 27% compared to the previous year. Close to 3,000 volunteers contributed more than **18,000** hours.
- For our innovative, multi-faceted charitable works carried out in conjunction with social enterprises we received a **TCSA Social Inclusion Award and an MOEA Buying Power - Social Innovation Product and Service Procurement Award**. Elementary school students also designed "lazy man's guides" to their schools to draw greater attention to their situation.
- Held charity fairs over the past **11 years** to promote a virtuous cycle in society and give staff an opportunity to join together to create joint value. A new program in 2019 featured the release of care coupons that were purchased by more than 70% of our employees. Staff also regularly participate in charitable group buying activities. These programs bring in over NT\$2 million in contributions each year
- We encouraged employees to participate in charitable group buying activities. These activities brought in more than NT\$1 million, and **over 50%** of participants donated their purchased items, providing social welfare organizations with over NT\$600,000 in material support and benefiting close to 400 people in need.

● LBG is the global standard in measuring and managing corporate community investment. By measuring social participation and investment, as well as produced impact, it helps companies manage and show their social contributions.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

China Life's Sustainability Practices

China Life has long appreciated the importance of sustainable corporate development. We respond quickly to global sustainability trends to pursue long-term value for stakeholders. Taking a forward-looking approach to the UN's Principles for Sustainable Insurance and Principles for Responsible Investment, we incorporate ESG topics into strategic planning and management, which also strengthens sustainability-related opportunities and risk control. We use ESG practices in diverse aspects of the insurance value chain, ranging from product design, sales, and underwriting to investment management and after-sales service. These principles serve as the foundation of our decision-making process, helping us to achieve our vision of becoming the most reliable life insurance company in Taiwan.

» Product Design

Besides studying trends in domestic and foreign markets, we regularly assess our actuarial assumptions, including the investment return rates, mortality rates, morbidity rates, lapse rates, expense rates, exchange rates, tax rates, and ESG topics, in order to develop innovative, diverse products that meet customer needs. In accordance with the "Regulations Governing Pre-sale Procedures for Insurance Products," every half-year we hold at least one policy management task force meeting to ensure sustainable operations and uphold consumer rights.

Product design strategies include implementation of inclusive financing and offering of microinsurance, small-amount life insurance, and policies that prevent dementia through health spillover effects. Other ESG-focused insurance products include small-amount life insurance customized for people with disabilities. These diverse offerings satisfy people during different life stages and with different needs. They care for the disadvantaged, promote physical and mental health, and solidify the social safety net.

» Sales and Underwriting

Underwriting is handled in accordance with the "Underwriting Management Mechanisms and Procedures" and the "Offshore Insurance Units Underwriting Mechanisms and Procedures." Professional underwriters weigh the Company's risk undertaking capacity then consider the basic information of the applicant as well as general information relating to the insured person, including the motivation for taking out insurance, the insurance benefits and need, plan suitability, financial state, and health condition. Unfair treatment of potential insured persons is prohibited.

We provide comprehensive, accurate information to consumers and regularly check related sales documents, such as recommendations and product DM, to fulfill our disclosure principles.

Underwriting procedures include money laundering and terrorist financing risk analysis. Based on policyholder risk level, we create management mechanisms. Using a risk-based approach, we identify potential money laundering or terrorist financing indicators. Auxiliary monitoring systems use this information to quickly identify suspicious transactions and adopt related risk control measures.

Throughout the life cycle of our insurance products, the gathering, handling, and use of customers' personal information is carried out in accordance with the latest BS 10012 Personal Information Management System standards. We incorporate best data protection management practices into all Company units and branches in order to build comprehensive personal information protection management mechanisms.

Built a system to prevent the misappropriation of clients' premiums, which included the use of data analysis to compile lists of agents for control measures. Continued to strengthen agents' adherence to ethical management and fair treatment of customers. Through training programs, we ensure that employees follow standard moral, ethical and trust standards while adhering to financial consumer protection standards.

» Investment Management

When making investment decisions, the Company considers factors of sustainable operations, including industrial development and environmental, social, and corporate governance responsibilities. We voluntarily signed the "Stewardship Principles for Institutional Investors." Following these principles raises the value of our investment assets as well as the long-term benefits to our Company, clients, shareholders and other stakeholders.

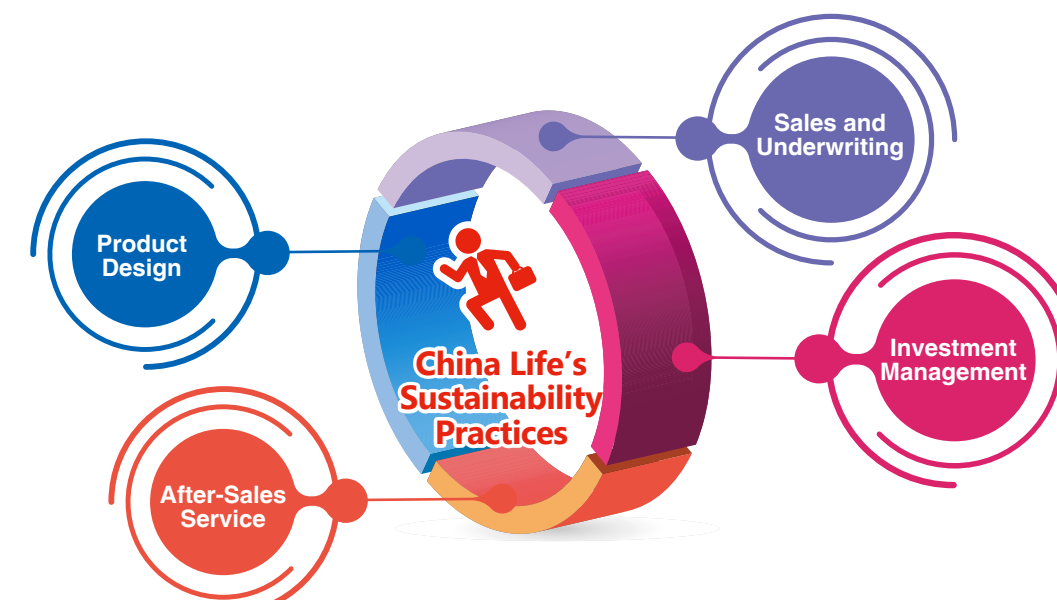
We integrate CSR concepts into our investment policies and regularly investigate the CSR performance of our investment targets. In accordance with our investment policy, we participate in the shareholders' meetings of invested companies to the fullest extent our authority allows and cast votes that show our strong commitment to ESG matters.

In response to international trends, we built investment target evaluation policies. Improved anti-money laundering and counter-terrorist financing methods effectively strengthen investment safety.

» After-Sales Service

Maintaining stable, long-term customer relations is important to raising trust among existing customers. We quickly respond to all types of customer needs and continue to provide professional, considerate and efficient services.

Claims settlements, a key promise that we make to our policyholders, is constantly improved to make the process more transparent. Policyholders can access claims records and notices of the conclusion of their case through text messages, as well as notifications of payment items, payment amounts and alerts relating to important matters. We also launched expedited claims at service counters, which include 30-second payments, so that policyholders can quickly overcome their problems.



03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

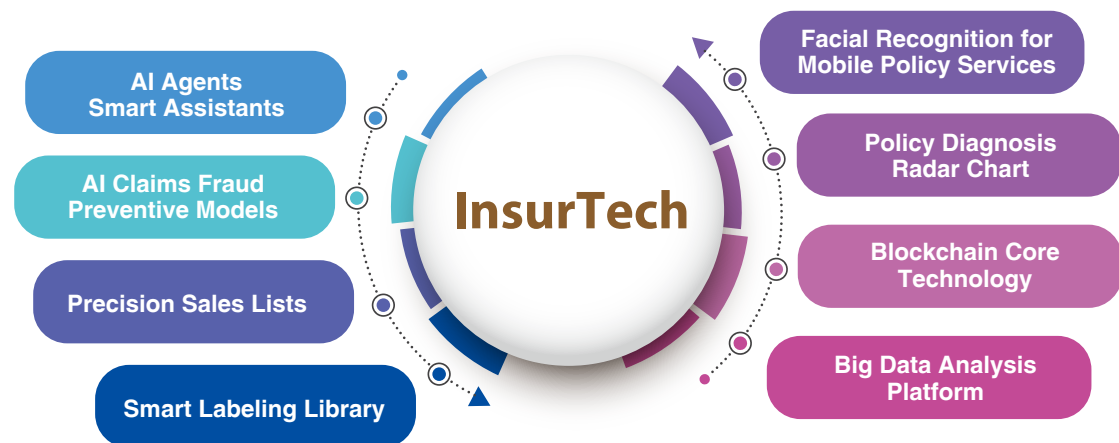
131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Digital Transformation Leaps Ahead

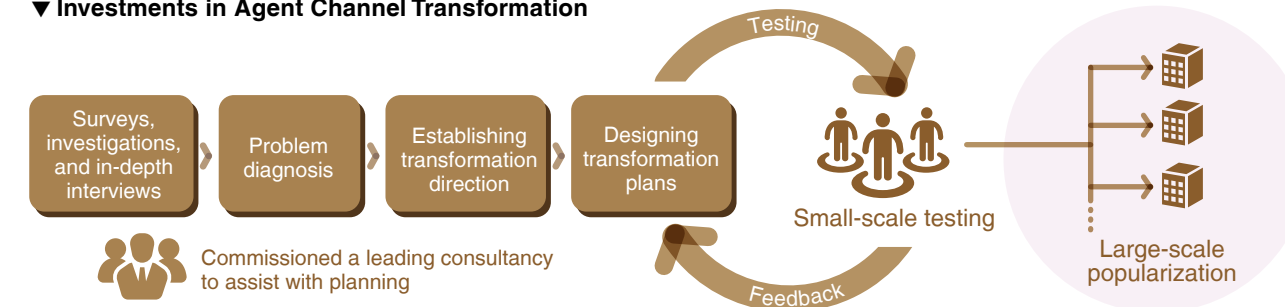
Facing a strong impact from fintech advances, China Life launched a digital transformation that merges innovative, smart technology with existing operations to improve efficiency and service quality. Extensive arrangement of digital applications and data-based systems supports a three-stage operational transformation strategy: process digitalization, decision-making automatization, and intelligentization in talent cultivation. In 2019, we introduced new technical instruments, including a big data analysis platform and a smart labeling library. China Life has already begun making adjustments and passing competitors. We will continue to develop core digital technologies to strengthen our digital competitiveness and create a digital experience that is customer-based.



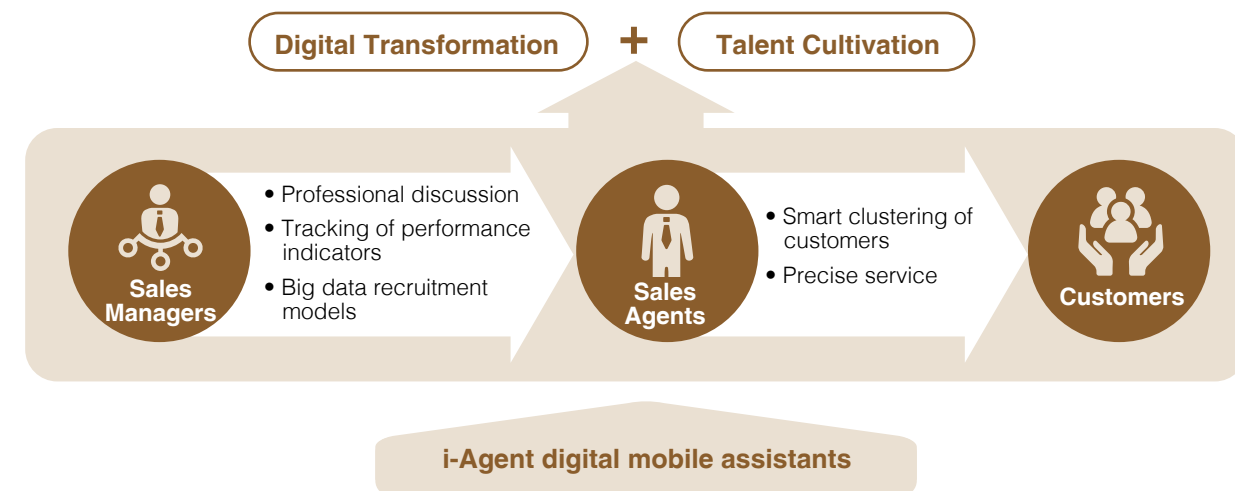
» Digital Transformation of Sales Channels

In 2018, China Life launched a sales channels transformation plan. As part of our plans to increase staff, we focus on strengthening the quality and training of new recruits, which advance our whole organization. At the same time, to strengthen the marketing and sales capabilities of the Company's agents while becoming a more competitive recruiter of new employees, we devote a lot of resources to transforming our sales channels, including commissioning a leading consultancy to design a transformation plan.

▼ Investments in Agent Channel Transformation



To achieve our goals of digital transformation and talent cultivation, China Life launched the i-Agent digital mobile assistant program. In 2019, the number of people who signed up for i-Agent grew by close to 40% compared to 2018. We also made our workforce younger by decreasing the average age of new sales agents by two to three years.



» Intellectual Transformation of Internal Staff

We continue to plan and host fintech classes. Internal training, domestic training assignments, overseas visits, industrial-academic cooperation, and on-the-job training subsidies encourage staff to enhance their capabilities and keep pace with digitalization. In 2019, we spent close to NT\$1.55 million on programs that support transformational training, benefitting 506 employees with a total of 5,140 hours of training. The ratios of fees, participation, and hours between non-managers and managers were 1:1.

As fintech adoption grows, the Company president led high-level managers and technical experts on completion of an artificial intelligence six-month weekend training group and a technical leader training class. The objective is to take a top-to-bottom approach for introducing innovative thinking and digital transformation. In 2019, we developed 11 AI experts who underwent a total of 1,664 hours of training.

To further promote industrial-academic exchanges and understand international fintech awareness, we continue to sponsor National Chengchi University's international fintech industrial-academic alliance and serve as an alliance member. We frequently send staff to global fintech conferences organized by major international tech

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

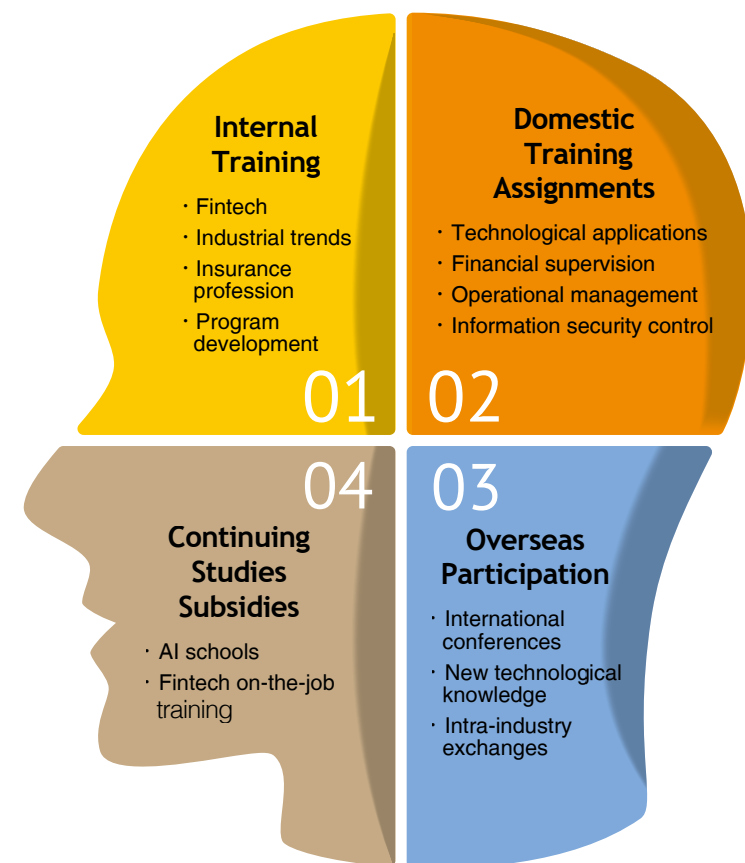
- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

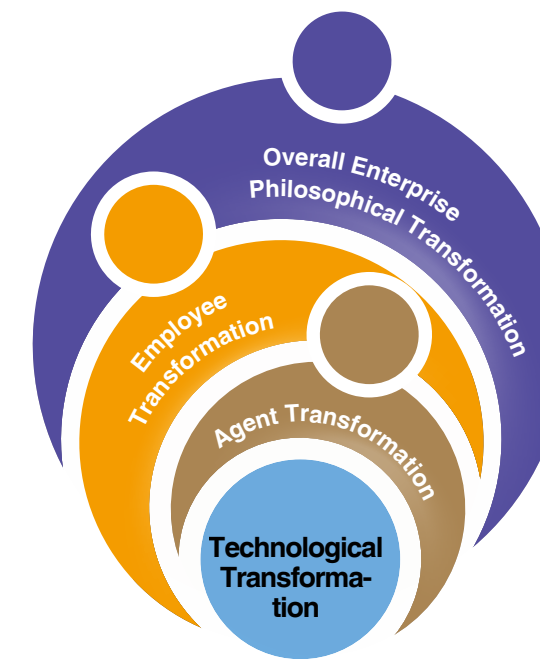
firms such as Dell, Gartner, SAS and IBM. Keeping pace with new knowledge gains and observing international practices helps us to remain a progressive company.

In addition, China Life offers subsidized tuition and miscellaneous academic fees for staff who enroll in courses or master's degree programs in specific technological fields. These measures offer tangible encouragement for individuals to enhance their technological and innovative capabilities and thus lead the Company's technological innovations.



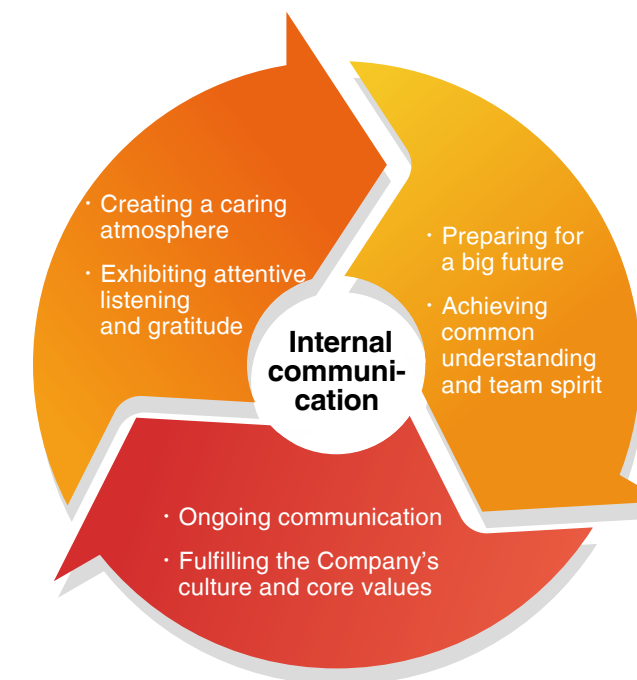
» Transformation of Our Overall Corporate Thinking

As we embark on technological and operational transformation, China Life must continue to put people first. In particular, we must remember that people are at the core of the life insurance industry. Only by transforming the people within the Company can we hope to achieve top-to-bottom philosophical and cultural changes, which ensure that our technological and operational transformations have real meaning. China Life has built a corporate culture of love and care, which encourages internal conversation on the transformations that are underway. These discussions improve team cohesion and put everyone on the same page. The shared focus that results strengthens the transformational direction of each department. By giving people more confidence, instead of worrying about change, they seek to gain the requisite skills needed in this new environment.



Internal Communication and Information

As visual information becomes more prevalent, China Life creates distinct multimedia promotional materials. For one such production, 80 supervisors took photos which were then used to create a multimedia video embellished with written descriptions. The production included over a hundred multimedia images with interesting writings that attract people's attention and help them to quickly understand the video content. This was published on China Life's various social media networking channels to reach employees who become inspired by our transformation efforts and affirm the warm atmosphere of our work environment.



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement



1

Aspiration The Pursuit of Sustainability

China Life established the CSR Committee and adopted the UN's Sustainable Development Goals (SDG) to create a corporate blueprint for sustainable development. We set annual ESG goals, track execution to ensure progress then publish results in annual CSR reports to share our achievements with stakeholders.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Implementing CSR cultivates a culture of sustainability

2019 ESG Goals and Progress

- 100% of staff responsible for CSR implementation and all department directors participated in online sustainability concept training and educational courses.

2020 ESG Goals

- Continue to carry out online sustainability concept training and educational courses and achieve 100% participation among office staff.

Management Guidelines

Major Topics Sustainability Strategies

Commitments

- Implement our sustainable development philosophy and professional operations. Fulfill CSR obligations and become the top choice of policyholders. Achieve the greatest benefit and value for policyholders, shareholders, employees, and society in order to become the most reliable life insurance company in Taiwan.

Policies / Management System

- Formulate CSR policies that include indicators and directions for promoting corporate sustainability.
- Established the CSR Committee and integrated the UN's SDGs into our four main development themes of ethical management, professional cultivation, joint value creation, and green services. Use these themes as the basis of our corporate strategies and mid- to long-term objectives.
- Establish annual ESG goals and continue to raise corporate sustainability performance.

Complaint Mechanisms

- Regularly carry out surveys to understand internal and external stakeholders' areas of concern.
- Build transparent, unimpeded stakeholder communication channels and make annual communication performance disclosures.

Evaluation Mechanisms

- Track progress towards implementing ESG goals and conduct two annual reviews. Ensure implementation of all sustainability projects. In 2019, the achievement rate of ESG goals was 100%.
- Regularly convene CSR Committee meetings to track corporate sustainability progress and examine related goals and actions. The committee reports observations to the Board of Directors.

Building a Sustainable Foundation

Forging Ahead Towards Sustainability

China Life established the CSR Committee in 2014 to promote and carry out social responsibilities. Guided by domestic and international sustainability trends, and taking into account potential impacts of material issues, the committee's forward-looking strategies promote ESG and corporate sustainable development.

CSR Committee rules require that the Company vice chairperson serve as the committee chairperson ❶. The committee shall include one chairperson, one vice chairperson, three regular members, and one executive secretary. 80% of members must be China Life directors. The committee structure is closely aligned with the Company's management and governance strategies, and the committee reports annually to the Board of Directors to ensure effectiveness.

The CSR Committee convened twice in 2019. Topics covered included tracking CSR implementation progress and reviewing results. The committee also drafted the framework of the China Life 2019 CSR report, established the material topics matrix, and set 2020 ESG goals.

▼ CSR Committee Organizational Structure and Duties



❶ At a Board meeting on March 4, 2020, former Vice Chairwoman Ms. Yu Ling Kuo was elected unanimously as the new chairperson and remained as the CSR Committee chairperson.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

▼ Advancement of the CSR Committee

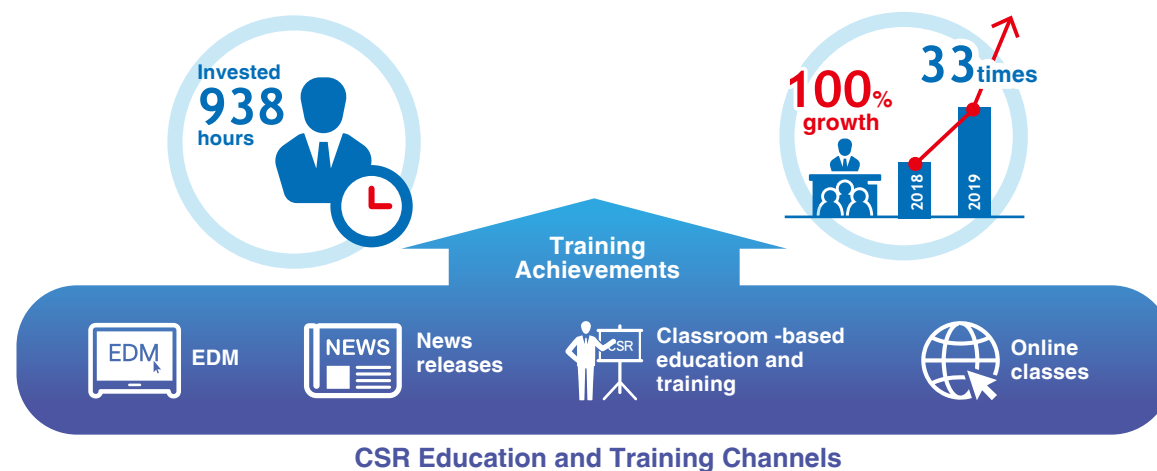


To ensure full and transparent disclosure of information, each year the CSR Committee drafts the contents and framework of the China Life CSR report, while the Public Relations Department handles compilation and editing. Department heads review related information, and inspection and approval are completed following confirmation by the Company chairperson.

For the fourth consecutive year, the Taiwan Academy of Corporate Sustainability awarded us a prestigious Top 50 Corporate Sustainability Report Award in the finance and insurance category. The academy has already awarded us 14 major awards. Corporate Register, the world's largest online directory of CSR reports, placed us in the Top 3 in the "Best Report" award in the Corporate Register Reporting Awards (CRRA). We were the world's only financial industry member to win this award, and in the 13 years of the CRRA we were the first Taiwanese enterprise to achieve this honor. At the Asia Sustainability Reporting Awards we won a gold award for Asia's Best Sustainability Report, again demonstrating our sustainable operations achievements and showing that our reports meet international standards.

» China Life CSR Education and Training

China Life operates several programs that help employees understand CSR and internalize corporate sustainability concepts. We send new information via electronic direct mail. We offer classroom-based courses that strengthen knowledge of CSR and related trends. Lessons include general education and training for new employees as well as special topics taught by external consultants.



Upholding Sustainable Values Opportunities and Challenges

In response to rapid changes taking place in the external environment, it is increasingly important that companies heed the challenges and opportunities associated with domestic regulatory adjustments, technological advances, demographics changes, and climate change. China Life closely watches the external environment to identify risks and opportunities. Early risk management enables us to better take advantage of opportunities and gain the competence for sustainable development. Furthermore, we can provide comprehensive information and services to stakeholders.

Changes to Product Policies and Regulations

Opportunities and Challenges in the External Environment

- Legal enforcement and regulator policies.
- Making premiums for insurance products adequate, reasonable, and fair.

China Life's Responses

- In response to the government's efforts to promote protection products by easing policy reserve rate restrictions on new contracts, we planned and promoted new protection products based on policyholder needs and market conditions. These advances provide people with greater guarantees.
- Grasp ageing trends and respond to the government's basic protection policies. Besides continuing to promote small-amount life insurance, we developed a small-amount life insurance product specially designed for public servants and teachers in order to provide this group with a basic safety net.
- Demonstrate the core function of life insurance by developing health insurance products with positive spillover effects. Besides providing compensation for diseases suffered, these include preventive mechanisms. Premium reductions or paybacks encourage policyholders to cultivate good exercise habits that reduce the loss ratio for insurers. We will continue to plan new health promoting insurance products that strengthen policyholders' health awareness, leading to a winning situations for all parties.
- Conduct regular after-sale reviews of policies as part of product pricing, after-sale management, reasonable expense rate analysis, and loading loss avoidance.
- Promote inclusive financing policies. Besides offering microinsurance, we advocate for more accessible financial services. These include composite insurance products that are specially design for disabled groups, so that the disadvantaged can also benefit from insurance guarantees.

Information Security

Opportunities and Challenges in the External Environment

- Amplification of non-finance risks and challenges continues, including global network security, privacy, management of cloud systems and cloud operators, geopolitics, AI, and climate change. Faced with such hard-to-predict information security threats, strengthening information security becomes a key component of strengthening our corporate development.

China Life's Responses

- Plan and build a Level 3 information security defense framework to strengthen information security resiliency so that we can respond to a complicated information security risk environment.
- Optimize Level 1 information security defenses to solidify our information security. Strengthen both pre-emptive and defense capabilities.
- Build Level 2 information security defenses that include monitoring and analysis mechanisms, in order to more quickly respond to and manage various types of information security incidents.
- Strengthen Level 3 information security defenses by building information security response teams. Use training and drills to strengthen our information security incident response capabilities.

03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Anti-Money Laundering and Counter-Terrorist Financing

Opportunities and Challenges in the External Environment

- Addition and revision of anti-money laundering and counter-terrorist financing laws. Increased oversight by competent authorities.
- International anti-money laundering and counter-terrorist financing efforts.

China Life's Responses

- Continue to strengthen our responses to legal changes. Improve monitoring of anti-money laundering and counter-terrorist financing measures of invested companies, in line with government policy. Add and strengthen monitoring before and after investing in other companies.
- Continue to evaluate monitoring methods, monetary amounts, and transaction frequency to strengthen reporting of suspicious transactions and counter illegal activities.
- Commission accounting agencies to audit our anti-money laundering and counter-terrorist financing measures. Obtain an unqualified audit report.
- Hold diverse anti-money laundering and counter-terrorist financing education and training programs that reach everyone from the Board of Directors and top-level management to key department staff, office staff and sales agents. The top-to-bottom approach shall cover the Company's culture of anti-money laundering and counter-terrorist financing as well as risk awareness. Continue to monitor domestic and international developments to further improve management.
- Encourage staff to obtain professional credentials, such as Certified Anti-Money Laundering Specialists (CAMS) certification and domestic anti-money laundering and counter-terrorist financing certification, in order to implement and strengthen related measures.

Fintech Developments

Opportunities and Challenges in the External Environment

- Digitalization and the widespread use of mobile devices continue in the finance industry as digital technology changes the insurance industry ecosystem. Companies that effectively utilize these technologies will provide services that better meet customers' needs.
- The finance industry has begun introducing a wide range of digital technologies, including AI, blockchain, bioidentification, mobile technology and chatbots. As insurance technology matures, a different consumer environment with different service needs is emerging. The insurance industry must respond to the digital transformations that are underway.
- There has been an increasing number of insurance fraud cases, particularly organized and group cases. Some people use fraudulent fintech tools to engage in fraud or carry out internet crimes. Human assessments in related claims settlements are difficult and time consuming. As fintech continues to advance, the insurance industry must keep pace.

China Life's Responses

- After becoming the first insurance company to obtain regulatory approval to operate a pilot bioidentification mechanism, we will continue to integrate facial identification techniques into our policy purchases while closely monitoring risk.
- Launch digital transformations that put the customer first. By monitoring customer service needs and regulatory changes, we effectively integrate AI and big data into bioidentification, smart robots and other initiatives that optimize the customer experience and raise agent service effectiveness.
- Make insurance applications more convenient by adding fingerprint identification and facial recognition as log in options. We will continue to raise usage rate of mobile insurance and work with our cooperative channels to develop new digital tools.
- Raised the efficiency of mobile application inspections and gradually increased digitalization of the policy application process. Agents and policyholders are now able to use mobile devices to respond to application inspection inquiries.
- Raised identification and investigation hit rates in abnormal risk and claims cases, established claims fraud prevention models, used big data analysis to increase the number of solved cases, and launched a 30-second enhanced automated clearing house (eACH) payment system.
- Continue to increase the video survival analysis to make policy applications more convenient.

Demographic Structure Changes

Opportunities and Challenges in the External Environment

- According to Ministry of the Interior statistics, Taiwan has an aged population structure. Older populations pose challenges in terms of health care and social welfare expenditures. Many older people are unable to work due to poor health, which makes their life more difficult.
- Taiwan faces lower birth rates, an ageing population, an aged society, rising elder care needs, and a need to raise health awareness. These changes are creating demand for related insurance products.

China Life's Responses

- A basic safety net is needed for all groups. In this spirit, and in response to government policies to increase basic protections among the aged, we continued to enhance small-amount life insurance by developing related online platforms, introducing small-amount life insurance specially designed for public servants and teachers, and offering small-amount protection products that are denominated in foreign currencies.
- Use core insurance industry capabilities to encourage policyholders to manage their health. Continue to design and develop products with health management aspects that encourage positive habits, such as regular exercise, by offering premium reduction incentives. When policyholders take action to prevent disease and become more aware of health-related issues, a winning situation is created for all parties.
- Issued a pioneering composite insurance for people with specific disabilities, as part of our commitment to implement friendlier financial services measures, ease insurance burdens on people with disabilities, and reduce insurance gaps. Set up care counters at our Taipei, Taoyuan-Hsinchu, Taichung, Chiayi, Tainan, and Kaohsiung service centers to better serve the elderly or policyholders with mobility problems. Reduced waiting times and specially trained staff improve the service experience for people with special needs.
- Our corporate website includes a special financial services section that the National Communications Commission recognizes as offering a high level of accessibility to people with disabilities. Special accessibility modifications help people with difficulties using a mouse still quickly browse the website to obtain whatever information they need.

Uneven Distribution of Social Resources

Opportunities and Challenges in the External Environment

- An urban-rural development gap has led to a high percentage of children in rural areas who are economically disadvantaged or lack resources. They are often being raised by their grandparents, are in dysfunctional families, lack cultural integration, or are deprived of daily necessities.

China Life's Responses

- Raised confidence and provided school resources to children in rural areas in order to reduce the urban-rural development gap. Continued the Read Across 319 Townships program, which aids children by injecting corporate resources and care into rural schools. Implemented the Aesthetic Education Plan, which aims to show the beauty of Taiwan and spark students' creativity. Starting from the perspective of aesthetics, the plan brings together social enterprises and artists to teach classes that incorporate local elements and characteristics to encourage rural students to exhibit their creativity.
- Our food agriculture educational program seeks to teach rural students good nutrition concepts while promoting environmental protection ideas. We also regularly purchase fruits from small-scale farmers who are conscientious stewards of the land then donate these fruits to rural schools and orphanages to support better nutrition and publicize the merits of food safety and green agriculture.
- Expand charitable mobilization by using the Love to Go Volunteer Team to promote local charity, including monthly volunteer activities. Continue to sponsor the Socially Minded Young CEO plan, which encourages university and college students to visit rural areas to support food safety and environmental protection activities. Local charity helps disadvantaged groups and has the power to "light up" all corners of society.

03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Environment

Global Climate Change

Opportunities and Challenges in the External Environment

- Climate abnormalities and extreme climate events are becoming more frequent. In recent years, the number of high-temperature days in Taiwan increased. The number of rainy days decreased, but the risk of disaster grew due to more days with torrential rain. Besides raising environmental protection awareness among the general public, we must prepare people for major disasters.
- Global warming and climate change will lead to more typhoons, droughts, torrential rain, and other extreme weather events, severely impacting the agriculture and the fisheries industries while causing human casualties and property losses. Some crops will be overproduced, leading to waste.
- Green consumption has become a global trend. As environmental protection and awareness move to the front of consumers' minds, people are playing closer attention to whether the products and services they consume adhere to sustainable development principles.

China Life's Responses

- Formulated the "Guidelines Governing Post-Disaster Services for Policyholders" to serve as management procedures after disasters. The guidelines provide fast, considerate, and convenient care to help victims overcome the difficulties they face.
- Promote greater environmental awareness among staff and advocate energy saving, carbon reduction principles. Respond to government green procurement policies by continuing to buy Green Mark products to build a low carbon operational environment and reduce our environmental impact.
- Enhance food value through the "Eat Well" campaign. Publicize the importance of choosing in-season agricultural products for their freshness and greater nutritional value.
- Hold annual charity fairs, Food Safety – Green Academy events, and Love to Go Volunteer Team activities in order to support better environments in Taiwan. Purchase agricultural goods from conscientious small-scale farmers to support their stewardship of the land and provide them with a stable income.
- The mobile insurance usage rate exceeded 90%, which significantly reduced our paper consumption and related environmental impact.



Sustainable Strategies

The life insurance industry has its finger on the pulse of society. Whether it is the ageing population, the widening wealth gap, or climate change, we know that anything affecting the environment, society as a whole, or individual lifestyles and health could also impact our operations. China Life therefore upholds the core value of "We Share, We Link." It is the spirit behind our sustainable development. We have always believed that CSR requires combining professional capacity and resources to make a positive impact on society. Our vision is to create the greatest long-term benefits for policyholders, shareholders, employees, and society.

We also integrated the 17 UN SDGs and Taiwan's sustainable development goals into our operations. We established the Company's four main development themes of ethical management, professional cultivation, joint value creation, and green services. At the same time, we respond to global sustainable development needs in order to help make the world a better place.



The most reliable insurance company

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

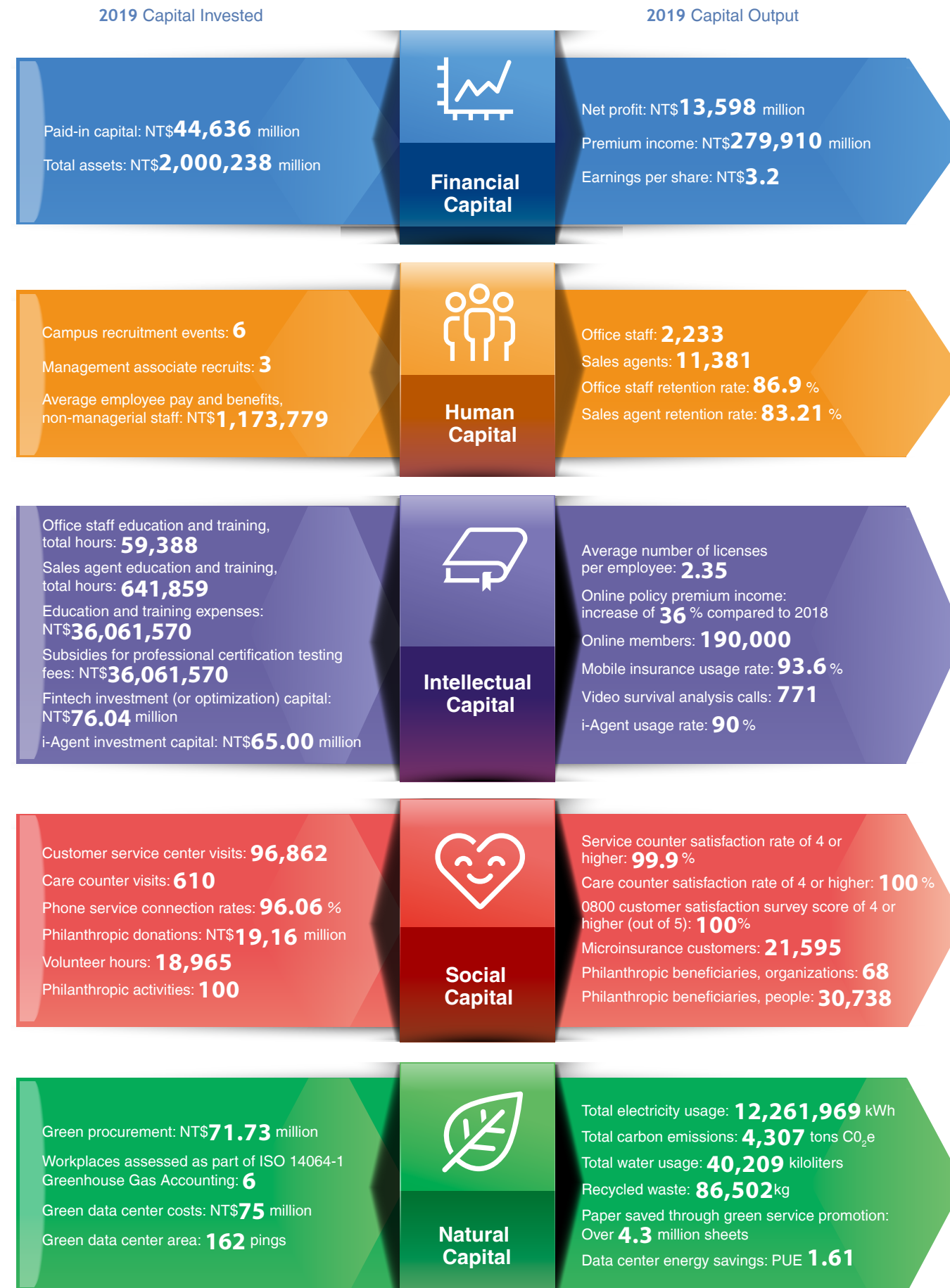
- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement



Bolstering Sustainable Relations with Stakeholders

Stakeholder Engagement

China Life systematically identifies and classifies stakeholders. Referring to the AA1000 Stakeholder Engagement Standard, we determine stakeholders' scope of engagement based on the following five attributes: responsibility, influence, tension, diverse perspectives, and dependency. We gather and analyze the opinions of senior supervisors then use these data to determine 10 main stakeholder types: regulators, channel partners, public institutions & industry associations, shareholders & investors, policyholders, employees, the media, suppliers & contractors, invested companies, and non-profit organizations & NGOs.

We use a variety of channels to communicate with stakeholders and gain feedback so we can quickly make relevant management changes and disclose the information needed for positive engagement.



Regulators | Engage in ethical management of our life insurance business and comply with all rules and regulations

Issues of Concern	Information security and personal information protection / Compliance / Anti-money laundering and counter-terrorist financing / Corporate governance and ethical management / Sustainability strategies
Engagement Approach	<ul style="list-style-type: none"> • Proactive visits to regulators to explain corporate matters or provide reports • Participation in government meetings and offering of recommendations • Participation in conferences and seminars • Disclosure of data to regulators to assist with oversight and inspections, as well as providing information on case progress • Routine communication via telephone, e-mail, documents (letters), and meetings
2019 Engagement Performance	<ul style="list-style-type: none"> • Submitted two reports on the operations of invested companies in Mainland China to the Financial Supervisory Commission's Insurance Bureau • Joined internal audit conferences and seminars for the insurance industry • Declared auditing plans and progress to regulators • Joined with the Financial Supervisory Commission's Insurance Bureau to hold four pilot business discussions forums



Channel Partners | Cultivate close relations with all cooperative channels and provide excellent products to lead to win-win situations

Issues of Concern	Sustainability strategies / Anti-money laundering and counter-terrorist financing / Corporate governance and ethical management / Compliance / Risk management
Engagement Approach	<ul style="list-style-type: none"> • i-Agent and other digital consultation hotlines • Addition of a broker consultation hotline • Maintain communication with partner channels over e-mail, telephone, face-to-face discussions, and meetings, as well as education and training sessions
2019 Engagement Performance	<ul style="list-style-type: none"> • i-Agent and other digital consultation hotlines served agents 3,063 times • Channel partners reached 124, including brokers, banks and securities firms • The mobile insurance usage rate achieved steady monthly growth of 10% on average • Cooperated with E.Sun Bank and Hua Nan Bank to manage online insurance purchases and offer interest sensitive annuity on the banks' e-commerce platforms • Channel partners signed contracts committing to anti-money laundering and counterterrorist financing regulations. When laws or regulations change, we notify our channel partners in writing or in person

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement



Policyholders | Offer a wide range of high-quality insurance products with helpful after-sales service to satisfy the needs of various policyholders

Issues of Concern	Customer service and care / Corporate image and reputation / Operational performance / Sustainability strategies / Information security and personal information protection
Engagement Approach	<ul style="list-style-type: none"> • Sales staff • Local customer service counters • Free customer service hotline: (0800-098-889) • Overseas inquiry hotline: +886-4-36083600 • Overseas emergency hotline: +886-2-25360077 • "Peace of Mind" phone insurance purchase service hotline: 0809-001-005 • Customer service and complaints channels using regular mail and fax • Automatic delivery of policyholder notices • Corporate website: consultation messages, policyholder section, online policy purchases, stakeholder section, free e-newsletter subscriptions • Social media networks: Facebook, Instagram • News reports
2019 Engagement Performance	<ul style="list-style-type: none"> • Service counter satisfaction rate of 4 or higher in 99.9% of cases • Care counter satisfaction rate of 4 or higher in 100% of cases • Visitors to the corporate website reached 1.8 million and total views were 3.45 million. Visitors to the online policy purchase page were 730,000 and total views were over 2.2 million • 4,368 messages were left on the corporate website, a threefold increase compared to 2018 • Sent 62 eDMs to members • Sent 12 policyholder newsletters that had a total of 68 articles • Followed by more than 27,000 people on Facebook and more than 1,700 people on Instagram • Issued 48 press releases or interview reports to promote new products and respond to social trends. These led to 93 newspaper reports and 393 online reports. • 56.7% of our group insurance holders used our online group insurance network platform to manage their policies. • To facilitate phone registration for "Peace of Mind" travel insurance, we added a "Peace of Mind" member reservation service, which was used by 699 applicants



Invested Companies | Discharge the duties of an institutional investor by continuing to closely follow and communicate with invested companies, thus raising long-term investment benefits

Issues of Concern	Corporate governance and ethical management / Corporate image and reputation / Risk management / Operational performance / Sustainability strategies
Engagement Approach	<ul style="list-style-type: none"> • Continue to follow and track invested companies, including participating in shareholders' meetings, tracking financial reports, and heeding social issues. Issue research reports to management
2019 Engagement Performance	<ul style="list-style-type: none"> • Issued monthly investment reports that reviewed the performance of invested companies and followed up on their operational status. The reports were delivered to top-level management for review. The scope covered 100% of invested companies • Participated in the shareholders' meetings of public and OTC listed invested companies to the fullest extent our authority allowed. Our participation rate of 100% underscored our commitment to responsibly using and managing policyholders' assets. Continued to monitor and inquire about the financial status of invested companies and their CSR performance. These results were recorded in research reports delivered to top-level management and included CSR evaluations.



Shareholders & Investors | Pursue stable operational growth and a strict risk management culture to maximize value for shareholders

Issues of Concern	Corporate governance and ethical management / Risk management / Operational performance / Corporate image and reputation / Legal compliance
Engagement Approach	<ul style="list-style-type: none"> • The Investor Relations Department, which serves as the primary unit responsible for communicating with investors, replies to investor and analyst inquiries by telephone or e-mail • Annual and extraordinary shareholders' meetings • Analyst meetings • Attendance at domestic and overseas investor conferences and roadshows • Updating important announcements and information in Chinese and English on the bilingual investor relations page of the corporate website • Provide business audit information to our parent financial holding company
2019 Engagement Performance	<ul style="list-style-type: none"> • Held one annual shareholders' meeting. The attendance rate and rate of votes in favor of proposals from foreign shareholders both surpassed 70% • Held one annual analyst meeting • Joined a total of five investor conferences and overseas road shows • Simultaneously published major information in both Chinese and English • Published English-language quarterly financial reports on the corporate website • Published semiannual financial reports 15 days before the regulatory reporting deadline, a pioneering practice in the life insurance and financial holding industry. Published annual financial reports one month before the regulatory reporting deadline and within two months after the end of the fiscal year, giving investors timely and adequate information and meeting the standards followed in advanced nations. • Published the annual general shareholders' meeting agenda handbook, supplementary information, and annual report, all seven to nine days before the regulatory deadline. Compiled complete English-language versions of the general shareholders' meeting agenda handbook and annual report to provide comprehensive information disclosure to foreign institutional investors, in line with international practice • Joined two parent financial holding company and subsidiary company audit supervisor meetings and one parent financial holding company independent director and auditor conference, as part of our communication review



Public Institutions and Industry Associations | Participate in insurance-related research conducted by industrial institutions and associations; adhere to association scopes

Issues of Concern	Compliance / Risk management / Information security and personal information protection / Anti-money laundering and counter-terrorist financing / Customer service and care / Inclusive financing
Engagement Approach	<ul style="list-style-type: none"> • Participate in anti-money laundering and counter-terrorist financing promotions, education and training together with public institutions • Participate in seminars and meetings • Provide requested information to insurance associations • Use telephone, e-mail, documents (letters), and meetings to engage in routine communications
2019 Engagement Performance	<ul style="list-style-type: none"> • Assisted the research of regulatory policies in order to aid industrial innovation and progress. Gave the Company's experience ratio to regulators and made recommendations for improving monitoring and accounting systems from the Company's perspective • Provided the Company's annual progress in anti-money laundering and counter-terrorist financing education and training to the Life Insurance Association of the ROC

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement



Media | We maintain good media relations and issue press releases to strengthen our brand image

Issues of Concern	Operational performance / Employee pay and benefits / Corporate governance and ethical management / Information security and personal information protection / Emergency disaster assistance
Engagement Approach	<ul style="list-style-type: none"> • Established a designated media unit • Issue regular monthly press releases and produce special news reports • Hold news conferences • Add information relating to current trends and key notices to press releases to encourage use by the media • Social media networks: Facebook, Instagram • Disclose information on the "Latest News" section of the corporate website • Hold media banquets
2019 Engagement Performance	<ul style="list-style-type: none"> • The Public Relations Department, our chief media communications unit, regularly communicated with reporters over e-mail, phone, and messaging apps • Held one public media event • Issued 95 press releases that led to 1,484 media reports and 100% positive coverage • By submitting press releases or information and arranging interviews with spokespeople, we had 798 mentions in the media. The media praised China Life's professionalism, attention to detail, attentiveness, and high volume of quality submissions • China Life had 7,014 mentions in newspapers, magazines, and online media. • Published 425 posts on Facebook and Instagram to raise our social media profile and strengthen our brand awareness. Total reach was 6,450,839 • Published news reports on the corporate website to promote social risk management awareness. Adhered to our core corporate spirit of "love and care" while carrying out digital innovations and transformations that brought greater recognition to the quality of our service. Provided information on awards, sustainability actions, and other positive information to boost our corporate brand and image.



Non-Profit Organizations/NGOs | Sponsored social activities held in conjunction with public welfare organizations to give back to society

Issues of Concern	Risk management / Employee cultivation / Workplace health and safety / Employee pay and benefits / Sustainability strategies / Corporate image and reputation / Social participation
Engagement Approach	<ul style="list-style-type: none"> • Use district offices as external communication channels • Hold community activities • Use sponsors or donations to assist disadvantaged groups • Cooperate with public welfare organizations to conduct related education and training
2019 Engagement Performance	<ul style="list-style-type: none"> • Cooperated with the Taiwan Alzheimer Disease Association, becoming the first insurance company to be named a "dementia friendly organization." All 559 of our customer service staff completed a series of online classes on how to support customers with dementia • Organized 100 public welfare activities in cooperation with 68 philanthropic organizations, benefiting a total of 30,738 people • Charitable contributions surpassed NT\$19.16 million and volunteer hours were over 18,965



Employees | Employees are the Company's most important asset. To cultivate good employees we provide training plans and competitive pay and benefit packages.

Issues of Concern	Employee pay and benefits / Operational performance / Corporate governance and ethical management / Sustainability strategies / Compliance
Engagement Approach	<ul style="list-style-type: none"> • Diverse education and training programs • E-learning platform for office staff on the corporate website • Publish the Employee Corner magazine • Quarterly labor-management meetings • Online communication channels: i-Agent digital consultation hotline, the digital interactive platform Top Force Network, the i-Link app, hiBox e-mail, internal and external Line groups, and digital bulletin boards • List complaint channels and related information on the Company's internal website. Handle employee complaints in accordance with the "Labor Inspection Act."
2019 Engagement Performance	<ul style="list-style-type: none"> • Published 12 issues of Employee Corner magazine • Held four labor-management meetings to discuss labor movement, business status, and labor-related issues • There was one internal staff inspection case that covered issues such as working hours, salary, and attendance management reviews. All items passed review by labor and regulatory office representatives, and no legal violations were detected • Respond to fintech trends by arranging for service staff to attend digital tool workplace training while offering i-Agent and other consultation hotlines for agents to use. • Agents left 1,597 messages on the digital interactive platform Top Force Network. Average response time was 1.27 days



Suppliers/Contractors | Actively manage our supply chain and make joint promises with suppliers to implement corporate sustainability

Issues of Concern	Corporate governance and ethical management / Compliance / Risk management / Corporate image and reputation / Information security and personal information protection
Engagement Approach	<ul style="list-style-type: none"> • Disclose information on the "Supplier CSR Section" of the corporate website • Urge suppliers to sign the "Supplier CSR Commitment" • Use supplier selection, negotiations, and contract signing meetings as opportunities to ensure suppliers comply with environmental protection rules and continue to prioritize procurement of green-certified products • Convene annual selection meetings to update the list of qualified construction and repair contractors
2019 Engagement Performance	<ul style="list-style-type: none"> • Green procurement was NT\$71.73 million. For the fourth consecutive year, the Taipei Department of Environmental Protection, honored us for excellence in green procurement • Continued to promote the supplier CSR section on the corporate website and worked with suppliers to fulfill CSR promises • 100% of general suppliers and construction and repair suppliers signed the "Supplier CSR Commitment"

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

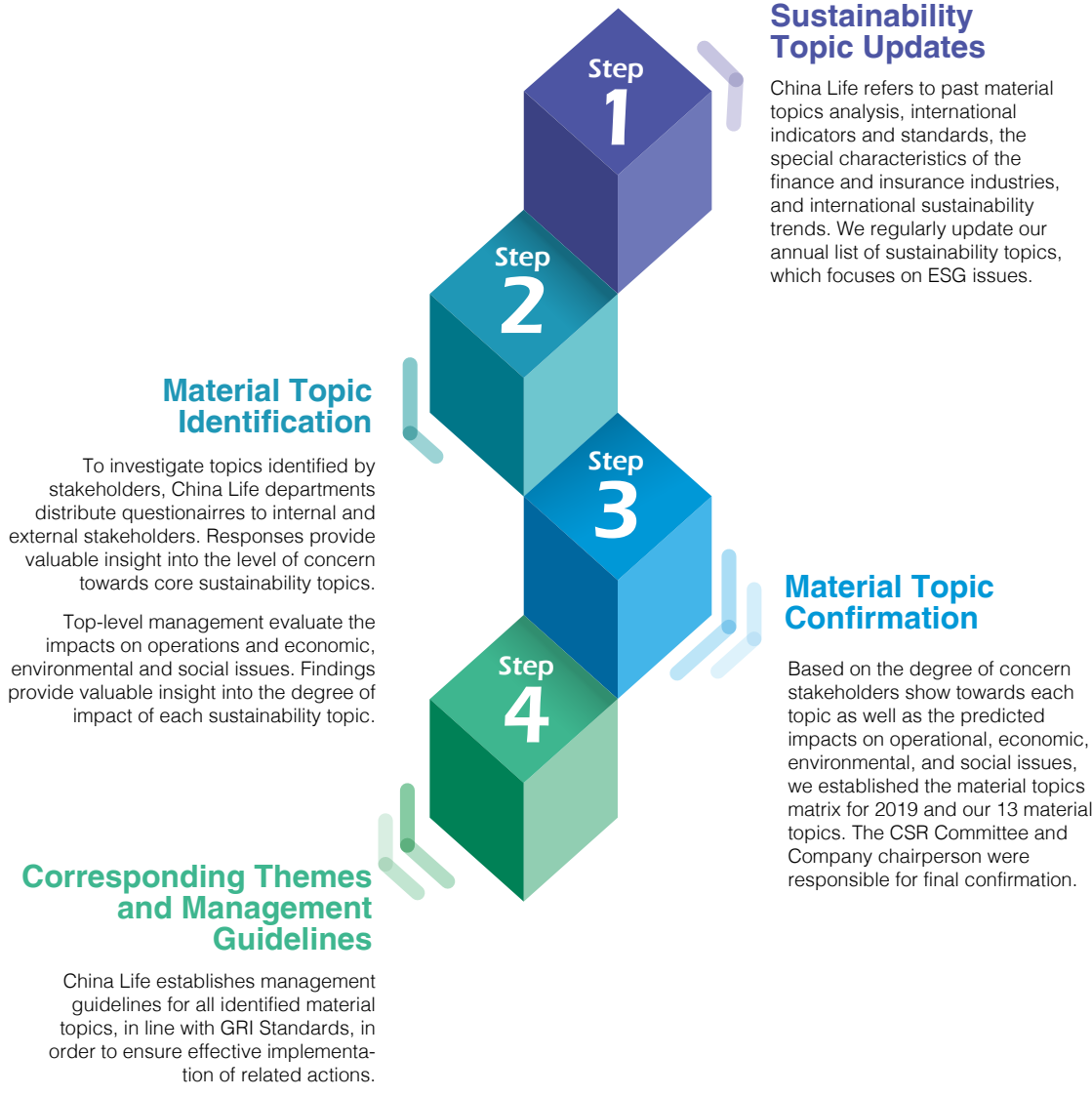
6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

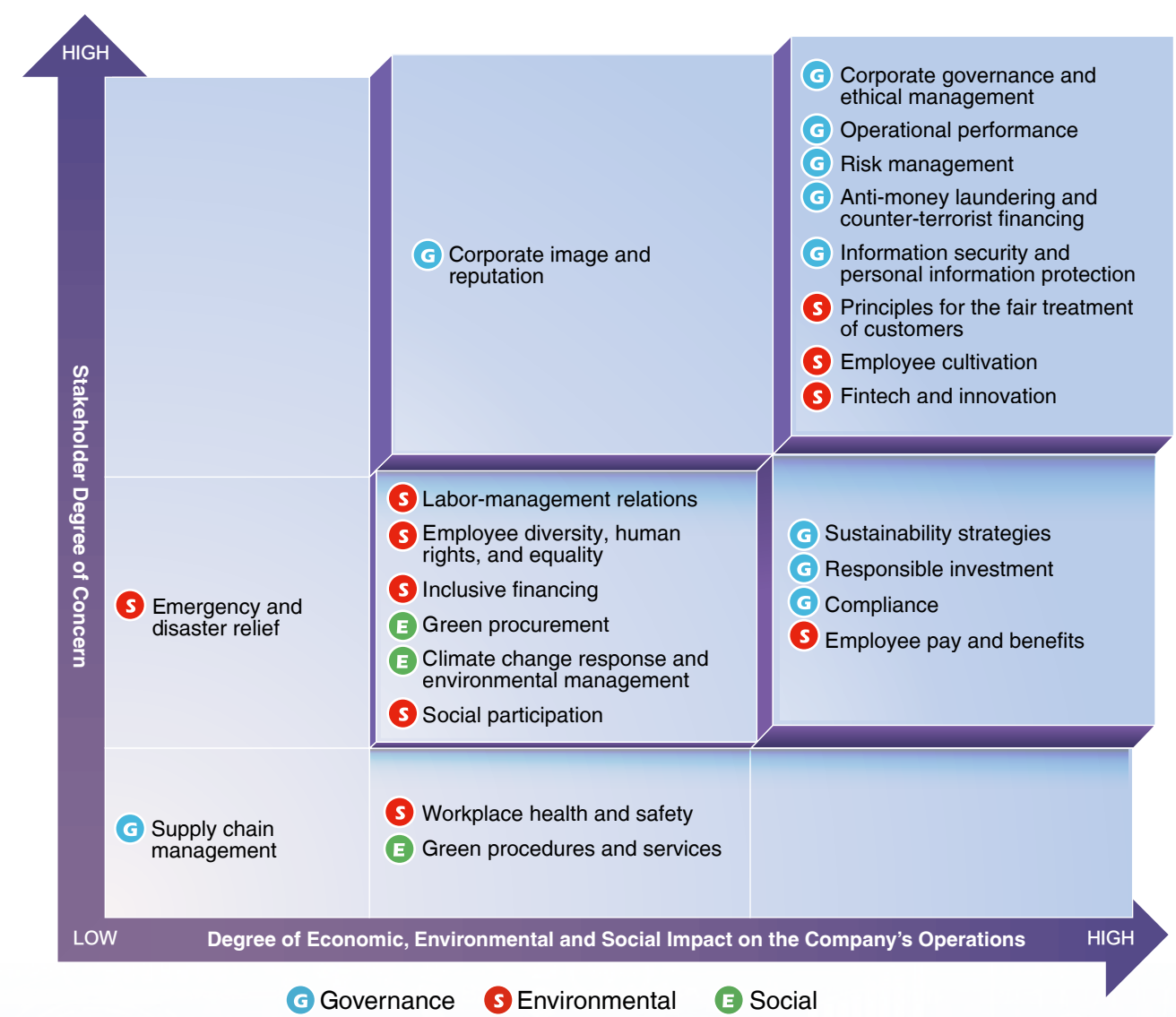
Identifying Sustainability Issues

To ensure that disclosed information meets the expectations of stakeholders, China Life systematically identifies sustainability issues then carries out risk analysis on the material items. Using the opinions of stakeholders and top-level management as a reference, and with final approval coming from the CSR Committee and Company chairperson, we identified 13 material topics: corporate governance and ethical management, operational performance, risk management, anti-money laundering and counter-terrorist financing, information security and personal information protection, principles for the fair treatment of customers, talent cultivation, fintech and innovation, corporate image and reputation, sustainability strategies, responsible investment, compliance, and employee pay and benefits. At the same time, in the interest of completeness, other issues are disclosed throughout The Report.

▼ Process for Analyzing Material Topics



▼ 2019 Material Topics Array



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Governance

Material Issues and Boundaries

Material Issues	GRI Standards/ Self-Designated Standards	Meaning for China Life	Material Risk Assessment and Performance Indicators	Value Chain					Corre- sponding Chapter	Page(s)
				China Life	Policy- holders	Suppliers / Contractors	Coopera- tive Channels	Invested Companies		
Sustainability Strategies	Sustainability Strategies	China Life's pursuit of sustainability is based on forward-looking ESG strategies and planning together with actions we take to implement CSR.	Regular analysis of material issues to understand ESG-related sustainability risks. We formulate short-, mid- and long-term goals to strengthen management.	●	●	▲	▲	○	CH1	22-27
Corporate Governance and Ethical Management	Anti-Corruption	We are committed to ethical management, developing a strong corporate governance system, and implementing robust disclosure and transparency policies to meet the expectations of internal and external stakeholders.	The Committee of Business Integrity and Ethics regularly monitors risks and set a goal of making 100% of our employees aware of ethical management.	●	○	▲	▲	○	CH2	48-56
Operational Performance	Economic Performance	Substantial progress and growth are basic promises we make to shareholders and policyholders. Diverse products, prudent investments, and strict risk management contribute to robust annual profits, innovations, and advancement.	We deeply value policyholder and stakeholder rights and interests, develop diverse products to satisfy customer needs, and expand our diverse range of services to ensure the Company's long-term operational advantage.	●	○	▲	▲	○	CH2	46-47
Risk Management	Risk Management	To guarantee asset security, raise service quality, and add value for shareholders, we built a prudent risk management system. Comprehensive control measures include identifying, weighing, monitoring, responding to, and reporting risk.	Formulated comprehensive risk management policies and an operational risk dashboard to regularly evaluate and revise our risk indicators and standards.	●	○			○	CH2	59-61
Information Security and Personal Information Protection	Customer Privacy	Built an information security management system as well as a personal information management system. Our rigorous approach to information security and personal information protection ensures that private information is secure, so customers' minds are at ease.	Established the Information Security Committee and the Personal Information Protection Management Committee to monitor implementation and feasibility of our information protection mechanisms. These measures ensure there are no major information security incidents.	●	●		▲		CH2	65-68
Compliance	Compliance with Environmental Protection Laws	We act in accordance with government policies and laws. In daily operations, all departments adhere to government rules and offer full disclosure of environmental, economic, and social legal issues.	Comprehensive risk evaluation mechanisms ensure legal compliance. Annual risk evaluations improve monitoring and respond to stricter financial oversight trends.	●					CH2 CH5	69-70 130
	Compliance with Socioeconomic Laws			●	○		▲		CH2	69-70
Anti-Money Laundering and Counter-Terrorist Financing	Anti-Money Laundering and Counter-Terrorist Financing	To guarantee the rights and interests of policyholders and maintain financial stability, China Life implements anti-money laundering and counter-terrorist financing policies, thus strengthening our financial crimes prevention.	China Life built a risk management framework based on corporate governance, mechanism design, controls and procedures, risk management, and independent auditing.	●	○		▲	○	CH2	62-64
Corporate Image and Reputation	Marketing and Labeling	While conducting internal operations and external marketing of products and services, we maintain our excellent reputation by adhering to the spirit of "We Share, We Link."	Internally, we promote the Company's vision and build a good corporate culture that all employees implement in their daily work.	●	●		▲		CH2	48-56
Responsible Investment	Product Portfolio	When analyzing potential investments, we weigh ESG implications. We also assess the CSR achievements of invested companies and actively seek to raise engagement.	Issued monthly investment reports that reviewed the financial status and CSR performance of invested companies. We also track their operational status and show results to top-level management for review.	●	○			●	CH2	57-58

Note: ● Causes the impacts, ○ Contributes to the impacts, ▲ Directly linked to the impacts through its business relationships

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Social

Material Issues	GRI Standards/ Self-Designated Standards	Meaning for China Life	Material Risk Assessment and Performance Indicators	Value Chain					Corresponding Chapter	Page(s)	
				China Life	Policy-holders	Suppliers / Contractors	Cooperative Channels	Invested Companies			
Employee Cultivation	Training and Education	Employees are our most important asset. To cultivate innovative thinkers with professional skills, we offer a comprehensive education, training, and review system that helps our workers to grow with the Company.	Shift talent development to a "select, cultivate, utilize, and retain" human resources management chain while cultivating employees with the skills needed to prosper in the age of digital finance.	●	○					CH3	75-85
Employee Pay and Benefits	Market Positioning	Pay and benefits packages are fair to current employees and competitive towards external recruits. We want employees to realize their full potential in a good workplace environment while receiving appropriate compensation.	Considered human rights protection when formulating Company policies, in order to fulfill equality and diversity while building a harmonious workplace environment.	●						CH3	91-92
	Labor-Management Relations			●						CH3	86-93
	Employee Diversity and Equal Opportunities			●						CH3	87-88
Principles for the Fair Treatment of Customers	Marketing and Labeling	China Life is committed to providing policyholders with top quality service and thoughtful care. From product sales and after-sales service to complaint management, we work meticulously to ensure customers' rights and interests are protected.	Established the Treating Customers Fairly Committee, which regularly compiles related measures and reports to the Board.	●	●		▲			CH4	106-114
Fintech and Innovation	Fintech and Innovation	Responding to the approach of the digital age, from the perspective of policyholders' needs we integrate innovative digital applications into our operations. Our goal is to raise service quality and provide customers with an all-new service experience.	Develop a digital finance blueprint that promotes digital transformation from the perspectives of people, technology, and processes. We keep abreast of fintech trends and continue to strengthen the Company's competitiveness.	●	●	▲	▲			CH4	100-105

Note: ● Causes the impacts, ○ Contributes to the impacts, ▲ Directly linked to the impacts through its business relationships

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement



2

Advancement Ethical Operations and Corporate Governance

China Life has always embraced ethical management values and ideas. We established a committee that exclusively focuses on ethical management. We built mechanisms to prevent corruption and improper transfer of benefits. In response to recent anti-money laundering and counter-terrorist financing issues we added a specialized department and commission third-party audits. In terms of corporate governance, we emphasize accountability and transparency. Meanwhile, we built comprehensive risk control mechanisms and rigorous information security systems. Since launching the Principles for Responsible Investment, we incorporate ESG principles into all of our investment decisions. We also support government policies that use investments to boost domestic industrial growth.



03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Respond to the principles for responsible investment by incorporating ESG issues into investment decisions

2019 ESG Goals and Progress

- Made CSR a standard part of evaluating investment targets and included CSR evaluations in stock research reports.
- Attended 100% of the shareholders' meetings of our invested companies and clearly expressed our views on topics under discussion to the fullest extent our authority allowed.

2020 ESG Goals

- Participate in one ESG investment forum and act on the Principles for Responsible Investment.
- Incorporate CSR evaluations into 100% of our investment research reports and make CSR an important part of investment decision-making.
- Continue to be an active participant in the shareholders' meetings of invested companies. Keep our participation rate above 95% to ensure responsible use and management of policyholders' assets.

Solidify corporate governance and ethical management to fulfill our promises to stakeholders

2019 ESG Goals and Progress

- Completed annual performance appraisals of the Board of Directors and the Committee of Business Integrity and Ethics, and reported the results to the Board.
- Carried out due diligence on new policyholders and high-net worth policyholders in accordance with the "Regulations Governing the Implementation of the Common Standard on Reporting and Due Diligence for Financial Institutions."

2020 ESG Goals

- Continue to cooperate with the competent authorities to conduct corporate governance assessments of listed (OTC) companies.
- Include ESG topics as part of the internal performance reviews of the Board of Directors.
- The Committee of Business Integrity and Ethics shall conduct annual performance reviews to strengthen corporate governance and ethical management.
- Commission an external performance review of the Board of Directors every three years to ensure effective corporate governance and strengthen operational efficiency of the Board.
- Continue to carry out due diligence on new policyholders and existing accounts while also completing our first declaration.

Improved anti-money laundering and counter-terrorist financing methods to effectively control risk

2019 ESG Goals and Progress

- Offered diverse anti-money laundering and counter-terrorist financing education and training to employees at all levels. Held or participated in 92 education and training events, with 100% of our office staff and agents receiving training.

2020 ESG Goals

- 100% of our anti-money laundering and counter-terrorist financing staff shall obtain related domestic or international certifications.
- 100% of the brokers we cooperate with shall sign a contract pledging to adhere to anti-money laundering requirements.

Strengthen information security and personal information protection to fulfill our promises to policyholders

2019 ESG Goals and Progress

- Completed Personal Information Management System (PIMS) BS 10012 third-party re-assessment. Continued to use the Plan-Do-Check-Adjust cycle to strengthen our personal information protection management capacity.
- Held 13 personal information protection education and training courses.
- Strengthened inspection and framework review of new technology before it went online to prevent information security lapses and raise awareness. Formulated procedures to respond to information security incidents and conducted three information security response training drills.

2020 ESG Goals

- Maintain PIMS and pass third-party auditor re-assessment.
- Regularly conduct education and training courses to raise awareness of personal information security and achieve a completion rate of 100%.
- Commission external experts to carry out one information security attack drill in order to improve our response and management capabilities.
- Continue to build and monitor various information security defense systems, commission external experts to evaluate our information security measures, and release information security statements.
- China Life's Keep Going mobile app shall continue to pass information security evaluations and achieve Mobile Application Basic Security (MAS) certification.

Management Guidelines

Major Topics Economic Performance, Product Portfolio, Corporate Image and Reputation

Commitments

- Provide comprehensive risk coverage planning that takes into account future social trends and government policies for all customer groups. Expand channel operational planning and customer penetration of digital operational models in order to raise operational growth.
- Ensure the rights and interests of the Company and policyholders by fulfilling our social responsibilities as an institutional investor and making ESG principles part of our responsible investing approach. Require strict compliance of private equity funds in areas such as assets under management, corporate establishment period, and investment performance. Besides complying with regulations, our use of funds in special projects shall prioritize companies that fit the 5 + 2 Industrial Transformation Plan and public enterprises in order to support domestic industrial development.
- Uphold the five service concepts of "joy, precision, enthusiasm, timely responses, and gaining customer recognitions." Plan service ambassador selection activities to build service models and strengthen our service culture, and use caring service as tools for improving our corporate image and satisfying customer needs.
- Value shareholder rights and interests, maintain information disclosures and transparency, and uphold the principle of equal treatment of shareholders. These measures will contribute to better communication channels.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Policies / Management System

- Compile the Investment Handbook, which includes CSR within the scope of our considerations. When screening investment targets, besides weighing ESG performance, regularly examine anti-money laundering and counter-terrorist financing performance.
- Voluntarily sign the "Stewardship Principles for Institutional Investors," which were issued by the Taiwan Stock Exchange, in order to express our commitment to governance in the investments we make.
- Private equity funds must be recommended by our consultants, conform with the rules governing investments by life insurance companies, and complete the internal review process. Use of funds in special projects must complete the internal review process and be reported to the Board of Directors for discussion.
- Implement the "Rules Governing the Service Ambassador Selection Activity" and the "Call Inquiry and Personal Information Control Compliance Handbook" in order to raise service quality and achieve customer information security. Demonstrate the Company's "We Share, We Link" corporate brand spirit which has people at its core.

Complaint Mechanisms

- Incorporate a stakeholders' section on the corporate website and use the Investor Relations Department to serve as communication channels with our investors.
- Provide counter service, a free customer service hotline (0800-098-889), website inquiries and comments, Facebook inquiries and comments, postal and fax channels, and other customer service and complaint channels operated by specially trained communications departments.

Evaluation Mechanisms

- In 2019, our total assets surpassed NT\$2 trillion, market value was NT\$114.3 billion, total premium income was NT\$279.9 billion, net profit reached NT\$13.598 billion and EPS was NT\$3.20.
- Fulfilled our stewardship role as an institutional investor by attending 100% of the shareholders' meetings of our invested companies with listed shares and voting in 100% of the shareholders' resolutions that we qualified to participate.
- For each of our investments, we carry out monthly investment performance analysis and quarterly operational performance analysis. We also regularly report capital use performance to the Board of Directors.
- To strengthen service quality we continue to carry out satisfaction surveys, which provide immediate insight into customers' experience, problem solving using online channels, and overall service performance. In 2019, the average satisfaction rating of 100% of our customer service agents was at least 4 (out of 5).
- To encourage passionate, caring service from our employees, we hold the Service Ambassador Selection activity. This event turns us into a model of service with an excellent service culture. In 2019, we held four satisfaction rating ballots that led to the selection of 49 service ambassadors.

Management Guidelines

Major Topics Risk management, anti-corruption, anti-money laundering and counter-terrorist financing, customer privacy, compliance with socioeconomic regulations

Commitments

- Conscientious risk management and the pursuit of corporate sustainability as key aspects of our corporate culture, with the aim of achieving sustainable growth.
- The Board of Directors and management regularly sign the Company's "Declaration of Ethical Management," which serves as a promise of our ethical management policies.
- Actively carry out anti-money laundering and counter-terrorist financing works in order to maintain trade security and stable finance procedures while fulfilling our social responsibilities.
- As part of our commitment to information security, we shall provide customers with a safe transaction environment. Comprehensive protection and safeguards for information systems storage, processing, transmission and disclosure are required to prevent damage, theft, leaks, tampering, abuse, and infringement.

Policies / Management System

- Establish a comprehensive risk management mechanism that includes own risk and solvency assessment, key risk management, personal information protection, money laundering and terrorist financing risk assessment mechanisms, operational risk identification, and three risk assessment tools.
- Implement the "Ethical Corporate Management Best Practice Principles," the "Ethical Corporate Management Conduct Guidelines," and the "Guidelines for Whistleblowing on Illegal, Immoral or Unethical Conduct" in order to achieve ethical management and prevent the occurrence of unethical practices.
- Implement the "Directions for Anti-Money Laundering and Counter-Terrorist Financing," "Evaluation of Money Laundering and Terrorist Financing Risk Control Policies," "Rules Governing Anti-Money Laundering and Counter-Terrorist Financing," "Directions and Rules Governing Anti-Money Laundering and Counter-Terrorist Financing by Offshore Insurance Units," and the "Operating Procedures for the Evaluation of Money Laundering and Terrorist Financing Risk Control" in order to carry out related control measures.
- Prudent assessment and review of our anti-money laundering and counter-terrorist financing internal control mechanisms includes issuing of a related statement that is reported to the Board of Directors. Following passage, the statement is disclosed on our corporate website within three months of the end of each fiscal year. We also announce the full extent of our internal control mechanisms on a website designated by the Financial Supervisory Commission.
- Anyone who does business with the Company, including sales agents, contractors, and temporary employees, must adhere to the Company's information security policies and related standards. When the acquisition or use of Company-managed information is required for work purposes, those who handle the information are obligated to protect it and prevent it from unauthorized saving, tampering, damage or disclosure. Regular testing of the Company's IT business continuity plan ensures effective operations.

Complaint Mechanisms

- Operate a diverse set of channels to report illegal, immoral, or unethical activities, in order to create an ethical corporate culture and promote robust corporate development. These channels include direct reporting, documented reporting, and e-mail (whistleblower@chinalife.com.tw). The regulations describe procedures for handling such violations as well as whistleblower protection measures.
- Update the "Information Security Stakeholder List," which is reviewed annually to ensure that we track all stakeholders tied to our information security systems. Examine the arrangements, timing, roles, people and channels associated with all of our internal and external contacts.

Evaluation Mechanisms

- Carry out annual own risk and solvency assessments and report the results to the competent authorities.
- Independent accountants commissioned by the Company to audit our anti-money laundering and counter-terrorist financing mechanisms found that our internal control system was effectively designed and implemented. They determined that all key required information was available, and for the second consecutive year their unqualified opinion was that there were no major or obvious deficiencies.
- Produce annual money laundering and terrorist financing risk analysis reports and prevention plans. These are submitted to the Risk Management Committee and the Board of Directors, so senior executive managers can better understand the Company's risk exposure.
- The Committee of Business Integrity and Ethics conducts annual internal reviews and analyses of the Company's legal compliance to evaluate the effectiveness of our ethical operations practices. Results are reported to the Board of Directors. Furthermore, annual performance appraisals give insight into the committee's operations.
- The Information Security Committee holds two annual meetings to review information security and ensure that it is effectively managed. The Company conducts annual information security mechanism policy reviews, semiannual internal information security audits, and monthly information security target checks. We also maintain ISO 27001: 2013 information technology security certification. In 2019, the Company did not have any major information security incidents and won a gold medal for Information Security Promotion Excellent Performance at the Taiwan Insurance Excellent Performance Awards.
- The Personal Information Protection Management Committee meets semiannually to report on related practices. Annual BS 10012 third-party reviews assess and improve our personal information protection management capacity. In 2019, we passed third party reassessment with no faults.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Firm and Stable Operations

Stable Development

Ethical corporate management is a core corporate value of China Life. We continue to use our risk management policy as a basis and framework for strengthening risk quantification management. Findings contribute to corporate decision-making. We aim to become a model in the life insurance industry for corporate governance, risk management, and steady growth.

We adopt six major distribution channels and a balanced development strategy. To accommodate the unique aspects of each channel, we provide differentiated products. Moreover, we are undergoing a digital transformation to raise our competitiveness and satisfy our customers' diverse protection, medical treatment, investment, and asset allocation needs. Our goal is to create a win-win situation that benefits both the Company and policyholders.

▼ Six Distribution Channels and Development Strategies



» Superb Operational and Financial Performance

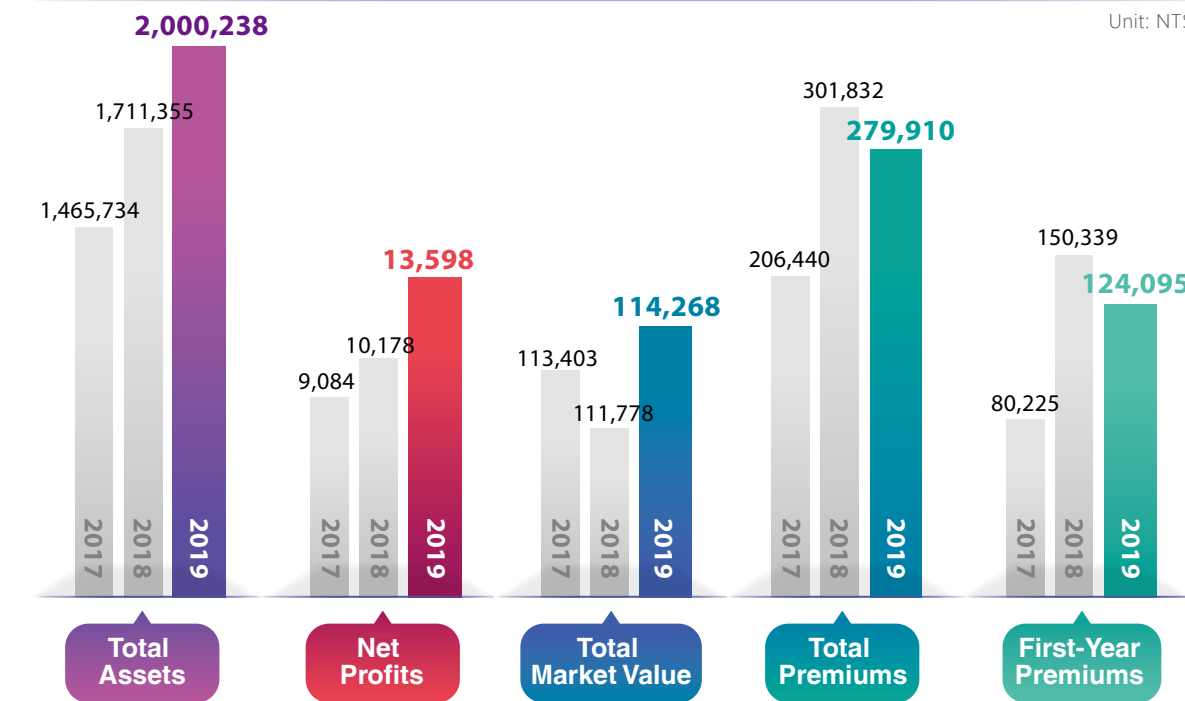
In 2019, China Life's new premium income reached NT\$124.1 billion and total premium income rose to NT\$279.9 billion. We had record profits, with net profit after tax of NT\$13.598 billion, for an annual growth of 34%. EPS was NT\$3.20, and market value reached NT\$114.3 billion. At the end of 2019, total assets surpassed NT\$2 trillion. During the past five years, premiums from new contracts and net profits each grew by close to 50%, while total premium income and total assets grew by over 60%. Despite the turmoil in the global economy, China Life continued to demonstrate strong performance in operations, profit, and asset quality.

We spare no efforts in maintaining stable operations and developing products that cater to different consumer groups and thus boost overall sales. Regulators praise our commitment to financial stability, which protects the rights of policyholders and shareholders while ensuring healthy capital adequacy as well as appropriate asset and liability management.

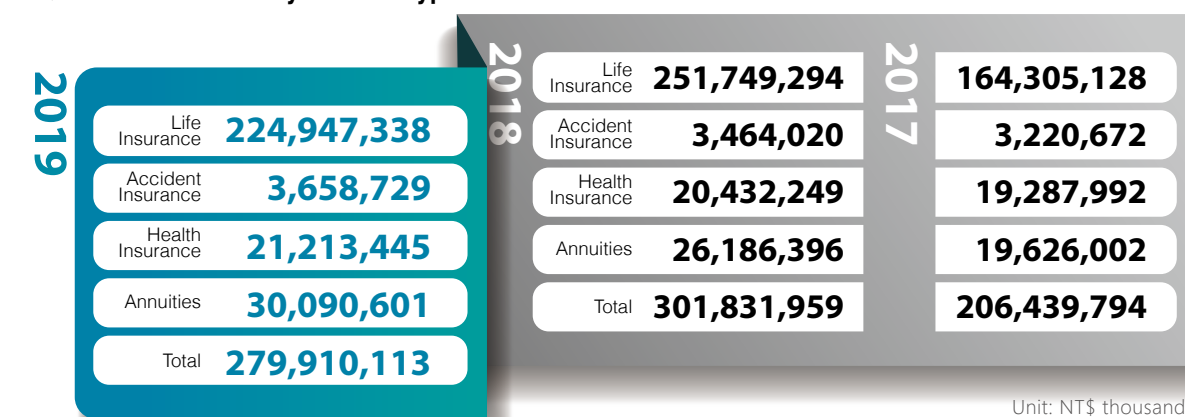
▼ Key Financial Performance Indicators

① Data for each year was collected from January 1 to December 31

Unit: NT\$ million



▼ Premium Income by Product Type



Unit: NT\$ thousand

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

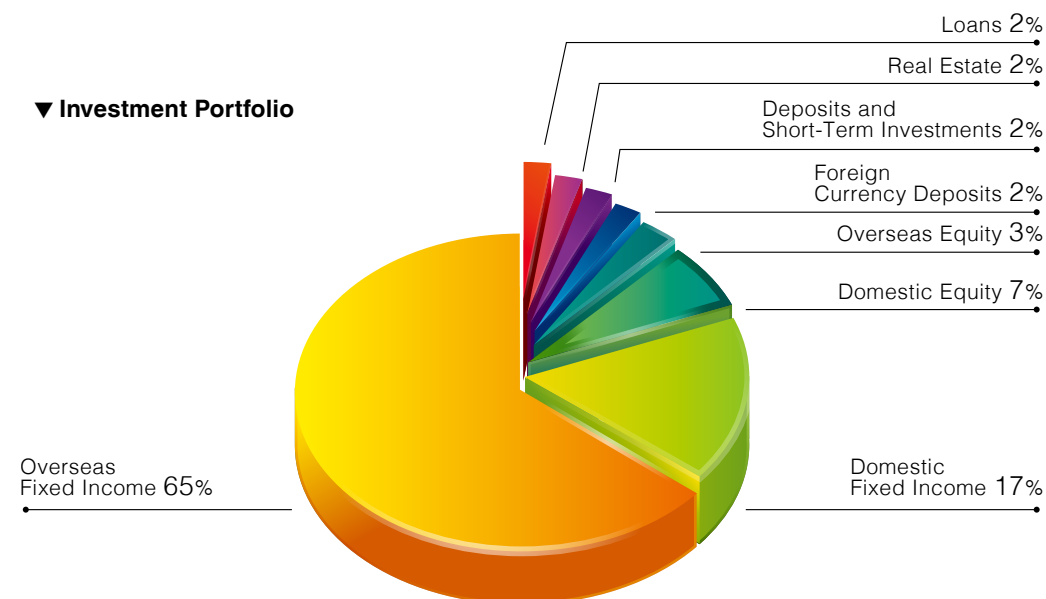
▼ Economic Value Generated and Distributed

	2019	2018	2017
Operating Revenues	339,115,451	338,495,113	255,328,334
Net Profit	13,597,878	10,177,987	9,083,972
EPS (Unit: NT\$)	3.20	2.54	2.26
Economic Value Distributed to Stakeholders			
Employee Pay and Benefits	3,505,366	2,827,230	2,811,924
Dividends			
Stock Dividend Payments (Surplus Year)	2,678,149	0	2,271,839
Cash Dividend Payments (Surplus Year)	2,678,149	0	3,029,119
Cash Dividend Per Share (Unit: NT\$)	0.6	0	0.8
Taxes			
Income Tax Expenses (Refunds)	1,200,389 ^①	0 ^②	5,482,827 ^③
Ratio of Tax to Operating Revenues	0.35%	0%	2.15%

Unit: NT\$ thousand

① Estimated 2019 income tax as listed in the Company's financial statements.
 ② Reported 2018 income tax.
 ③ Verified 2017 income tax.
 ④ Income taxes paid or (refunded) in each year could include taxes generated from the previous year. The data in the table only shows income taxes generated in the listed fiscal year.

▼ Investment Portfolio



Corporate Governance

» China Life Governance Framework

China Life has a robust corporate governance framework. Major decision-making and deliberations are carried out at the shareholders' meeting, including annual dividend distribution, director elections, and revisions to the Articles of Incorporation. The Board of Directors is responsible for key decision-making and review, including operational planning, annual financial reports, and the appointment of top managers.



To protect the general interests of the Company and ensure healthy corporate governance, China Life established four functional committees overseen by the Board of Directors: the Risk Management Committee, the Audit Committee, the Remuneration Committee, and the Committee of Business Integrity and Ethics. There are also various other committees overseen by the president to create a more robust corporate governance structure.

China Life follows recommendations in the Financial Supervisory Commission's Corporate Governance Roadmap (2018 – 2020) and adheres to the "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers." In 2019, the Company appointed a chief corporate governance officer and maintained directors and supervisors liability insurance coverage.

Consistent with China Life's long-standing commitment to corporate governance and corporate social responsibility, we are devoted to improving the quality and timeliness of information disclosure so as to provide policyholders, investors, and all stakeholders with extensive corporate information in a transparent manner. To further meet international standards, in 2016 we applied to the Taiwan Corporate Governance Association for the CG6010 (2015) Corporate Governance System Evaluation. Our score of "outstanding" was the highest grade offered. We were not only that year's sole company in the finance industry to be named as outstanding but also the first listed company to receive this distinction. To continue to meet international standards, in 2019 we applied for the CG6011 (2019) Corporate Governance System Evaluation and again achieved a score of outstanding. We were the only listed company to receive this honor in consecutive evaluations. Starting in 2014, when the Taiwan Stock Exchange began holding the Corporate Governance Evaluation Awards, for five consecutive years we ranked among the top 5% of companies. We closely examine annual corporate governance evaluation results and seek to raise our performance. Besides monitoring government policy, we track the latest corporate governance evaluation indicators announced by the Taiwan Stock Exchange. Adjustments to our corporate governance framework enable us to advance our governance performance in the pursuit of sustainable operations and development.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

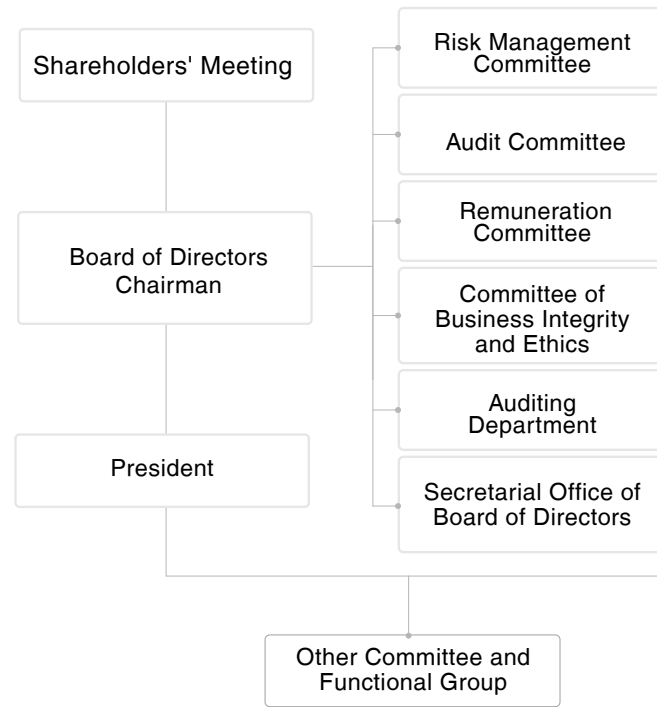
5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

▼ China Life Organizational Structure



- Legal Department
- Distribution Standard Department
- Accounting Department
- Finance Department
- Public Relations Department
- Human Resources Department
- Compliance Department
- Risk management Department
- Equity Investment Department
- Direct Investment Department
- Domestic Fixed Income Department
- Investment Management Department
- Foreign Exchange Department
- Foreign Investment Department
- Real Estate Investment Department
- Real Estate Management Department
- Facility Service Department
- General Affairs Department
- Customer Complaint Department
- Customer Service Planning Department
- Premium Planning Department
- Underwriting Department
- Claim Department
- Taipei Customer Service Center I, II
- Taochu Customer Service Center
- Taichung Customer Service Center
- Chiayi Customer Service Center
- Tainan Customer Service Center
- Kaohsiung Customer Service Center
- Call Center
- Policy Processing Department
- Core System Development Department
- Digital Marketing Technology Department
- Digital Process Technology Department
- System Integration Department
- Information Management Department
- Information Technology Infrastructure Department
- Data Development Department
- IFRS Project Systems Department
- IFRS Project Planning Department
- IFRS Model Development Department
- Information Security Department
- Digital Application Development Department
- Policy Process Management Department
- Actuarial Department I, II
- Product Development Department I, II
- Marketing Planning Department
- Strategic Planning Department
- Bancassurance Administration Department
- Bancassurance Sales Department of Southern Region
- Bancassurance Channel Department
- Bancassurance Sales Department of Central Region
- Bancassurance Sales Department of Northern Region
- Group Insurance Department
- Brokerage Admin. Department
- Financial Service Department
- Training Department
- Agency Admin. Department
- Agency Sales Planning Department
- Agency Development Department of Taipei-A Region
- Agency Development Department of Taipei-B Region
- Agency Development Department of Taoyuan & Hsinchu Region
- Agency Development Department of Taichung & Chiayi Region
- Agency Development Department of Tainan Region
- Agency Development Department of Kaohsiung & Pingtung Region
- Beijing Representative Office
- Branches

» Composition of the Board of Directors

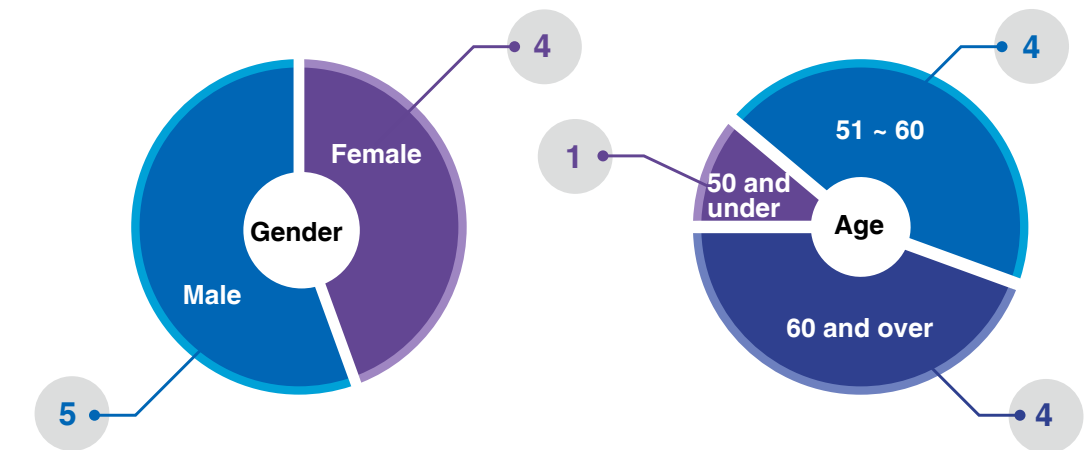
A nomination system is used for the elections of both the Company's directors and independent directors, in accordance with the policies and legal requirements of the competent authorities. Based on Article 22-3 of the "China Life Corporate Governance Policy," the Board shall be assembled to be diverse, to meet basic characteristics and values (including gender), and to have professional knowledge and ability (including professional background). Of the nine members of the Board of Directors (including independent directors), four are female. Each member has different training and experiences, including in the areas of operations, management, finance, banking, law, statistics, actuary, or insurance. Together, they fulfill the objective of having a diverse, gender equal Board.

▼ Diverse Backgrounds of the China Life Board of Directors

Basic Data	Core Capacities										
	Industrial Experience				Professional Background						
Name / Title / Gender	Banks	Stocks and Bonds	Insurance	Other Finance	Law	Accounting	Risk Management	Investment	Actuary	Finance and Banking	Operations and Management
Alan Wang Chairman			●	●				●		●	●
Yu Ling Kuo Vice Chairwoman	●	●	●	●				●		●	●
Hui-Chi Shih Director	●			●		●				●	●
Stephanie Hwang Director			●						●	●	●
Tony T.M. Hsu Director	●		●		●						●
Lauren Hsieh Director	●	●	●	●				●		●	●
Wei-Ta Pan Independent Director			●		●						●
Wen-Yen Hsu Independent Director			●				●		●	●	●
Johnson F.H. Huang Independent Director		●		●	●					●	●

① Chairman Alan Wang applied for retirement effective on March 4, 2020.
 ② At a Board meeting on March 4, 2020, former Vice Chairwoman Ms. Yu Ling Kuo was elected unanimously as the new chairperson.
 ③ Independent Director Louis T. Kung resigned on January 31, 2019. In a by-election at a shareholders' meeting on May 31, 2019, Johnson F.H. Huang was elected as a new independent director.

▼ Gender and Age Distribution of Directors



Refer to the Company's 2019 Annual Report for more details.
<https://www.chinalife.com.tw/wps/portal/chinalife/investor-relations/shareholder-service/shareholder-meeting>

Unit: People

03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

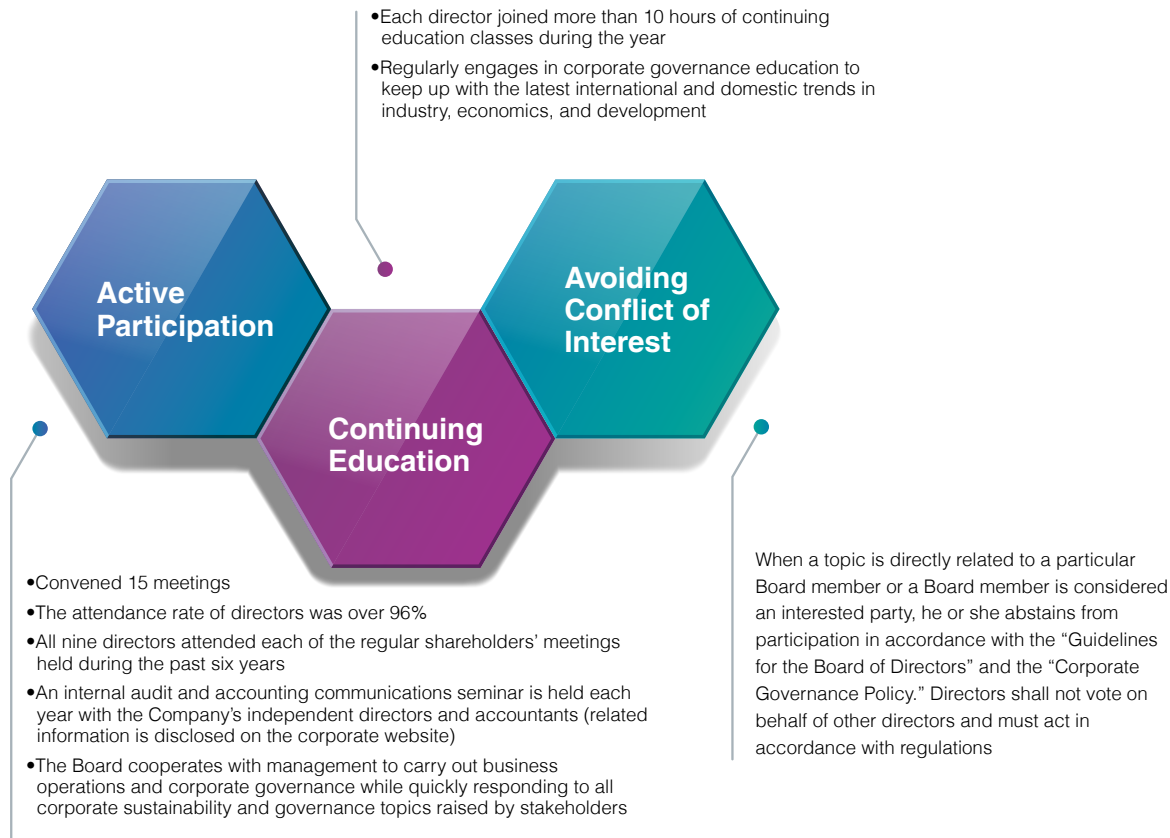
131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

» Operations of the Board of Directors

The Board of Directors, the highest decision-making body of China Life, adheres to the spirit of ethical operations and corporate governance as it prudently guides business strategy and steers the direction of the Company. To achieve these objectives, management frequently attends Board meetings to report on the state of the Company, thus maintaining good communication channels and interaction with the Board members. Helping the Board to better understand the Company's state of operations ensures that business proceeds smoothly and produces the greatest benefit for shareholders.



▼ Ratio of Independent Directors and Operations of the Board of Directors/Functional Committees

Total: 9 / Independent Directors: 3

Composition and Role

- Headed by Chairman Alan Wang and comprised of nine members, including three independent directors
- The Board is tasked with approving operational guidelines, reviewing the budget and final accounts, profit distribution, change of capital, and approving the Articles of Incorporation

2019 Track Record

- Held 15 meetings
- Passed renewal of the directors and officers liability insurance coverage in 2020
- Approved an amendment to the "Regulations Governing the Performance Appraisal of the Board of Directors."
- Approved a revision to the Company's "Corporate Governance Policy"
- Passed the "SOPs for Handling Requests from Directors"

Total: 3 / Independent Directors: 3

Composition and Role

- Comprised entirely of independent directors
- Responsible for monitoring and ensuring effective internal controls, legal compliance, and the management of existing and potential business risks

2019 Track Record

- Held 15 meetings
- Independent accountants commissioned by China Life audited semiannual and annual financial reports and reported results to the Audit Committee. The accountants also examined the Company's internal control testing then discussed their findings and information about recent legal changes with the Company's independent directors

Total: 3 / Independent Directors: 3

Composition and Role

- Comprised entirely of independent directors
- Responsible for assessing, setting and reviewing the compensation and performance of Board members and senior executive managers

2019 Track Record

- Held seven meetings
- Assessed and reviewed work performance and the compensation of Board members and senior executive managers. Checked and verified the annual remuneration made to Board members and employees
- Passed norms and rules for deferment and payment of performance bonuses

Total: 14 / Independent Directors: 1

Composition and Role

- Comprised of five to 15 members and convened by an independent director with a banking, insurance, and finance background
- Responsible for setting and monitoring risk management policy as well as quantitative and qualitative standards. Ensures consistency, relevance, stability, and transparency across all risk management mechanisms while making risk management a part of routine operations

2019 Track Record

- Held six meetings
- Established or revised risk management policies and regulations

Total: 6 / Independent Directors: 3

Composition and Role

- Comprised of six members, half of whom shall be independent directors. Currently consists of all of the Board's independent directors and three regular directors
- Designs a framework that exceeds legal standards to strengthen the supervision and management functions of the Board, thus ensuring a better governance framework

2019 Track Record

- Held three meetings
- Revised the Company's "Ethical Corporate Management Best Practice Principles," "Ethical Corporate Management Conduct Guidelines," and "Procedures for Reporting Illegal, Immoral, or Unethical Behaviors"
- Reported 2018 ethical management implementation results

① Chairman Alan Wang applied for retirement effective on March 4, 2020.
② At a Board meeting on March 4, 2020, former Vice Chairwoman Ms. Yu Ling Kuo was elected unanimously as the new chairperson.
③ Refer to China Life's 2019 Annual Report for more information regarding the actual operations of the Board of Directors and functional committees, important meeting conclusions, director shareholdings, and continuing education plans.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

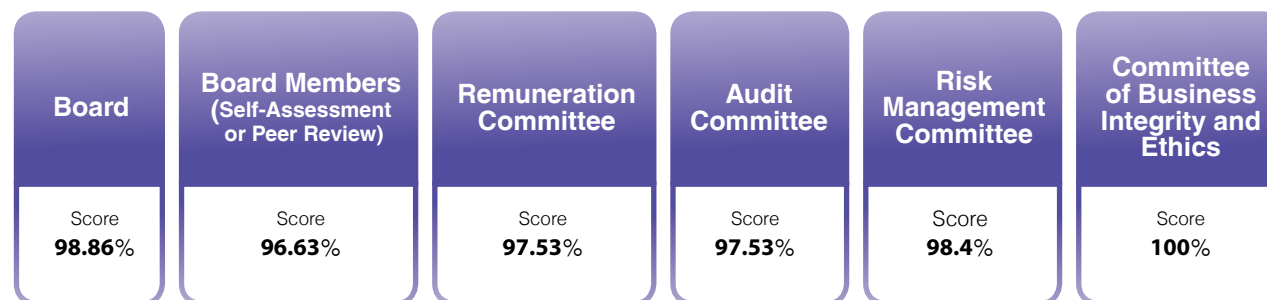
» Board of Directors Performance Reviews

In 2015, China Life formulated the "Regulations Governing the Performance Appraisal of the Board of Directors" to strengthen oversight and management of the Board. Annual performance reviews, which include one review of the full Board, individual directors, and functional committees, are reported to the Board before the first quarter of the following year. These measures ensure that the Board and committees complement each other and continue to advance.

Every three years, the Company commissions a third-party organization to conduct a performance review of the Board in order to enhance corporate governance. During the first half of 2020, the Company commissioned the independent Taiwan Corporate Governance Association to carry out reviews on the Board and the functional committees it oversees. Besides monitoring the Board and committees, the association evaluated Board members' guidance and communication capabilities. It then produced an objective, professional report and recommendations on improvements that could be made. Self-assessments further advanced the Board's effectiveness, making shareholders and stakeholders more confident in China Life.

The Board closely monitors the Company's sustainability performance and fair treatment of customers. In 2019, the Board added two new criteria to its self-assessments: "closely heeds ESG topics" and "actively seeks to treat customers fairly," demonstrating its commitment to sustainable operations and development, as well as its resolve to uphold the rights and interests of policyholders. These measures further integrate sustainable operations and fair treatment of customers into the fabric of the Company's corporate culture.

▼ 2019 Performance Review Results of the Board, Functional Committees, and Individual Board Members



Results of the performance reviews were delivered to the Board in January 2020 then publicly disclosed on the corporate website. They will be used as a reference for selecting or nominating future directors, as well as setting the individual remuneration of the Board and committee members, in order to continue advancing the Board's effectiveness.

The Board's performance reviews provide an opportunity for self-evaluation of the Company's performance, paving the way for advancement. They are an important mechanism for promoting sustainable operations and management. In the future, the Company will continue to follow regulators' Corporate Governance Roadmap and related initiatives. As we raise the effectiveness of the Board and make corporate operations more sustainable, the Company's governance and culture will advance.



Results of the Board Performance Reviews
<https://bit.ly/2T192PF>

» Guaranteeing the Rights & Interests of Shareholders and Information Disclosure

China Life is committed to guaranteeing the rights and interests of shareholders and upholding the principle of equal treatment. Besides expanding and diversifying communication channels, we set six major investor relations action plans to ensure that shareholders know important corporate information and can participate in key decision-making. Investors have long praised the Company's financial and operational performance. Foreign investors have had high participation rates and voting rates in shareholders' meetings. In response to the greater significance that international organizations are placing on sustainable development, China Life continues to share results with investors while increasing the amount of information that we disclose. These measures make investors more aware of our overall operational strategies.



» Internal Auditing

The internal auditing unit, which operates under the Board of Directors, organizes at least one general audit annually in accordance with the Board's annual audit planning, the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises," and other related rules and regulations. It examines management

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

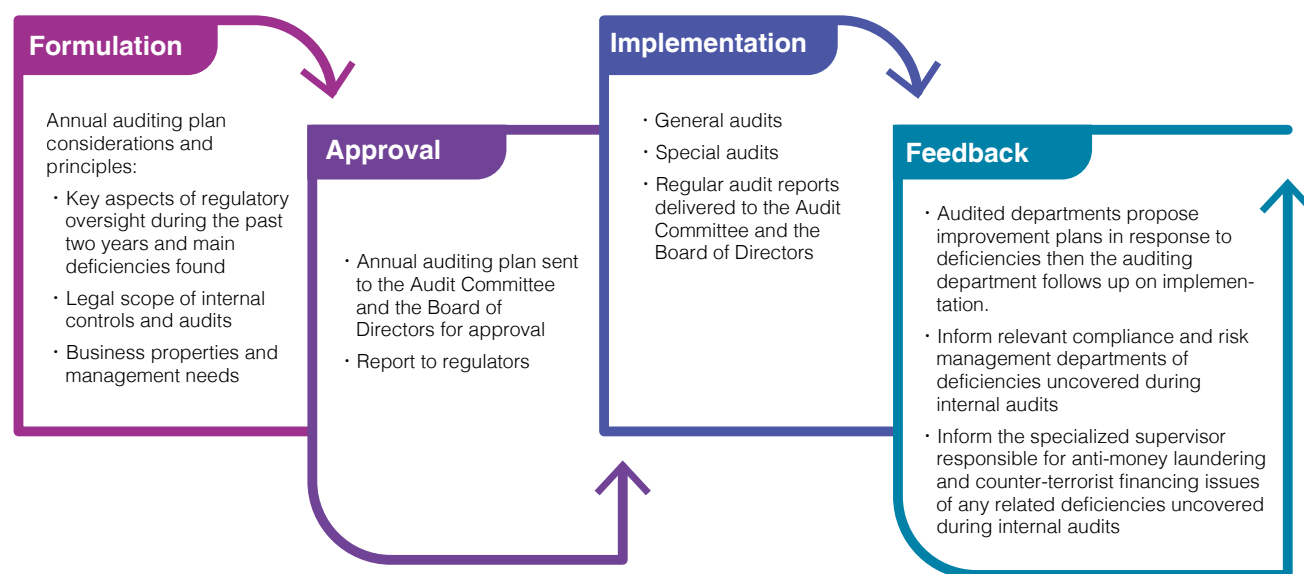
- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

departments responsible for finance, sales, information, and other areas at least once per year while also carrying out special audits based on practical needs. It tracks review findings and improves deficiencies found by regulators, accountants, internal auditors (including the auditing unit of our parent holding company), and self-inspections. The chief auditor reports to the Audit Committee and the Board at least quarterly, and directors review internal control deficiencies and communicate with internal auditors. Communication between independent directors and internal auditors (including communication methods, items, and results) is disclosed on the Company website to ensure proper corporate governance.

▼ Internal Auditing Unit Operations



» Participation in External Institutions

China Life participates in major sustainability and development initiatives conducted by external institutions. Besides taking part in trade associations that are closely linked to the insurance and finance industry and researching emerging topics, we maintain close contact with other life insurance companies, academia, and government agencies. External institutions we participate in include the Taiwan Insurance Institute, the Life Insurance Association of the Republic of China, the Institute of Financial Law and Crime Prevention, the Actuarial Institute of the Republic of China, the Life Insurance Management Institute of the Republic of China (LIMI-ROC), the Life Office Management Association (LOMA), the Financial Planning Association of Taiwan, the Taiwan Insurance Law Association, the Financial Information Sharing and Analysis Center, the Institute of Internal Auditors – Chinese Taiwan, the Association of Certified Anti-Money Laundering Specialists, and the Computer Audit Association.

Ethical Management

» Ethical Management Policies

China Life is fully committed to building corporate values and sustainable operations on a foundation of ethical management. To create this type of culture, and thus solidify the Company's development, we established the "Ethical Corporate Management Best Practice Principles" as primary guidelines. We also established the "Ethical Corporate Management Conduct Guidelines" and the "Guidelines for Whistleblowing on Illegal, Immoral or Unethical Conduct." In 2019, we revised our policies to strengthen implementation and to clearly state that we accept anonymous whistleblower claims. A stronger reporting system and ethical management policy execution makes the Company's operations more robust.

» Committee of Business Integrity and Ethics

The Committee of Business Integrity and Ethics was established as a functional committee under the Board of Directors to directly oversee the Company's ethical management. Besides creating and monitoring ethical management policy and preventive programs, the committee evaluates effectiveness of preventive measures from the previous year. It also assesses compliance of business departments and regularly reports findings to the Board. In 2019, it convened three times.

» Ethical Management Measures and Training

China Life uses public commitments, communication, education, and training to reinforce our ethical management principles. We build a top-to-bottom ethical management culture that reaches all levels of the Company. Directors and top-level managers sign the "Declaration of Ethical Management" each year to express their resolve. Related information is released on the corporate website and internal networks as a reference for directors and to spread our belief in the importance of this topic. For general employees, the Company holds regular ethical management education and training sessions as well as online courses to further integrate these principles into our corporate culture.

To strengthen ethical management and legal compliance principles among our agents, in 2019 we began to publicize regulatory messages. Using company-agent communication platforms (such as i-link, i-talk, and Top Force Network), each week we promoted two regulations that agents must heed. This top-to-bottom approach advocates strict ethical management compliance when agents solicit customers or provide services.

Posted **76** messages on the communication platforms



03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

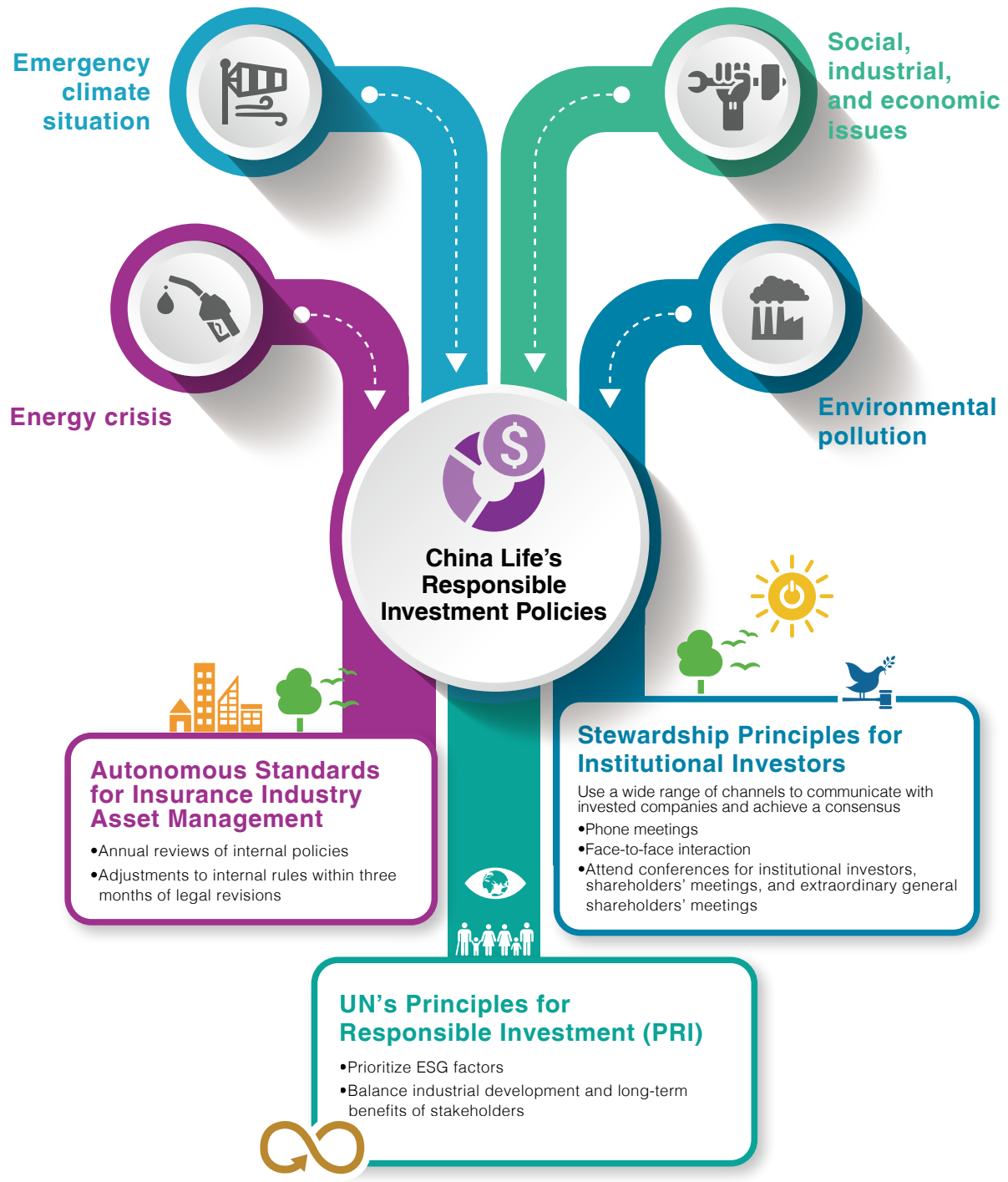
6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Responsible Investment

As part of our commitment to fulfilling corporate social responsibility, we incorporate CSR principles into our investment policies. When evaluating potential investment targets, making investment decisions, and managing our investments we consider environmental, social and governance issues, as well as other factors that relate to sustainable operations. Our conscientious stewardship reduces external costs and provides greater social benefit while promoting sustainable, robust investments. Following a comprehensive review and discussion in 2019, China Life began to formulate responsible investment policies that we will disclose on our corporate website before June 30. These policies will become the basis of our investments going forward.

100% participation in the shareholders' meetings of invested companies (public and OTC-listed)

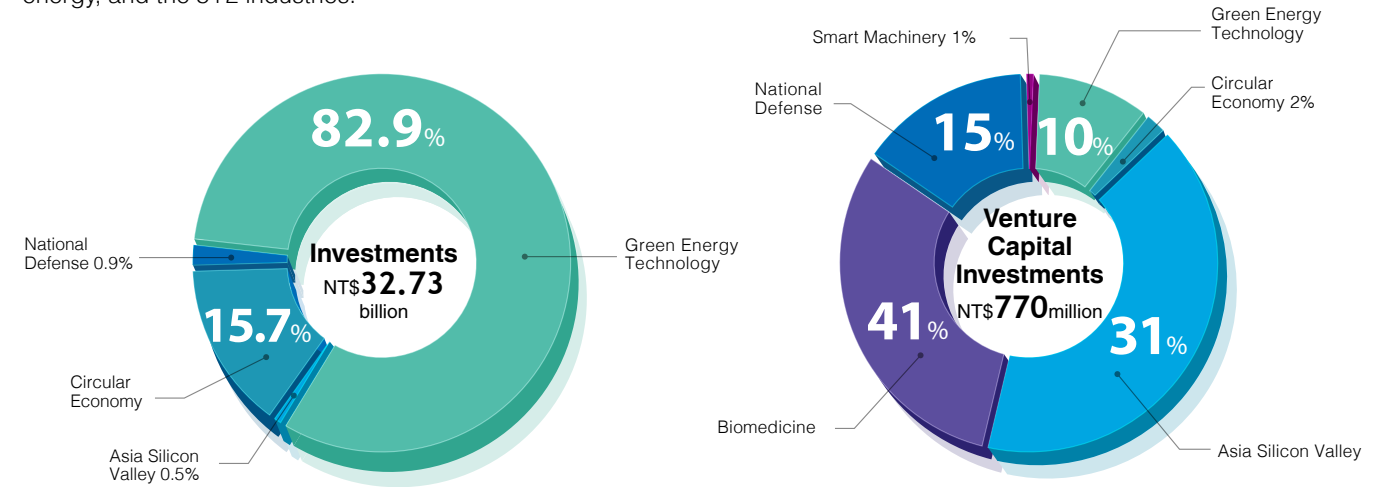


▼ Performance Related to the Principles for Responsible Investment

Six PRI Principles	2019 Achievements
1 We will incorporate ESG issues into investment analysis and decision-making processes	<ul style="list-style-type: none"> Compiled the "Investor Handbook," which includes CSR topics that we shall consider when making investments 100% of investment target reports included CSR performance evaluations All investment evaluation reports required prior to investing in non-listed companies included information on environmental protection, labor-management relations, and corporate governance
2 We will be active owners and incorporate ESG issues into our ownership policies and practices	<ul style="list-style-type: none"> 100% participation in the shareholders' meetings of invested companies that are listed on a stock exchange and 100% voting rate in shareholders' meeting proposals 100% participation in the shareholders' meetings of invested companies that are not listed on a stock exchange and 100% voting rate in shareholders' meeting proposals
3 We will seek appropriate disclosure on ESG issues by the entities in which we invest	<ul style="list-style-type: none"> Investment target reports refer to CSR reports and other related information When purchasing existing shares to invest in non-listed companies, we reached an agreement on ethical management policies with 100% of target investment companies.
4 We will promote acceptance and implementation of the principles within the investment industry	<ul style="list-style-type: none"> 80% of our foreign funds, ETFs and foreign private equity funds are from signatories of the Principles for Responsible Investment
5 We will work together to enhance our effectiveness in implementing the principles	<ul style="list-style-type: none"> By participating in the investment research task force of the Life Insurance Association of the Republic of China, we discussed investment practices with other life insurance companies
6 We will each report on our activities and progress towards implementing the principles	<ul style="list-style-type: none"> Monthly reports are compiled on the operations and industrial chain trends relating to invested companies; investment performance is reported to senior executive managers (domestic investment reports are delivered to the Company chairperson and foreign investment reports are delivered to the Board of Directors) We disclose our responsible investment achievements in the CSR Report

Investing in the 5+2 Industrial Innovation Plan

China Life has long invested in natural gas power plants, green energy, pharmaceutical plants, and other Taiwanese enterprises. Launch of the government's 5+2 Industrial Innovation Plan only increased our resolve to find these types of investment opportunities. In 2019, we invested NT\$32.73 billion in related industries, including green energy technology, the Asia Silicon Valley, national defense, and the circular economy. Besides direct investments, we participated in non-public 5+2 industries through venture capital funds that paired us with suitable investment targets that we helped to grow. In 2019, our total venture capital investments in companies related to the 5+2 industries were NT\$770 million. To promote sustainable growth, China Life invested NT\$2 billion in a private equity fund that focuses on sustainability. This investment supports industries that play a key role in Taiwan's sustainable development, including the circular economy, renewable energy, and the 5+2 industries.



1 Aspiration • The Pursuit of Sustainability

2 Advancement • Ethical Operations and Corporate Governance

3 Innovation • Cultivate Digital Capacity

4 Care • Inclusive Society

5 Protection • Green Environment

6 Appendix

Strict Risk Management

Risk Control

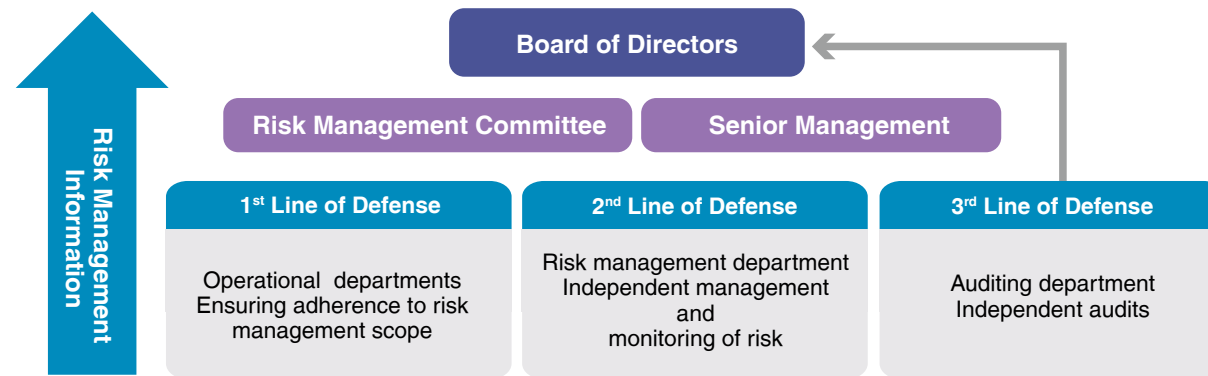
The financial crisis made the finance and insurance industry more aware of the vital role that risk management plays. China Life's risk management framework is based on Company policy and extends to related methods, enforcement rules, and procedures. Through a system of internal norms and documentation, we implement risk management mechanisms.

In response to the COVID-19 pandemic, China Life formed a pandemic response team at the end of January 2020. Through careful planning, oversight, and coordination, we introduced a series of response measures that supported unabated operations. As the pandemic progressed, China Life researched ways to disinfect the workplace, manage employees' health, and report health incidents. Other policies included off-site offices and work from home measures. We also created a contingency plan that supported ongoing operations in the case of lockdowns in Taipei and New Taipei, so that policyholder services would continue. These steps reduced the impact of any potential operational disruptions.

» Risk Management Organization Framework

Responsibility for risk management policy decisions lies with the Board of Directors, while the Risk Management Committee, the chief risk officer, risk management departments, auditing departments, and all operational departments contribute to implementation. By advocating a top-to-bottom approach to risk management culture and concepts, China Life enables information to flow from the bottom to the top of the Company, creating a net for capturing risk wherever it appears.

China Life established independent risk management departments to act as the core of our risk management efforts and bridges to related units. The departments distribute risk management requirements to every operational unit to support frontline risk management duties. They prevent risk events from actually occurring and warn of potential hazards. Risk management units also develop risk measurement models, plan and implement risk monitoring systems, and provide related information for management to make appropriate responses and decisions. In 2019, to strengthen enterprise risk management, the Company provided related education and training courses to risk management staff assigned by every operational unit. The completion rate of the courses was 100%.



» Risk Management Policies

China Life establishes then regularly reviews and revises risk management policies to ensure their ability to guide risk management throughout the Company. These policies represent our goals and strategies, as well as our organization and duties. They specify appropriate capital adequacy, risk appetite, and risk limits. Meanwhile, our major risk types and their management processes follow international trends in enterprise risk management while building a foundation for implementation and scope.

» Risk Management Information Platform

China Life established a risk management information platform that it operates in accordance with guidelines for detecting operational risk. Since the launch of the platform in 2016, the Company has reviewed and adjusted risk indicators and standards following inter-departmental meetings and in response to macroeconomic, financial market, and insurance oversight opinions raised by outside directors on the Risk Management Committee. The platform examines key indicators, such as capital adequacy, asset quality, management capability, profitability, and liquidity, while incorporating related information, such as profit sources, foreign exposure, investment portfolio, off-balance sheet items, and citizen accounts. Management use these indicators to quickly grasp exposure and risk management situations so that responses can be drafted and implemented. At the same time, monitoring data further helps us to understand and evaluate changes to the Company's overall operational risks.

» Own Risk and Solvency Assessment (ORSA)

In line with international trends and regulator requests, China Life developed an Own Risk and Solvency Assessment (ORSA) framework suited to our internal risk management culture and the risk profile of asset and liability management. ORSA reports are used when formulating budgetary goals, business plans, investment strategies, capital management, and other operational processes to support the Company's decision-making. In order for ORSA to provide more accurate risk management information and fit the framework of current risk management mechanisms, the Company invests human and physical resources into internal models for assessing major risk factors, such as stochastic models for domestic securities and forex or models to analyze bond default risk.

» New Technology Risk Identification

To increase the effectiveness of gathering and control mechanisms for internal and external information, so that the managers of each operational unit can understand actual risk exposures, before new businesses activities, processes or systems are unveiled or go online, risk analysis is carried out. The analysis focuses on operational risk, market risk, credit risk, and liquidity risk, so that a wide range of potential risk types can be identified. Based on the results of analysis, the Company enacts response control measures. In 2019, we completed risk analysis on four new businesses activities, processes or systems.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

» Risk Identification and Responses

Market Risk

We manage risks related to interest rates, exchange rates, and securities prices according to China Life's "Market Risk Management Regulations." Mechanisms include position and quota control, sensitivity analysis, stress tests, and value at risk.

Credit Risk

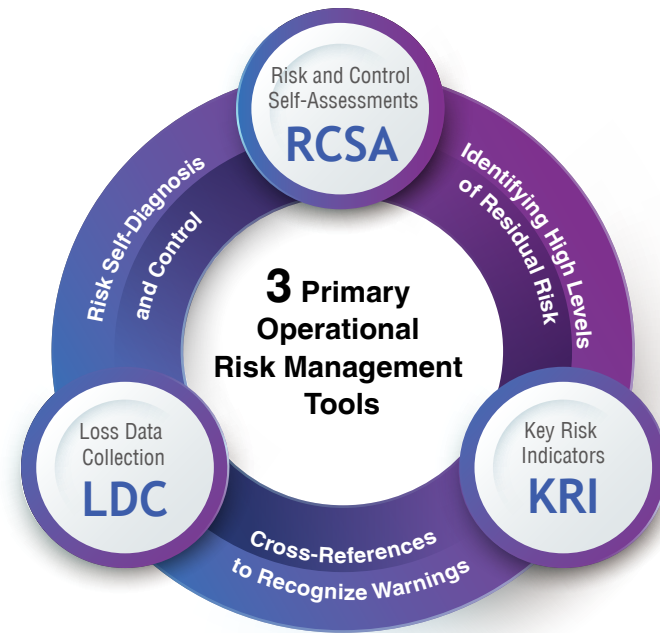
We manage credit risks for bond issuers and counterparties according to China Life's "Credit Risk Management Regulations." Mechanisms include a list of qualified issuers and counterparties; internal management of credit rating and transaction limits; credit rating analysis and tracking; concentration of geographic location and industry; stress tests; expected credit loss; and credit value at risk. In 2016, in consideration of the special risk of subordinate debt, we added a minimum credit rating requirement, risk limitations by credit ratings, and a maximum position of subordinated debt to credit-based risk amount.

Liquidity Risk

We manage financial and market liquidity risks according to China Life's "Liquidity Risk Management Regulations." Mechanisms include using cash flow models to analyze capital flow risks and stress tests.

Operational Risk

Based on the "Insurance Industry Risk Management Best Practice Principles" and the Basel Accord's operational risk categories, we determined seven major operational risk and loss categories that we use to identify risk and serve as a foundation for operational risk management information. Using three primary operational risk management tools as well as qualitative and quantitative risk identification and weighing mechanisms, we built a comprehensive operational risk management database that enables us to monitor and manage the Company's overall operational risk status.



» Optimizing Operational Risk Management

Based on the "Insurance Industry Risk Management Best Practice Principles" and China Life's "Methods for Operational Risk Management," the Company established qualitative and quantitative operational risk management tools to identify, weigh, monitor, and respond to operational risks. Since the second quarter of 2019, to continue to optimize risk and control self-assessment (RCSA) identification and measurement mechanisms, we developed VBA automatized testing and verification tools. These enhance connectivity between key operating procedures, risk control objectives, and risk control self-assessments.

Money Laundering Prevention

» Creating an Anti-Money Laundering and Counter-Terrorist Financing Organizational Framework

China Life's chief compliance officer is responsible for overseeing anti-money laundering and counter-terrorist financing efforts. The officer shall report the status of related issues at least semiannually to the Board of Directors and the Audit Committee. These reports help the Board to understand related risk analysis and planning.

China Life also established a specialized unit to manage anti-money laundering and counter-terrorist financing efforts and designated oversight officers in each of the Company's operational departments. The officers, who must hold the position of section chief or higher, are in charge of cultivating a culture that opposes money laundering and terrorist financing. They ensure that each operational department serves as a first line of defense against these unethical practices.

» Creating an Anti-Money Laundering and Counter-Terrorist Financing Risk Management Framework

China Life's anti-money laundering and counter-terrorist financing risk management framework is based on five key aspects: corporate governance, system design, control and procedures, risk management, and independent audits. We use information systems, process management and control, and employees' professional capabilities to incorporate anti-money laundering and counter-terrorist financing into the Company's organizational culture.



» Related Laws and Response Mechanisms

Following revisions to the "Money Laundering Control Act," the "Counter Terrorism Financing Act," or related rules, regulations, and autonomous statutes, the Company convenes meetings to announce key points. We established clear and appropriate legal conveyance, consultation, coordination, and communication systems, so that related departments remain updated on the latest changes to the law. At the same time, we carry out pre- and post-revision legal variance analysis to ensure a timely response.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

To implement these procedures, and thus improve preventive measures, China Life holds regular reviews to discuss whether internal regulations and procedures are appropriate. We check monitoring patterns and reporting standards to improve the quality of suspicious transaction reports and strengthen crime prevention. These advances reduce defensive reporting. This year, we continued to revise the "Directions for Anti-Money Laundering and Counter-Terrorist Financing," the "Evaluation of Money Laundering and Terrorist Financing Risk Control Policies," the "Directions and Rules Governing Anti-Money Laundering and Counter-Terrorist Financing," the "Directions and Rules Governing Anti-Money Laundering and Counter-Terrorist Financing by Offshore Insurance Units," and the "Evaluations of Money Laundering and Terrorist Financing Risk Control Procedures."

» Anti-Money Laundering and Counter-Terrorist Financing Education and Training

China Life takes a number of steps to help front-line workers become more knowledgeable about anti-money laundering and counter-terrorist financing related issues. Key specialist staff attend training events at external organizations or our parent China Development Financial Holding Corp. Internally, we carry out regular discussions on related regulatory and operational changes as well as practical concerns and cases.

Each year, office staff and agents take online courses with post-course testing. Foundational training explains anti-money laundering and counter-terrorist financing regulations, driving home the importance of these topics. In accordance with regulatory recommendations, the Company's compliance managers, compliance staff and operational unit supervisors join courses covering the following topics: "domestic and international norms and standards on anti-money laundering and counter-terrorist financing"; "anti-money laundering and counter-terrorist financing procedures: customer evaluations and assessments"; "trends and patterns of money laundering and terrorist financing risks"; and "patterns and case analysis of anti-money laundering and counter-terrorist financing." In 2019, we added a fifth course on business integrity and ethics, which included discussion of predicate crime threats, prevention of weapons proliferation, counter-corruption, and protection of whistleblowers. We also cooperated with external training organizations to hold two anti-money laundering and counter-terrorist financing on-the-job training events. Domestic experts joined to discuss financial crime prevention, practical methods of stopping money laundering in the finance industry, and other topics. The completion rate of training was 100%.

In 2019, in response to evaluation results announced by the Asia-Pacific Group on Money Laundering, China Life invited the head of the Anti-Money Laundering Office, Department of Prosecutorial Affairs, MOJ to speak about the group's Third Round Mutual Evaluation of Taiwan as well as efforts underway to strengthen future anti-money laundering and counter-terrorist financing efforts. Topics included recommendations made by the group as well as money laundering and terrorist financing trends that the insurance industry should heed.



To encourage staff responsible for anti-money laundering and counter-terrorist financing to improve their detection capabilities and prevention knowledge, China Life offered subsidies and other incentives to encourage staff to pursue related domestic and foreign certifications.



» Publicizing Anti-Money Laundering and Counter-Terrorist Financing Efforts

China Life believes that anti-money laundering and counter-terrorist financing awareness among the general public and customers is a crucial part of preventing these illicit behaviors. Channels include a special money laundering prevention section on our corporate website, informative Facebook posts, and posters that provide related website links, promotional materials, and information from the competent authorities. If a customer asks about money laundering prevention during a case audit, front line staff offer explanations to raise awareness. The Company's partners sign two-way contracts to commit to complying with related laws, and in response to legal requests we regularly use written or verbal communication to spread these messages.

» Ongoing Optimization

To continue to advance our anti-money laundering and counter-terrorist financing systems, improve related operations and procedures, and conform to corporate policy guidance, in 2019 we revisited our risk assessment system. We strengthened our value at risk recognition by adopting the same practices in comprehensive money-laundering and terrorist-financing risk assessment methodology as our parent financial holding company. Related information was shared through the group's internal information sharing mechanisms.

China Life also follows the optimization items in the Comprehensive Money Laundering and Terrorist Risk Financing Evaluation Report and Prevention Plan, including by adding a fuzzy match search engine for names. Better name screening procedures raise the effectiveness and accuracy of our systems.

In consideration of the Company's customer groups, products, and transaction policies, and as part of our ongoing commitment to monitoring money laundering and terrorist financing risks, we formulate risk limits and determine risk appetite. In 2019, the overall risks we faced were within our accepted limits.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Information Security

» Information Security Organizational Framework

China Life established the Information Security Department to serve as the Company's chief information security unit. The department expands the scope of our information security management system and creates a framework to manage related control instruments and self-assessments. At the same time, it monitors and measures the effectiveness of information security internal controls. In 2016, we passed ISO 27001 Information Security Management certification. In 2019, besides enlisting support from external professional institutions to build and enhance our internal control management framework, we completed Type 1 and Type 2 computer system information security evaluation testing procedures and ISO 27001 recertification.

China Life also established the Information Security Committee, which convenes biannually to carry out information security management reviews. Topics covered include information security system operations reports and reports from various task forces. Reviews covered the status of motions previously raised by the committee, internal and external information security topics, and modifications to the information security management system. In 2019, committee members examined implementation progress of tasks planned for the year and planned new tasks for 2020.

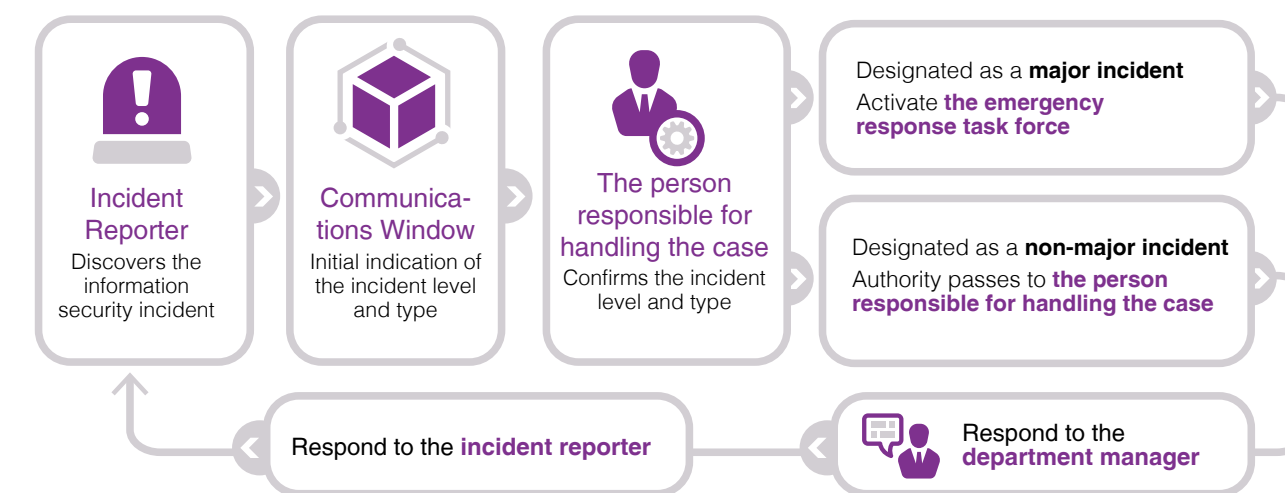
» Information Security Management System

China Life's information security management system operates according to ISO 27001 standards and uses the Plan-Do-Check-Act cycle as both a foundation and a tool for maintenance and improvements. Operational models include the following:



» Information Security Incident Responses and Management Mechanism

Reporting of information security incidents is handled according to the China Life information incident management methods. Whenever Company employees or anyone who does business with the Company, including contractors, contractor staff, or temporary employees, discover an information system or service vulnerability that violates our information security policies or related standards, or when they face external threats, they shall remain alert and report the incident in accordance with standard procedures. When an incident occurs that could impact personal information, it shall be handled based on the internal Personal Information Incident Response, Reporting, and Prevention Management Methods. After incident handling is complete, the department supervisor responsible for the related systems or business shall make necessary improvements and preserve records of the event. The objective shall be to prevent a similar repeat occurrence. In 2019, China Life did not have any major information security incidents.



» Information Security Drills and Training

In response to changing external attacks and to reduce the risk of interruption of information availability due to sudden calamities or irregularities, China Life established information security defense mechanisms. External experts carry out penetration testing to demonstrate the effectiveness and response capabilities of our defenses. Annual drills show our response strategies and management plans, thus ensuring continuity of information operational systems.

In addition, the Company's employees undergo information security education, training, and advocacy in accordance with practical standards to advance related knowledge. General employees use the Company's employee study network to receive three hours of information security education and training. Tests demonstrate their awareness and knowledge towards related topics. Specialized information security staff complete at least 15 hours of education and training each year through a combination of privately arranged sessions, domestic courses and symposiums, and international training. In 2019, 100% of our staff passed information security tests.

Evaluations of Computer System Information Security

To ensure that the Company's information service systems have secure defenses, we use a variety of testing procedures to uncover security threats and weaknesses. We then use technology and management control measures to improve our defense capabilities.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

China Life follows the "Computer System Information Security Evaluation Planning." In 2019, we carried out various Type 1 and 2 computer system information security evaluations and operations testing items. We issue "Computer System Information Security Evaluation Reports" to regularly find and track improvements and to review the status of preventive mechanisms.

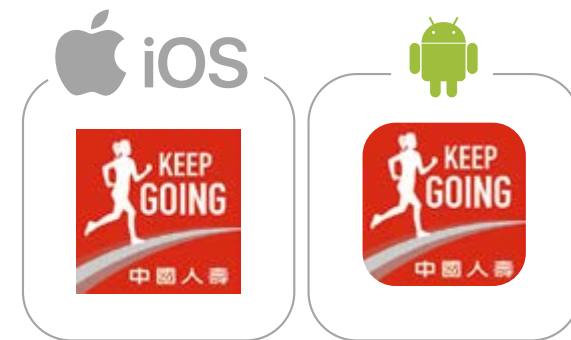
Evaluations such as these strengthen the Company's network frameworks and overall information security. They reduce the risk of wrongful disclosure, alteration or seizure of internal information.

Statement on Information Security Implementation Status

In order to comply with the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises," and to emphasize the value that senior management places on information security, the Company carries out execution evaluations. The evaluation reports are intended to help senior executive managers understand current compliance status and release corresponding statements.

Obtaining Mobile Application Security Certification

To raise the basic information security capacity of the Company's mobile apps, we conduct annual computer system evaluations using basic security testing standards for mobile apps. Verification of our Keep Going iOS and Android apps strengthened information security awareness of our app developers and will gradually improve our mobile app security defense capabilities.



Information Security Insurance

The Company took out information security insurance to lower the legal and financial responsibility of damages that could be claimed from customers for information incidents. Transferring the potential losses from these risks lowers the possible impact to our reputation from such an incident.

» Business Continuity

To ensure business continuity and better uphold the rights and interests of shareholders, in May 2019 the Company moved its insurance policy image and workflow system to the data center of the Taipei Dunnan building. The center supports a high availability environment and reduces the risk of operational interruptions due to environment factors.

» Personal Information Protection Organizational Framework

China Life cautiously handles the personal information of shareholders at every stage of operations. To strengthen the operational efficiency of our personal information security maintenance mechanisms, and to integrate related management resources, we established the Personal Information Protection and Management Committee. Convened by

the Company's president, the committee promotes, manages, and oversees our personal information management system. It meets biannually to discuss personal information protection, technical developments, management system oversight and review, and the handling of related incidents. Each committee member is briefed on the overall state of personal information protection at the Company.

» Personal Information Management System

In 2017, China Life integrated BS 10012:2017 into our Personal Information Management System (PIMS) and passed third-party certification. We follow best practices and the plan-do-check-act management model, which ingrains personal information protection into routine tasks, making it part of our corporate culture. Enhanced management and protection mechanisms put us in line with international standards and trends. In 2019, we passed third-party reassessment with no faults and did not have any intentional violations of customers' personal privacy or losses of customers' personal information.

» Personal Information Protection Proposal Competition

To build more diverse internal communication channels, in 2019 the Company held a personal information protection proposal competition. The event fueled greater staff participation in related issues and showed employees the importance of personal information protection to their work. Besides raising awareness of related risks, which strengthened advocacy, the event encouraged staff to use their work experiences to find more effective ways of protecting personal information, thus uncovering a wider range of channels to manage personal information protection.

» Personal Information Protection Education and Training

To continue to make employees more aware of their personal information protection responsibilities and to strengthen continuity of related management mechanisms, 100% of the Company's employees undergo training. As staff become more aware of personal information protection management issues, they integrate these ideas into our corporate culture. In 2019, 100% of our employees participated through a combination of online and offline classes then passed testing. In addition, after considering the personal information protection needs of each department, we opened seven in-person courses and four online courses. Agents and other staff used these opportunities to strengthen and maintain their personal information protection management capabilities.

Furthermore, to promote external interactions, for the past three years China Life invited outside experts to the Company to share information on personal information protection. In 2019, the topic discussed was "frequent personal information protection issues encountered in the life insurance industry."

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Legal Compliance

» Legal Change Management System

When developing new products or services, compliance departments join the planning process early to provide comprehensive and timely legal opinions, so that planning units can make any necessary adjustments. Since establishment of our legal response management system, we have gained a comprehensive understanding of important legal changes and their impact on our compliance status. We also conduct annual legal compliance reviews, track improvements, and arrange for education, training and promotion.

In 2019, we managed a total of 78 legal revisions. The highest number related to finance and accounting, followed by investments and products. Responsible departments quickly responded to ensure continued regulatory adherence.

» Legal Compliance Risk Management Mechanism

China Life builds comprehensive compliance risk evaluation mechanisms and conducts annual risk evaluations to improve our monitoring and respond to stricter financial oversight trends. Using proactive identification, evaluation, and detection, we monitor business areas or units that are at particularly high risk of non-compliance, formulate plans to reduce risk exposure and residual risks, then report results to the Board of Directors.

» Implementation of the “Regulations Governing the Implementation of the Common Standard on Reporting and Due Diligence for Financial Institutions”

In order to comply with Common Reporting Standards, in all new cases since January 1, 2019, China Life has required due diligence. By December 31, 2019, we completed due diligence on all existing high-value accounts, including electronic record searches, paper record searches, and relationship manager inquiries. Reporting will be completed by June 30, 2020.

» Legal Compliance Education and Training

Compliance departments draft education and training plans that target directors, senior executive managers, department compliance managers, sales agents, and new employees. Topics include confidentiality obligations, fair treatment of customers, financial consumer protection, personal information protection, the Foreign Account Tax Compliance Act (FATCA), the Common Reporting Standard and due diligence implemented by financial institutions, insurance penalty case studies, and anti-money laundering and counter-terrorist financing.

Held **34** governance education, training and promotional events

» Adopting IFRS 17

IFRS 17 is the newest IFRS standard for insurance contracts and will be the biggest accounting change in years for the insurance industry. To adapt to the new standard, China Life established a specialized department that will accelerate integration. We cooperate closely with international consultants to ensure smooth integration of the new system by 2025. New challenges like IFRS 17 represent an opportunity for the Company to undergo transformation. Besides the changes and impacts that IFRS 17 will bring, we are using this transition to plan new financial reporting processes and make strategic thinking a part of our operational management. We are also building a management decision-making platform that supports big data analysis. Automatized methods will link information flows between various systems,

which will enhance operational procedure control. As large amounts of financial data are generated, the platform carries out cross-analysis. These findings help us to formulate operational strategies that meet the needs of our growing business and an external environment that remains in flux.

» Legal Compliance Performance

China Life's internal compliance departments gather daily information on regulators' actions towards violations in the insurance industry then inform relevant departments. We review our internal operations and policies, assess the latest regulator approaches then use these findings to make revisions and prevent a similar violation occurring at the Company. Ongoing analysis of regulators' interpretations of the “Insurance Act” and other related legal standards ensures that our solicitation, products, after-sales service, protection of employee interests, and other operational procedures are in full compliance. This year, we systematized these procedures to raise overall operational efficiency.

In 2019, the competent authorities issued two disciplinary actions to China Life. The Company responded by reviewing our procedures and proposing improvements to controls and management, and we disclosed the incidents on our corporate website.

Main Points of the Breach	Improvement Measures
1 A number of deficiencies were found when a corporate/group insurance client took out insurance on behalf of another person or employee. We did not clearly confirm that the applicant was authorized by the insured, we did not evaluate the source of the payment to ensure it was acquired legally, and we did not preserve adequate records of our review process.	Revised our standards to strengthen control and evaluation mechanisms that determine the purpose and payment source legality when an applicant applies to enter into an insurance contract on behalf of another person.
2 A director was an interested party in relation to an agenda item at a Board meeting, and the director did not avoid participation in related discussion or voting. The director did not provide documentation to the Board to show that the terms of a transaction that took place were not more favorable than the terms offered to similarly situated counterparties, which the Board could have used as a reference. The director also did not disclose all information related to the transaction or enter this information into the Board meeting minutes.	Revised evaluation mechanisms that are used when a stakeholder makes a proposal to the Board
3 Reporting associated with regulations to prevent conflict of interest among staff responsible for equity investment took place later than the monthly reporting requirement.	Revised our reporting form to strengthen evaluation mechanisms. Also raised awareness.
4 Our Offshore Insurance Unit did not investigate an application (or applications) flagged by our system as being at high risk of money laundering or terrorist financing.	Revised the scope and review forms in our operational handbook. Also raised awareness of our identity confirmation procedures.
5 The information system design used for identifying and evaluating customer money laundering and terrorist financing risk was incomplete and unable to adequately identify customer risk, which hampered control efforts.	Revised risk factor evaluation items used for online customers.

Main Points of the Breach	Improvement Measures
1 Deficiencies were found in our anti-money laundering and counter-terrorist financing risk assessment computing system settings used when handling new insurance contracts. These underestimated the risks that customers posed.	Adjusted risk grade settings for new contract reviews.
2 Deficiencies were found in our understanding of the source of policyholders premium funding when carrying out anti-money laundering and counter-terrorist financing procedures. This hampered review of high-risk customers.	Adjusted the review forms for high-risk customers.



The Company disclosed related fines on our corporate website
https://www.chinalife.com.tw/wps/portal/!ut/p/z0/04_Sj9CPykyssy0xPLMnMz0vMAfj08zizQ18PQ0M3Q18LMwCzQ0cQ0PMLH3c3R09DU30C71dFQHFY7_s/

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement



3

Innovation Cultivate Digital Capacity

China Life uses fintech as an instrument for transforming our business and the services we provide. We gather and train talents who become the bedrock of our wide-ranging organization. The diverse, high-quality job opportunities they fill are the result of a comprehensive set of human resource policies that leave open plenty of space for development.

In terms of hiring and pay packages, we adhere to the principles of gender equality and equal pay for equal work. Our Board of Directors has four female directors, which shows how we deeply value gender equality and have made great progress in this area.

To protect human rights, besides favorable policies and promotions, we prioritize disabled people for several of our job vacancies. Their contributions show our commitment to protecting human rights.



03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Building a complete development map to cultivate professional finance and insurance talents

2019 ESG Goals and Progress

- Held 60 functional and empowerment training courses for sales agents, with a focus on three key areas. Held employee micro-study activities and gathered 25 study groups.
- In conjunction with our business transformation plans, we encouraged agents to use digital mobile tools. The usage rate reached 102% of our target. Digital tools support multiple tasks, including sales, staff recruitment, and administrative affairs while facilitating guidance and operational management by sales managers.

2020 ESG Goals

- Continue to conduct the Management Associates Program and internship programs, which are expected to recruit at least 15 people. Young scholars have a chance to participate in various workflows and prepare to potentially join our team.
- Continue to offer digital trends courses for employees, with an attendance of over 300 people.
- Continue to enhance our functional and empowerment training courses for sales agents, focusing on three key areas. Integrate four key micro-study areas to further raise employee capabilities.
- Raise mobile device usage of sales agents to 90%.
- Evaluate training programs for key staff using the Kirkpatrick Model and achieve a score of at least 80%.
- Include 100% of our ESG goals in the annual KPI of related departments. Evaluate results and connect performance to our CSR.

Diverse worker benefits to build a safe workplace

2019 ESG Goals and Progress

- Encouraged employees to work out and maintain their physical and mental health by holding the employee "Keep Going" health walk competition. The number of participants increased by 20% compared to the previous year.
- Provided monthly digital articles on health or stress alleviation topics to relieve the stresses that employees feel in their work and private lives. Cooperated with a mental counseling group (the Taiwan Institute of Psychotherapy) to provide a counseling channel for employees.
- Responding to the Company's transformation plan and to stimulate our corporate culture through the inclusion of greater love and care, we sought to transform our way of thinking. In 2019, we held 27 internal communication events focused on transformation (including videos, promotional events and other activities).
- Adopted a management by walking around approach at each of our workplaces to support active discovery of problems. At our main workplaces we added occupational services and communications windows. Bi-annual satisfaction surveys and open-ended questionnaires provided further insight on ways to enhance satisfaction towards the workplace environment.

2020 ESG Goals

- Hold employee healthy walking activities to encourage making exercise a regular habit in order to promote health. Aim for at least 70% of registered teams to achieve the incentive standards in our competitions.
- Provide mental and physiological service channels to care for employees' health. Also hold four physical and mental health talks or courses.
- Hold 36 health service events that offer consultations and guidance on topics such as prevention of workplace violence, prevention of illnesses caused by extraordinary workloads, and maternal health protection.

Management Guidelines

Major Topics Market Position, Labor-Employer Relations, Training and Education, Employee Diversity and Equal Opportunity

Commitments

- Shift talent development to a "select, cultivate, utilize, and retain" human resources management chain to achieve our corporate sustainability objectives.
- Enact appropriate salary policies while ensuring that employee pay and benefits packages are competitive.
- Commit to gender equality laws and policies to guarantee equal employment opportunities for women and ensure that women receive fair promotion opportunities.

Policies / Management System

- Formulate rules governing incentives for office staff who undergo professional testing. Encourage employees to obtain various certifications, including from the Life Office Management Association as well as fields inside and outside their main area of work. Certifications should help employees adapt to industry trends and legal changes.
- Build a complete e-learning training platform that offers comprehensive, professional courses available at all times.
- Plan a six-part study map for sales agents and build digital training models to respond to fintech transformations.
- Formulate rules governing paid vacation time, annual leave, and unpaid leave for office staff. Manage employee leave in accordance with the law, and change internal policies to remain in compliance with revised laws.

Complaint Mechanisms

- In 2019, we held four labor-management meetings to report on and discuss labor movement, business status, and other labor issues.
- Offer complaint channels on the Company's internal website that reach management of all levels and human resources.
- Each year we hold human rights education and training for office staff and agents to strengthen recognition of human rights concepts among employees.
- In 2019, no office staff or sales agents filed a complaint.

Evaluation Mechanisms

- Commission an outside company to conduct annual salary reviews that examine each position grade within the Company then compare the salary and benefits to industry standards. Use the findings as a reference when adjusting salaries and setting bonuses.
- Establish annual training and review mechanisms to ensure that our training programs help employees to learn and grow.
- Track and groom employees who show strong results or potential in annual performance reviews. When opportunities arise, insert them into key positions or promote them to management.



03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Diverse Talent Development

Recruitment Strategies

Financial business models and individual consumer patterns are in a period of unprecedented digital transformation. China Life is actively deploying new digital technologies through a combination of hardware installations and talent planning. We are moving away from the outdated idea of having a specialist for each position, and instead developing cross-disciplinary workers with composite sets of skills spread across multiple areas, such as "digital & planning" or "financial engineering & e-commerce." We recruit people with knowledge of big data analysis, AI development, business applications, and other fintech-related areas so that we can prosper in this new era of digital technology.

Besides general recruitment channels, China Life also cooperates with major colleges and universities through industrial-academic cooperative ventures, summer internship plans, Company visits, and other initiatives. We want more college students to understand our corporate culture and operational philosophy so that they develop an interest in joining China Life in the future.

» Internship Plan

China Life has long maintained good interactions with academia while putting every effort into developing industrial-academic cooperation. With this in mind, we made our youth internship programs a key part of talent cultivation. Students apply to intern in departments that complement their major, interests, and future development direction. They are assigned to actuarial, investment, legal, information, customer service, or channel areas. Two months of interning at the Company and exploring the professional work environment bridges the gap between what is learned in school and what is useful in the workplace. At the same time, the students cultivate a positive work attitude and a system of values. Every student intern is assigned a specialized counselor who not only oversees the student's work but also offers encouragement and care when needed.



» Industrial-Academic Cooperation Planning

In order to build industrial-academic cooperative mechanisms and expand recruitment channels, China Life signed an industrial-academic cooperative plan with the Department of Risk Management and Insurance at Feng Chia University. The program strengthens our ties with the school and brings us closer to its students, which lets us promote our corporate brand and values. It bridges the gap between what students study in school and the skills they will use in the workplace, thus giving them a head start on their professional future.

In 2019, we hired two interns for our Taichung customer service center. They learned about underwriting and claims, corporate culture, service achievements, and other professional skills. We shared valuable feedback with the school, including monthly records, intern achievements and insights, and corporate evaluations. After graduation, interns who performed particularly well were offered full-time positions with competitive salaries and benefits packages.

R&D Substitute Military Service

To recruit talented information workers, for three years China Life has applied to participate in the Research and Development Substitute Services plan. We hire JAVA, iOS, and python programmers as well as data scientists and product actuaries. Besides benefitting from practical, step-by-step training programs, participants receive assignments and benefits that are comparable to full-time staff.

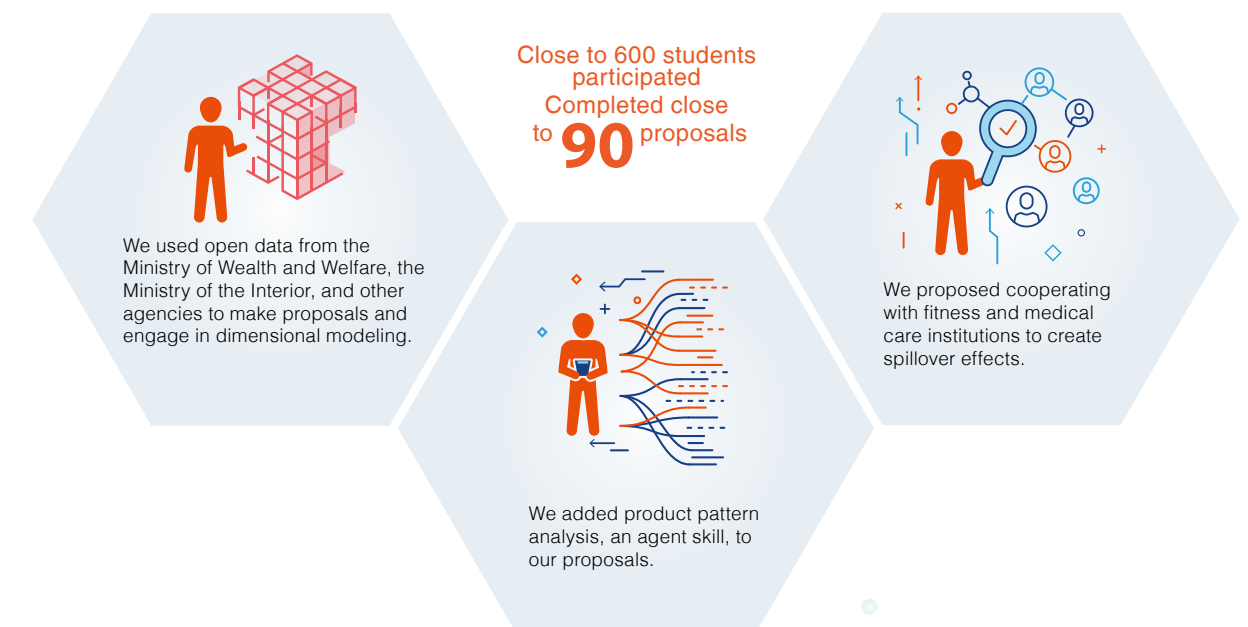


» AI Leaders Contest

As artificial intelligence plays a greater role in industrial development, in 2019 China Life joined SAS and EVA Air in holding a contest centered on AI and cutting edge technologies. The purpose of the event was to strengthen teamwork, cooperation, data analysis, data visualization analysis, and AI capacity among students, in order to uncover the AI stars of the future.

The design of this year's contest required competitors to complete full process analysis, including data cleaning, model building, and model accuracy adjustments. From the perspectives of innovation and industrial values, China Life turned industrial topics into competition themes. Data-based simulations let participants understand the challenges faced by the business analysis team. They then brainstormed ideas and analyzed potential solutions while using machine learning to create greater commercial value.

Besides the contest, activities included online analysis courses and two offline model-building courses, which helped to cultivate AI talents who can enhance Taiwan's global competitiveness. The contestants' proposals were highly creative and practical. They blended AI into real-world situations to create commercial value.



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

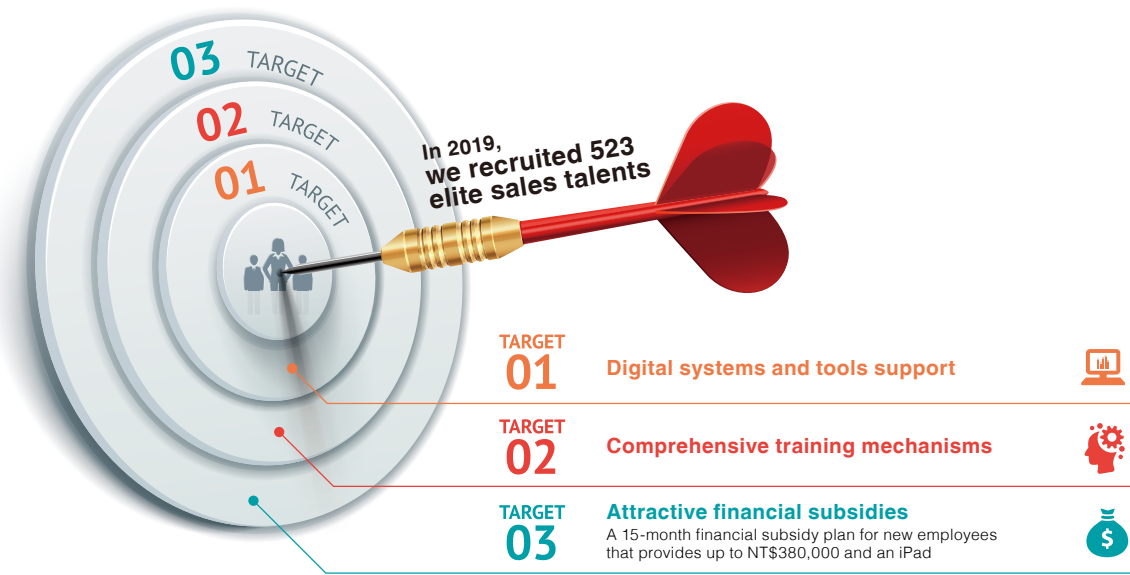
- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

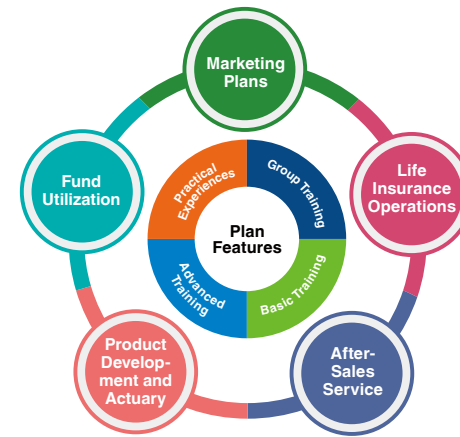
» Elite Project

To encourage a broad range of high potential youths to join the Company's ranks of sales agents, in 2018 we released the "Elite Project" training plan. It targets talented workers aged 20 to 55 who are interested in finance or sales. Using big data recruitment models and character tests, we find new talents then put them in a position to support business development.



» Management Associates Program

As part of our commitment to cultivate talented employees, China Life recruits leading students from Taiwan and abroad to participate in the Management Associates Program. Managers from fintech departments and the Human Resources Department introduce the Company and the program. Recent participants discuss what they learned in the program along with their job experiences and career recommendations. Candidates undergo a structured interview and selection process led by members of the Company's management team, which shows the high value we place in the program.



To continue our push to provide a comprehensive, broad range of innovative financial services, we recruit student MAs from all academic disciplines to pursue various opportunities available within the Company.

The MA Program is a comprehensive, two-year course that is tailored to each participant's educational background and character. In the first stage, MAs undergo joint training to understand the group's vision. They rotate to different departments to gain a wider understanding and view of the industry. In the second stage, they join suitable departments to engage in more in-depth development and practical learning.



China Life provides competitive MA salaries and adjusts them during the program based on performance. Other benefits such as annual bonuses and reward distributions encourage talented employees to stay with the Company, so they can be nurtured to become the next group of Company leaders.

2018 Management Associates
China Life's Commitment to Cultivating Talent Makes It the Best Choice for Youths

The most resources concentrated on a small number of people. A plan to find the elite and give them comprehensive training. Study rotations that include cutting-edge product R&D and planning, sales channels, and back-end after-sales service. These factors combined to teach me the life cycle of insurance products while giving me a foundation to become a future manager of the Company.

2018 Management Associates
A Journey of Transformation to Foster New Insurance Entrepreneurs

Two years spent in the MA program took me through three different stages of development: entry-levels classes, department rotations, and in-depth practice. Gradually, I developed the skills of a manager able to craft comprehensive strategies and to execute across different departments. In the future, I will continue to learn to become an insurance entrepreneur with a broad range of mature capabilities.

2018 Management Associates
Abundant Resources Helped Give Me the Ability to Overcome Broad Challenges

While I don't have an insurance background, the training and tasks that were part of China Life's MA Program helped me to quickly gain extensive life insurance knowledge so that I could better understand the industry and how it develops and operates. The mentoring system gave us more opportunities to learn from supervisors. We observed, reflected on, examined and solved problems from a wide range of perspectives. During these two years, I accumulated many skills and found my own niche and values.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Transformative Development

Employees are China Life's most important resource and an invaluable, driving force behind the Company's digital transformation. Besides developing the measures and supplementary tools that fintech needs, China Life must train employees to become digital talents who are capable of navigating future digital trends.

In line with our existing human resource management strategy of "select, cultivate, utilize, and retain," in 2019 China Life invested more resources into raising the fintech capabilities of employees. We developed a comprehensive transformation training plan that will teach all employees the importance of digital transformation and the roles that they play in this environment. These measures add greater energy and new ways of thinking to our transformation plans.



▼ 2019 Education and Training Classes, Hours Attended

	Office Staff			Sales Agents		
	Management	General Staff	Total	Management	General Staff	Total
Management Education & Training Hours	8,160	9,650	17,810	68,002	133,537	201,539
General Staff Education & Training Hours	13,374	28,204	41,578	164,910	275,410	440,320
Total	21,534	37,854	59,388	232,912	408,947	641,859
Average Education & Training Hours Per Manager	38.7	47.8	43.1	54.5	54.3	54.4
Average Education & Training Hours Per General Staff	23.7	22.5	22.9	62.6	54.7	57.4

① Office staff managers were defined as office staff at the level of section chief or above; sales agent managers were defined as sales agents at the level of supervisor or above.

» Office Staff Career Development

Aligning with the Digital Technology Age to Raise Professional Capacity

Digitalized Leadership

The Company president led 10 high-level managers to attend a 16-week weekend course on management and technical leadership training at the Taiwan AI Academy. Approaching these topics from a forward-looking, macro view, high-level managers learned about AI technology, restrictions, and future development. These insights help managers set businesses on the right path in an uncertain, changing environment.

Popularization of Digital Knowledge

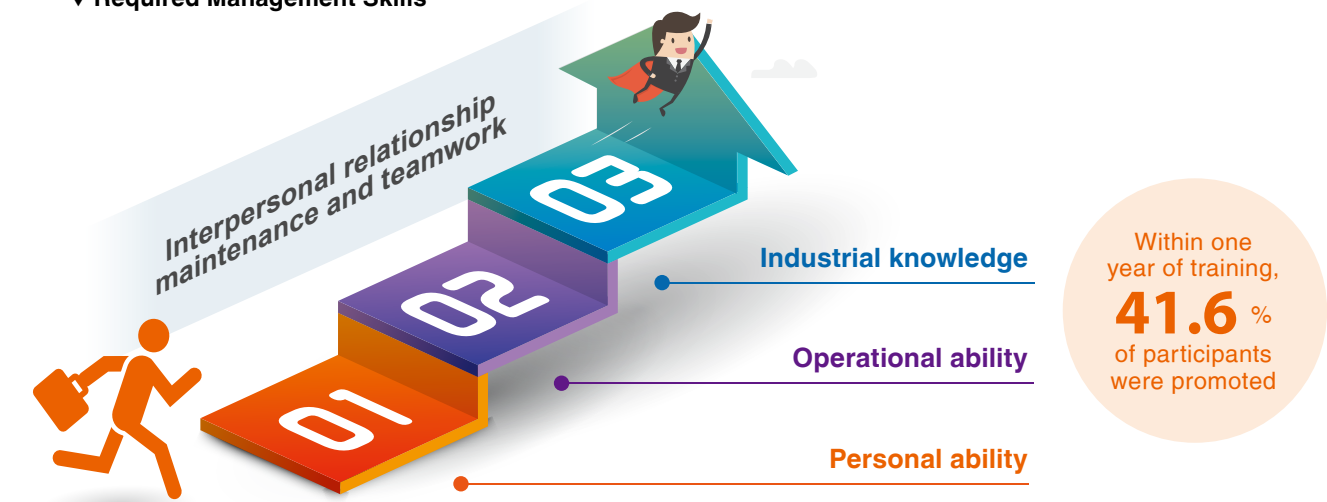
For two consecutive years we invited top programmers to offer guidance on Python basics and web crawling. The number of students increased and the range of participants expanded from information departments and other core application departments to logistical support units. As more staff learn about Python, it is becoming a shared communications bridge that supports digital transformation.



Key Talent Cultivation Plan

China Life planned a four-month training course that included questionnaires, assessments and assignments before, during, and after the study period. Participants learned about the organization's various departments, industrial trends, service innovations, execution, and presentation methods. They gained greater individual work management skills and raised the spirit of teamwork and camaraderie within the organization. The plan aimed to prepare young employees for a future in management, thus ensuring sustainable operations.

▼ Required Management Skills



Dedicated e-Learning Platform for Office Staff

China Life responded to fintech trends by launching an e-learning platform for employees. On an optimized user interface, the platform offers a comprehensive study environment for students, with diverse courses covering legal compliance, professional skills, trends, technology, and other topics. Over the course of six years, the platform hosted a total of 598 courses and an accumulated 109,252 training hours. In 2019, besides adding courses on fair treatment of customers, a new function that supports proposal submission turned the platform into a multi-functional tool for study and work.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Micro-Course Instructor Training

After launching a micro-learning video competition to support mobile learning in 2018, China Life promoted internal micro-courses in 2019 and provided in-depth training of micro-course seeds. Course content included designing course frameworks, study focal points, presentation methods, photography techniques, editing, and post-production. Guidance, practical training, post-course review, and retraining provided each budding instructor with the tools they need to produce educational film content that can spread industrial knowledge.



Love of Learning Study Groups

In order to build a corporate culture that encourages study and an innovative environment where knowledge is routinely shared, China Life promotes Love of Learning study groups. Continuing education is encouraged among employees. Communication centered on common themes enhances listening skills and empathy. Employees overcome rigid ways of thinking, which raises their self-expression skills and supports better integration.

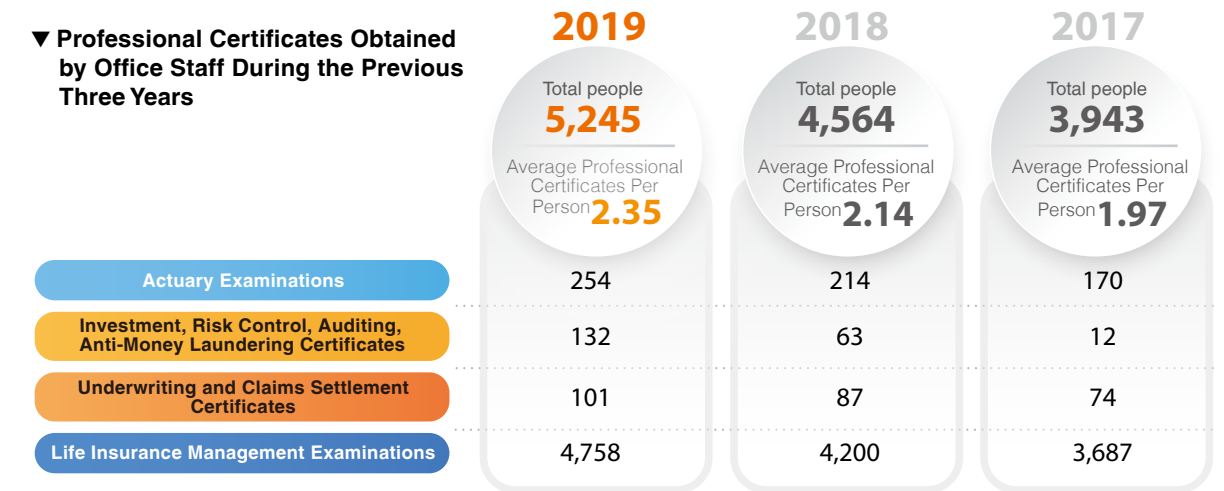
Under the plan, 25 study groups convened. They read one book per quarter then used mixed online and offline channels to share their impressions in report form. All staff, including mid-level and senior-level management, voted on the groups that showed the greatest enthusiasm, used the most innovative study methods, or best integrated what they learned into their everyday life or work. Winners were openly praised and rewarded.

Professional License Incentives

The Company established rules governing incentive programs for office staff who seek professional certificates as well as separate rules for staff who seek actuarial certificates. The rules stipulate standards for exam holidays, study holidays, registration subsidies, and bonuses. These incentives encourage staff to continue to advance their professional skills and obtain certificates to demonstrate their knowledge. In 2019, on average staff held 2.35 certificates, a number that increased during the past three years.

In response to big data trends, staff were encouraged to pursue Society of Actuaries (US) predictive analysis certification. Raising data analysis knowledge and skills of staff contributes to better operations at the Company.

Professional Certificates Obtained by Office Staff During the Previous Three Years



» Digital Transformation of Sales Channels

China Life considers the professional needs of sales agents then strengthens their capabilities. We build systematic training frameworks that provide skills suited to each professional stage of development. Comprehensive programs develop core capacities. In addition, we constantly research and develop innovative training models. Using digital management methods, we turn agents into professional insurance planners with the capacity to support customers using mobile tools.

Core Skills of Employees at Each Level



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Transformation Plan Themes



Enhanced Management Roles

At all district offices in 2018 and 2019, China Life held a series of three courses: "Management Masters," "Recruitment Experts," and "Marketing Gurus." Employees were assigned to different classes based on their position. The aim was to enhance management within the Company by using drills and on-the-job practice.

	Management Masters	Recruitment Experts	Marketing Gurus
District Office Participants	SAS or above	AS or above	SR, AS
Training Content	<ol style="list-style-type: none"> Supervisor responsibilities Lecture techniques Performance management Training and guidance 	<ol style="list-style-type: none"> Employee Recruitment 2.0 foundation and tools Employee recruitment techniques, drills and applications 	<ol style="list-style-type: none"> Customer service Product recognition and applications Sales cycle explanation, key areas, and technical drills
Benefits	Key knowledge and skills associated with cultivating new talent	Familiarity with employee recruitment systems and key practical techniques	Robust knowledge of sales, marketing, and product

No. of staff trained: **21,657+** Hours of training: **32,486**

Mobile Assistance Tools Enhance Sales Management Technology

As part of the Company's digital transformation, i-Agent incorporates AI and big data applications to provide agent channels with product sales and marketing, talent recruitment, after-sales service, and performance tracking tools. Functions such as notifications and recommendations enhance usability. A planned AI digital teaching feature will further raise application value.

i-Agent uses iterative development methods to build and manage customer name lists and calendar alerts, which helps agents to arrange customer engagement and scheduling. Tools to track activity volume and performance support scientific management by sales supervisors, so they can determine development models suited to each sales agent while building better models to choose agent talent. The i-Agent digital mobile tool optimizes district office operational models, strengthens sales and marketing, and boosts recruitment. It has already begun to show good results.

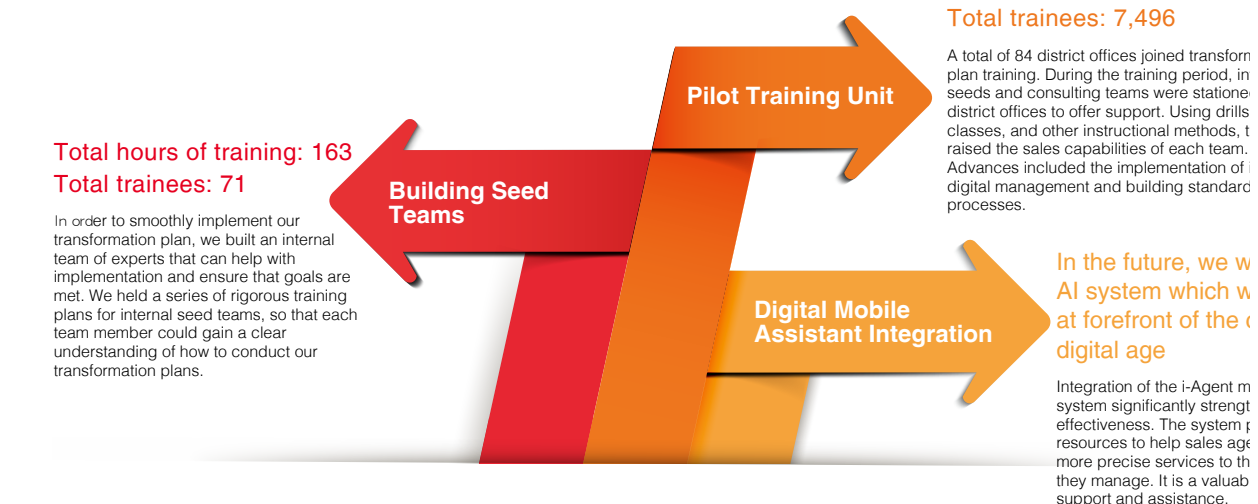
In 2019, newly registered agents increased by **40%**

(compared to the previous year)

The number of newly registered agents is expected to surpass **2,400** in 2020

For more thorough transformation and to activate use of data, in 2019 we cooperated with information experts and consultants to develop the industry's first AI recruitment tool. i-Agent collects data for analysis and channel development while using AI to optimize the recruitment process, so that sales agents can do a better job of investing time and resources into new and prospective employees, which significantly raises both conversion rates and prospecting efficiency. Better agent development and quality enhances the Company's portfolio of services.

Keys to the Success of Our Transformation Plan



» Systematic Training Plan for Sales Agents

China Life University

China Life University plans comprehensive, systematic training suited to sales agents of all levels and contributing towards the sales team's professional knowledge and skill. This training enables sales supervisors, assistant managers, and managers to understand the various roles and characteristics of each position, so there is a shared culture and language within the Company. Within five years, new sales agents gain a strong understanding of financial and insurance knowledge while developing management capabilities.



Agent Training and Study Blueprint

Starting in 2019, China Life re-assessed the core capabilities of agents at each level to analyze performance and human resources development. Online questionnaires and interviews with sales managers with strong performances give insight into user learning experiences, so that improvements can be made to optimize the training and study blueprints for six key groups: prospective employees, sales representatives, sales supervisors, sales assistant managers, sales managers, and district managers. Significant increases in discussions, situational drills, sales pitches, and technical reviews provide an online-offline learning environment that leads to greater staff development.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

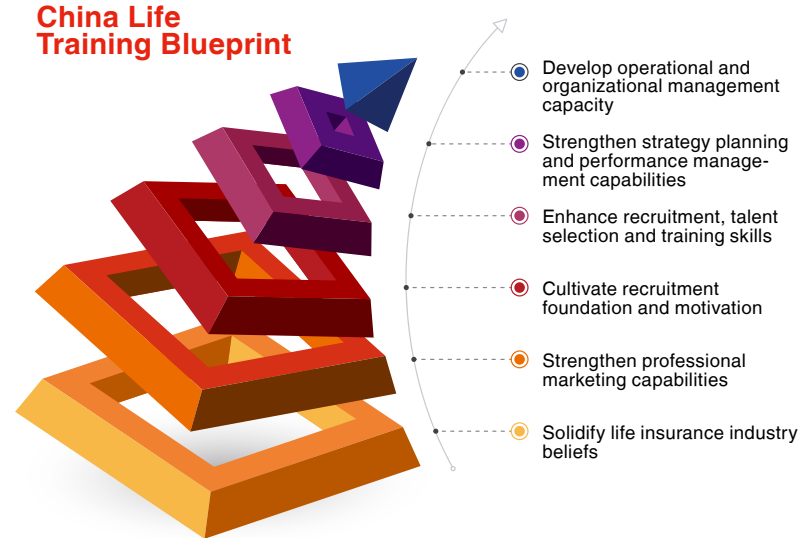
5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

China Life Training Blueprint



Designed **35** classes
Completed **122** digital learning materials

Second-Generation Succession Plan

China Life launched the Second-Generation Succession Plan to encourage the children of agents to join the Company's sales team. Under the plan, senior agents nearing retirement hand over their customers to their children. Passing business from one generation to the next ensures uninterrupted service for policyholders while bringing new employees and new energy to the Company. As we fulfill our long-term commitment to customers, we create a winning situation for policyholders, agents, and the Company.

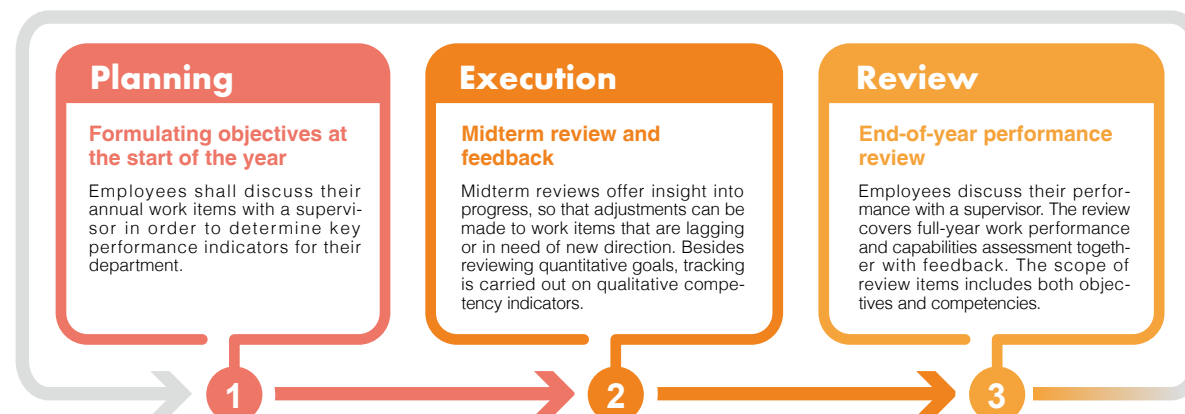


In 2019, a total of 50 children of agents participated in the club, and their average age was under 30. These young agents were exposed to systematic training and diverse classes. Their lessons focused on four key areas: life insurance professional knowledge, communication and leadership, managing a new generation of young agents, and teamwork. Besides providing key skills and leadership training, a supplementary advising system followed up on progress to understand how participants were adapting.

After one year of training, **20%** of the participants were promoted

Performance Reviews

Performance management is the responsibility of every employee. At the start of each year, employees must establish annual performance targets. During the middle of the year, they review their performance with a supervisor, who provides feedback. At the end of the year, a final review and assessment are completed. This planning, execution, and review cycle weighs employee performance from both quantitative (work goals) and qualitative (competencies) perspectives. In 2019, 100% of China Life staff underwent performance reviews.



Building a Happy Workplace Partners in Growth

Employees are both the engine that drives a company's advance and the foundation of sustainable development. To show mutual support, China Life provides diverse, equal opportunity employment and formulates labor rights protection policies.



China Life deeply respects the role of each person in the Company. Appointment is based on the principles of equality and diversity. At the end of 2019, we had 13,614 employees, consisting of 2,233 office workers and 11,381 agents.

▼ 2019 Employee Structure (Unit : people)

Office Staff	Sales Agents		Total
Temporary Employees	2	10	12
Permanent Employees	773	1,448	2,221
Total	775	1,458	2,233
	2,636	5,037	7,673
	1,248	2,460	3,708
Total	3,884	7,497	11,381

① Sales agents sign a contractual agreement without establishing an employee-employer relationship. Therefore, the "Labor Standards Act" does not apply to them. Sales supervisors, meanwhile, sign both a contractor agreement and an employee contract. Therefore, the "Labor Standards Act" applies to them and they are subject to a partial working hours mechanism.

For staff composition among office workers, 70.75% of our employees were between 31 and 50 years old, the average age was 40.15, and the average length of employment was 7.44 years. In terms of gender, 34.71% of office staff were male and 65.29% were female. Among management, the ratio of men to women was 51:49. In terms of educational attainment, 75.32% of employees had a university or college degree and 19.21% had either a PhD or master's degree.

For staff composition among sales agents, 55% of our employees were between 31 and 50 years old, the average age was 39.85, and the average length of employment was 7.33 years. In terms of gender, 34.12% of agents were male and 65.88% were female. Among management, the ratio of men to women was 34:66. In terms of educational attainment, 59.99% of employees had a university or college degree.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

▼ 2019 Employee Breakdown, Comparing Gender to Age, Position and Education Level

	Office Staff			Sales Agents				
	Male	Female	Total	Male	Female	Total		
Age	30 or below	133	215	348	1,232	1,468	2,700	
	30-50	474	1,106	1,580	1,996	4,270	6,266	
	51 or above	168	137	305	656	1,759	2,415	
Position	Department managers or higher	56	33	89	Sales managers	1,248	2,460	3,708
	Division managers	155	169	324	Sales agents	2,636	5,037	7,673
	General employees	564	1,256	1,820				
Degree	PhD	2	0	2	Master's	250	225	475
	Master's	239	188	427	University or college	2,424	4,403	6,827
	University or college	491	1,191	1,682	High school, vocational school, or below	1,210	2,869	4,079
	High school, vocational school, or below	43	79	122				

Unit : people

▼ 2019 Average Age and Length of Employment

	Office Staff			Sales Agents		
	Male	Female	Total	Male	Female	Total
Average length of employment (years)	7.64	7.34	7.44	6.72	7.65	7.33
Average age (years)	41.34	39.53	40.15	37.67	40.99	39.85

» Employee Diversity and Creating a Tolerant Workplace

Disabled persons receive the same rights, benefits, and opportunities as all of our other full-time employees. Besides prioritizing disabled people for several of our job vacancies, we installed equipment to aid the disabled, including barrier-free bathrooms, special walkways, handicapped parking spots, specially designed elevator call buttons, Braille signage, larger computer screens, magnifying glasses, and identification lights. We encourage people with disabilities to advance their careers by applying for professional licenses that make them more competitive. In 2019, China Life employed 60 disabled persons, 14% of whom had one to five years of experience at the Company, and 86% of whom had six or more years of experience. Many worked with us for 13, 14 or more years.

In addition, under the prerequisite of putting people in positions suited to their competencies, China Life prioritizes indigenous groups for several of our job vacancies beyond the required quotas. Through the end of 2019, we employed 54 indigenous peoples, which made our workplace more diverse.

» Staff Turnover

The number of office staff at China Life has grown in recent years. In 2019, we welcomed 421 new members, representing 18.85% of our total office workforce. Among the new members, 272 (64.61%) were women. Turnover was 291 people, or 13.10%. Over the past five years, turnover has generally decreased, from 15.69% in 2015 to 17.49%, 12.86%, 13.96%, and 13.1%, which shows the quality and stability of our workplace. In the future, we will continue to track turnover, as we use a combination of self-review and incentives to build an even better work environment.

▼ New Staff in 2019, Based on Gender and Age

	Office Staff		Sales Agents		
	People	Percentage	People	Percentage	
Age	30 or below	60	2.69%	508	4.46%
	30-50	107	4.79%	613	5.39%
	51 or above	84	3.76%	350	3.08%
Total	157	7.03%	746	6.55%	
	5	0.22%	48	0.42%	
	8	0.36%	127	1.12%	
Total	421	18.85%	2,392	21.02%	

① New sales agents includes contractors

▼ Staff Turnover in 2019, Based on Gender and Age

	Office Staff		Sales Agents		
	People	Percentage	People	Percentage	
Age	30 or below	28	1.26 %	313	2.75%
	30-50	61	2.75 %	396	3.48%
	51 or above	70	3.15 %	350	3.08%
Total	116	5.22 %	598	5.25%	
	10	0.45 %	76	0.67%	
	6	0.27 %	178	1.56%	
Total	291	13.10%	1,911	16.79%	

① Office staff turnover does not include staff with temporary contracts
② Sales agent turnover includes contractors

» Human Rights Guarantees

In order to fully implement equality and diversity policies and to build a harmonious workplace environment, China Life considers the International Bill of Human Rights and other documents. Policies aim to build diverse, tolerant workplaces that are healthy and safe, where workers enjoy equal opportunities, are treated humanely, and are not overworked. Wages and benefits must adhere to regulations, and there shall be complaints mechanisms and labor-capital agreements in force. Personal privacy must also be protected. All employees both inside and outside the office must take the Human Rights Policy Promotion Course so they are equipped to help us implement our human rights philosophy.



» Unimpeded Communication Channels

After observing employees' work habits, actions, and social trends, in 2018 China Life combined technology with innovative thinking to launch the "China Life e-Family Line@ Account." Through 2019, membership reached 1,818 people, or more than 80% of office staff. Weekly news reports boost interaction and raise platform usage. As we quickly respond to employee concerns, we build a friendlier corporate culture. In 2019, we shared 177 messages and held four polls which had participation of 1,420 people.

In order to promote positive interaction between labor and management, China Life convenes quarterly labor-management meetings to discuss key issues. The Company held four such meetings in 2019. We also established worker claims channels for employees to report problems they encounter to supervisors of any level or human resources departments. In 2019, employees did not make any such claims.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Employee Care

» Caring Employee Benefit Measures

From new recruits to senior staff, we work tirelessly to ensure everyone feels a sense of belonging and family. In line with our commitment to employee care, we offer diverse welfare programs and guarantees. Our vacation, volunteer leave, children's education scholarships, and health checks are all better than we are required to provide by law.

▼ Benefits Used by Full-Time Office Staff, 2019

Benefit	Description	Usage
Vacation and Leave	New employees who sign a contract of indefinite duration with the Company receive annual leave starting from their first year.	366 employees
Volunteer Leave	To encourage employees to give back to society by joining public welfare activities, we offer one day of volunteer leave each year.	1,618 employees
Employee Insurance	We offer labor insurance, national health insurance, and group insurance (including life insurance, accident insurance, family/hospital medical insurance, and accident medical insurance).	Labor insurance: 58 payments Group insurance: 720 claims
Employee Loans (Home and Scooter Purchases)	We offer favorable employee interest rates for housing and scooter loans.	Housing: 16 loans Scooters: 6 loans
Staff Clubs	We subsidize the establishment of staff clubs that enhance lifestyle planning beyond work.	1,009 subsidies
Holiday Bonuses and Year-End Party	Besides bonuses for Dragon Boat Festival, Mid-Autumn Festival, and birthdays, we organize annual parties and lucky draws to celebrate the Lunar New Year. In 2019, bonuses totaled NT\$41,640,000.	Birthdays: 2,096 gifts Dragon Boat Festival: 2,061 bonuses Mid-Autumn Festival: 2,096 bonuses
Scholarships for Employees' Children	To encourage the children of staff to study hard, we provide educational scholarships. In 2019, scholarships totaled NT\$3,664,200.	1,999 people
Health Examinations	We offer comprehensive health examinations to support our employees' physical health. In 2018, subsidies totaled NT\$8,988,600.	2,120 people
Other Items	We offer wedding and funeral gifts, hospitalization payments, and childcare incentives. To further help employees maintain a healthy mind and body we installed a coffee machine, sky garden, employee lounge, fitness room, and nursing rooms.	Weddings and funerals: 180 gifts Special allowances for hospitalization: 502 payments

Retirement Benefits

China Life places great importance on the retirement lifestyles of our employees. Besides formulating worker retirement regulations, we established the "Labor Retirement Reserve Supervisory Committee." For employees using the old pension system, a certain percentage of their gross monthly salary is reserved for their retirement fund with the Bank of Taiwan. We evaluate whether the balance of this fund is sufficient to meet the retirement needs of employees who will retire the following year. If more funding is needed, we deposit the capital gap into the fund by the end of the following March. For employees using the new pension system, 6% of their monthly salary is deposited into a retirement fund account at the Bureau of Labor Insurance. To show appreciation to our retired workers for their many years of service, we also provide a glass plaque and free health check to all retiring employees. In 2019, a total of six employees utilized these benefits.

Child Care

As part of the empathy we show to families, China Life offers parental leave to qualifying employees who take time off to care for their children. In 2019, 21 office staff and 57 sales agents applied for unpaid parental leave. A high percentage of these staff members are expected to return to work and remain over the long-term. In 2019, among qualifying office staff the return to work rate was 87% and the retention rate was 63%. Among sales agents, the return to work rate was 79% and the retention rate was 95%. Included in these data was a return to work rate of 100% for male office staff. These numbers show that China Life recognizes the importance of helping employees care for their families at home.

▼ Unpaid Parental Leave

	Office Staff			Sales Agents		
	Office Staff	Office Staff	Total	Sales Agents	Sales Agents	Total
2019 Unpaid Parental Leave Applicants	3	18	21	14	43	57
2019 Unpaid Parental Leave Recipients Who Returned to Work	4	10	14	9	41	50
2018 Unpaid Parental Leave Recipients Retained for at Least One Year After Returning to Work in 2018	1	11	12	10	47	57
Return to Work Rate	100%	83%	87%	75%	80%	79%
Retention Rate	25%	73%	63%	91%	96%	95%

Return to work rate = (Unpaid parental leave recipients who returned to work in 2019 / the number expected to return to work in 2019) x 100%
Retention rate = (Unpaid parental leave recipients retained for at least 12 months after returning to work in 2018 / the number who returned to work in 2018) x 100%



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Annual Summer Camps Let Parents Bring Their Children to Work

AI and digital content includes micro:bit classes, which turn children into little programmers

For a fourth consecutive summer we held a "bring your children to work camp," which included a series of Company-planned activities. As AI and fintech grew in popularity, we added digital content to the camps. The Taiwan Coding Education Association planned a "micro:bit" programming class, which used interesting themes and images to draw children in to the worlds of coding design and logical thinking. By stimulating unforgettable parent-child interactions, the camps created a happy workplace loved by both employees and children alike.



58 children attended.
A child who has participated for four consecutive years said
The content this year was different from previous years. It was a lot of fun to be able to program many different expressions for my robot.



An employee with a daughter who registered for the first time said
Last year I wanted my daughter to join, but all the spots were quickly taken. This year I signed up as soon as registration opened. The activities were interesting and lots of fun. After returning home, my daughter kept talking about programming. Now she is fascinated by robots and says she will definitely attend next year.

Comprehensive Salary Structure

China Life believes that developing a fair and competitive salary system is the key to attracting and retaining talented individuals. To ensure that our bonuses and salaries are competitive, we adopted a performance-oriented pay policy for sales agents and office staff. The salaries we offer are higher than the minimum wage standards stipulated by the government. Key factors for determining salary include academic achievements, work experience, position, and performance. Gender does not play a role. We keep a balanced salary ratio between men and women to achieve gender equality.

Female:Male Salary Ratios for Employees of Various Levels

Position	2019				2018			
	Basic Wage Ratio		Annual Reward Ratio		Basic Wage Ratio		Annual Reward Ratio	
Department Manager or Higher	1.02	1	1.29	1	1.04	1	1.22	1
Division Manager	0.89	1	0.90	1	0.89	1	0.91	1
General Staff	0.89	1	0.88	1	0.89	1	0.90	1

▼ New Recruit Salaries

		2019	2018	2017
Office Staff	Entry-level new administrative recruits	Minimum wage was NT\$23,100, and we made adjustments based on experience and education	Minimum wage was NT\$22,000, and we made adjustments based on experience and education	Minimum wage was NT\$21,100, and we made adjustments based on experience and education
	Ratio of salary to minimum wage	1.00 : 1	1.00 : 1	1.00 : 1
Office Staff	New administrative personnel with a university degree	Minimum wage was NT\$28,000, and we made adjustments based on experience and education	Minimum wage was NT\$28,000, and we made adjustments based on experience and education	Minimum wage was NT\$28,000, and we made adjustments based on experience and education
	Ratio of salary to minimum wage	1.21 : 1	1.27 : 1	1.33 : 1
Sales Agents	Entry-level sales supervisors	Salary paid according to the income item stipulated in the labor contract. The monthly minimum wage shall not be lower than the hourly rate stipulated by the central competent authority.		
	Ratio of salary to minimum wage	1.00 : 1	1.00 : 1	1.00 : 1

▼ Number of Non-Managerial Employees, Their Average Annual Wages and Benefits, and Comparison to the Previous Year

	2019	2018
No. of Non-Managerial Employees (People)	2,208	2,116
Average Non-Managerial Employee Annual Wages and Benefits, with Comparison to Previous Year		
Average Wages and Benefits (NT\$)	1,173,779	1,031,876
Increase YoY (%)	13.75%	-

① By definition, non-managerial employees are non-managers. Their position is determined by their actual position at the end of the year under evaluation.
② We changed the definition of "manager" in 2019. Data from 2018 were adjusted to correspond to the change.

▼ Average Wages and Median Wages of Full-Time Non-Managerial Employees along with Comparison to the Previous Year

	2019	2018	Change
Total Wages of Full-Time Non-Managerial Employees (NT\$)	2,048,812,502	1,759,033,199	289,779,303
Full-Time Non-Managerial Employees (People)	2,077	1,927	150
Average Wage of Full-Time Non-Managerial Employees (NT\$)	986,429	912,835	73,594
Median Wage of Full-Time Non-Managerial Employees (NT\$)	833,572	768,666	64,906

① Full-time employees are those employees whose work hours meet the Company's standards for regular full-time work or legal standards for full-time work (generally those employees who work an average of 35 hours or more per week). In accordance with regulations, employees who have worked and received wages for fewer than six months are not included in the calculations.
② Average wages and total wages are affected by monthly changes in the number of employees receiving a wage. Therefore, the number of full-time employees is a weighted average, in accordance with regulations.
③ We changed the definition of "manager" in 2019. Data from 2018 were adjusted to correspond to the change.

03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

» Heading Workplace Health and Safety

Occupational Safety and Health Organization and Management Systems

In order to strengthen workplace safety and health, China Life established the Occupational Safety and Health Committee, the Occupational Safety and Health Management Unit, and the Workplace Violence Prevention and Management Group. Convened by sales supervisors, sales managers, doctors, nurses, and emergency response personnel, the groups are responsible for planning, overseeing, executing, assessing and improving all health and safety issues. Among these, the Occupational Safety and Health Committee includes one director and six regular members, including three labor representatives who account for 42.9% of total membership. The committee convenes quarterly to review safety and health policies then make recommendations and proposals.

▼ Occupational Safety and Health Management Policies and Planning

Occupational Safety and Health Management Plan

Implementation of employee safety and health measures.

Safety, Health, and Environmental Management Methods of Contractors

Strengthen management of the safety, health, and workplace environment of contractors. Besides providing related information, ensure that all work is carried out safely and take steps to further improve safety.

Prevention of Illnesses Caused by Extraordinary Workloads

Doctors specializing in labor health issues provide guidance to high-risk groups to avoid ailments resulting from extraordinary workloads.

Maternal Health Protection Plan

Protection provided for pregnant women and postpartum mothers during their first year following childbirth.



Occupational safety and environmental monitoring are vital parts of our business. In 2019, we regularly conducted workplace fire safety equipment inspections and repairs as well as building safety inspections and reporting. We continued to implement automatic safety and health inspections of workplace facilities. Biannual environmental monitoring (for carbon dioxide concentration and workplace illumination) ensured that our workplace environment is favorable to operations. Moreover, we made arrangements to prepare for earthquakes, fires, and emergency medical situations. Besides establishing an autonomous fire safety group, we joined fire safety lectures and emergency evacuation drills run by building management to raise our emergency response capabilities. At the Company's Dunbei Building headquarters, we established a joint defense team that can provide disaster prevention and rescue during normal times and more extensive support when disasters occur.

▼ Occupational Safety Performance, 2019

Item	Male	Female	Total
Injury Rate	0.0000%	0.0013%	0.0013%
Absence Rate	0.0815%	0.4493%	0.5308%
Lost Day Rate	0.0000%	0.0061%	0.0061%

① In 2019, China Life had zero incidents of occupational death or disease.
② In 2019, the primary cause of work-related injury was traffic accidents occurring on the way to/from work or during work-related trips.
③ Injury Rate = Total number of accidents / (total number of work days * total number of people) * 100%;
Absence rate = (Work injury leave + sick leave + menstruation leave) / (total number of work days * total number of people) * 100%;
Lost day rate = Work injury leave / (total number of work days * total number of people) * 100%

On-Site Healthcare

As part of our efforts to provide a comfortable, safe and healthy working environment, major service counters across Taiwan provide blood pressure monitoring devices that are free to use. Wheelchairs and AED equipment are available at Company headquarters and the customer service centers in Taoyuan-Hsinchu, Taichung, Chiayi, Tainan, and Kaohsiung, and each location continues to undergo AED safe location certification. In 2019, the Company had a total of 141 staff members certified in first aid spread across our various offices. To ensure that staff trained in first aid are familiar with the latest concepts and techniques, an additional 30 members underwent retraining.

We employ seven nurses who offer health advice, workplace illness and injury prevention information, first aid, and emergency responses. They provide additional info on communicable disease prevention and health maintenance using the Company's internal mail network. In 2019, we continued to contract certified doctors from Chang Gung Memorial Hospital Linkou Branch, Tungs' Taichung Metro Harbor Hospital, Tainan Municipal Hospital, and Chang Gung Memorial Hospital Kaohsiung Branch to offer health services on a quarterly basis at our offices in Taipei, Taichung, Tainan, and Kaohsiung. Besides 26 in-person clinics, to expand services to other worksites employees could speak with a doctor at our Dunbei Building by using video conferencing applications.

Indoor Air Quality Management

With office staff spending between 80% and 90% of their time indoors, indoor air quality has a direct impact on their work quality and efficiency. To minimize the health impact of air pollution in the workplace environment, China Life follows requirements in the "Indoor Air Quality Management Act," despite this act being stricter than the standards required of the insurance industry. Over the course of two years, we sent nine employees to attend external training and become certified as indoor air quality management specialists. They will be responsible for assessments and actions needed to effectively manage our indoor air quality, so our employees can work in a healthy environment.

Health Promotion Plan



Employee Walking Competition – Keep Going

We promote health and exercise habits among employees by using the Company's walking record app "Keep Going" for health walking competitions. Departmental supervisors lead this initiative to promote health and enhance teamwork and cooperation. Employees showed a lot of enthusiasm, with 39 teams registered and 390 people participating. Teams that surpassed the threshold of 7,000 steps per day during the 16 days of the competition qualified for rewards based on average steps walked.



Litter Cleanup Activity

To bridge different types of LOHAS activities, we encourage staff to combine exercise with picking up litter in the environment, fulfilling both a commitment as a citizen of the earth and corporate social responsibility. A total of 1,006 employees participated, contributing 4,024 volunteer hours.



Baseball and Softball Games

Employees regularly join baseball or softball games to support friendly competition and build up a corporate culture that promotes employee health. Most teams include employees from different departments. The camaraderie and teamwork that players show generate enthusiasm for sports.



Physical and Mental Stress Alleviation Channels

As a show of support for the physical and mental health of our employees, we cooperated with the Taiwan Institute of Psychotherapy to provide professional, caring stress alleviation channels. Employees have access to a toll-free consulting hotline, which provides a channel to alleviate work and lifestyle pressures.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement



4

Care Inclusive Society

While promoting inclusive financing and strengthening basic insurance guarantees, China Life remains committed to the core values of the life insurance industry. Besides implementing CSR and making financial products readily available to a wider range of people, we promote digital transformation. As we provide insurance products that mitigate the effects of the wealth gap and population ageing, we satisfy social needs.

China Life invests corporate resources and encourages employee participation in public welfare. We focus on four key public welfare activity categories: education and training, support for the disadvantaged, environmental protection, and corporate volunteering. As we support education, the disadvantaged, and the environment, we provide warmth wherever it is needed and make the world a better place.



03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Implement inclusive financing to satisfy policyholder needs

2019 ESG Goals and Progress

- Continued promotion of microinsurance, reaching 130% of the target number of policyholders.
- Continued to promote small-amount life insurance, bringing the total amount of policyholders to 23,000.
- Sold annuities online in cooperation with three third-party sellers expanded beneficiaries of inclusive financing.
- Developed products that met inclusive financing objectives.

2020 ESG Goals

- Promote microinsurance, with a goal of reaching 19,000 policyholders.
- Promote small-amount life insurance, bringing the total quantity of policyholders to 25,000.
- Promote inclusive financing insurance products, with the goal of bringing the total number of disabled persons who are policyholders to 500.
- Add two more third-party online sellers.

Provide caring services that raise policyholder satisfaction

2019 ESG Goals and Progress

- Placed second among life insurers in the Financial Supervisory Commission's Principles of Treating Customers Fairly in the Financial Service Industry Assessment.
- Established the Treating Customers Fairly Committee, which convenes quarterly, and revised our principles of treating customers fairly policies and strategies
- 291 people from 45 departments made a total of 379 submissions as part of an internal competition to gather proposals for treating customers fairly. Their participation made employees more aware of the importance of fair treatment of customers.
- Conducted two health talks to build health awareness among the general public.
- Cooperated with the Taiwan Alzheimer Disease Association to provide more caring policyholder service by promoting organizations that support people with dementia.
- Launched fast claims at service counters to better satisfy customers' needs.
- Held one "Service Ambassador" selection activity every quarter as well as two appreciation ceremonies.
- Achieved a satisfaction rating of 4 (out of 5) or higher on 100% of our customer satisfaction surveys.

2020 ESG Goals

- Hold two education and training events and one employee participation activity.
- Hold three health talks for the general public and policyholders at our customer service centers.
- Expand cross-industry cooperation by partnering with one more health protection or care institution.
- Add a clause pledging to commit to the principles of treating customers fairly to 100% of our bank cooperative channel contracts.
- Promote fast claims at service counters and increase the usage rate by 50%.
- Hold two "Service Ambassador" selection activities and one annual appreciation ceremony.
- Complete establishment of our customer satisfaction survey system and achieve a satisfaction rating of at least 97%.

Combine the core capacities of the finance and insurance industries to participate in social care activities

2019 ESG Goals and Progress

- Held 17 finance and insurance educational activities for rural elementary school students while expanding the program scope.

2020 ESG Goals

- Increase our volume of finance and insurance educational activities by 20%.

Promote digital transformation to strengthen digital competitiveness

2019 ESG Goals and Progress

- Integrated an insurance fraud detection system in order to reduce the incidence of insurance fraud and complete our claims fraud prevention model.
- Built a mobile application notification system to increase operational efficiency.
- Completed installation of a data integration and analysis platform that features a number of system-building projects, including to build claims fraud prevention models, marketing-related big data, and end-user computing data inquiries.
- Developed a big data analysis platform and sales tag library.
- Rebuilt our policyholder administrative procedure system and completed the first stage of our independent recording platform.
- Integrated automated user testing of new products to reduce product development time and raise system output quality.

2020 ESG Goals

- Build an insurance fraud detection system with artificial intelligence functionality.
- Using big data analysis platforms, develop intelligent tools for recommending insurance products that meet policyholders' needs.
- Complete automation testing scripts for three types of mobile insurance products (pension, accident insurance, and health insurance). Integrate automation testing mechanisms into the policy recommendation systems for two types of products (life insurance and investment-linked products).
- Create a mobile policy application notification system to integrate this functionality into our iCare system.



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Management Guidelines

Major Topics Fintech and Related Innovations, Marketing and Labeling

Commitments

- Integrate novel technology and innovative business models where appropriate.
- Quickly and effectively address customer needs to raise service quality.

Policies / Management System

- Integrate big data analysis and artificial intelligence technology.
- In accordance with the Financial Supervisory Commission's "Principles of Treating Customers Fairly in the Financial Service Industry," formulate relevant internal principles, policies, and strategies to protect policyholder rights and interests.
- Handle product design, review, and pre-sales procedures in accordance with the "Regulations Governing Pre-Sale Procedures for Insurance Products" and other legislation. Regularly convene related meetings.
- Develop a consumer dispute management mechanism and the "Customer Complaint Department Service Manual" to ensure complaints and disputes are handled appropriately and efficiently.
- Release "Peace of Mind" accident insurance reservation function during major holidays, long weekends, and winter/summer vacations to provide more convenient, faster, and more caring services.

Complaint Mechanisms

- Local customer service centers
- Customer service line: 0800-098-889
- Fax: 02-87121097
- Service e-mail: services@chinalife.com.tw
- China Life website comment section
- Postal Address: Customer Complaints Department, No. 122 Dunhua North Road, Songshan District, 105, Taipei
- External complaint channels include the competent authorities, the Financial Ombudsman Institution, and consumer ombudsman officers in city and county governments.

Evaluation Mechanisms

- On our big data analysis platform we built a sales tag library and sales recommendation name list. We regularly evaluate performance and adjustment models.
- Regularly evaluate and revise our procedures for handling major disaster protection services and care measures.
- Customer satisfaction rates were at least 4 out of 5 in 99.9% of cases at our general service counters and 5 out of 5 in 100% of cases at our care counters.
- Conduct biannual checks on the volume and rate of acceptance of complaints filed with the Financial Ombudsman Institution.
- Conduct monthly complaints and arbitrations summaries, examinations and discussions. Following reviews and communications offer recommendations or proposals.

Innovative Digital Experience

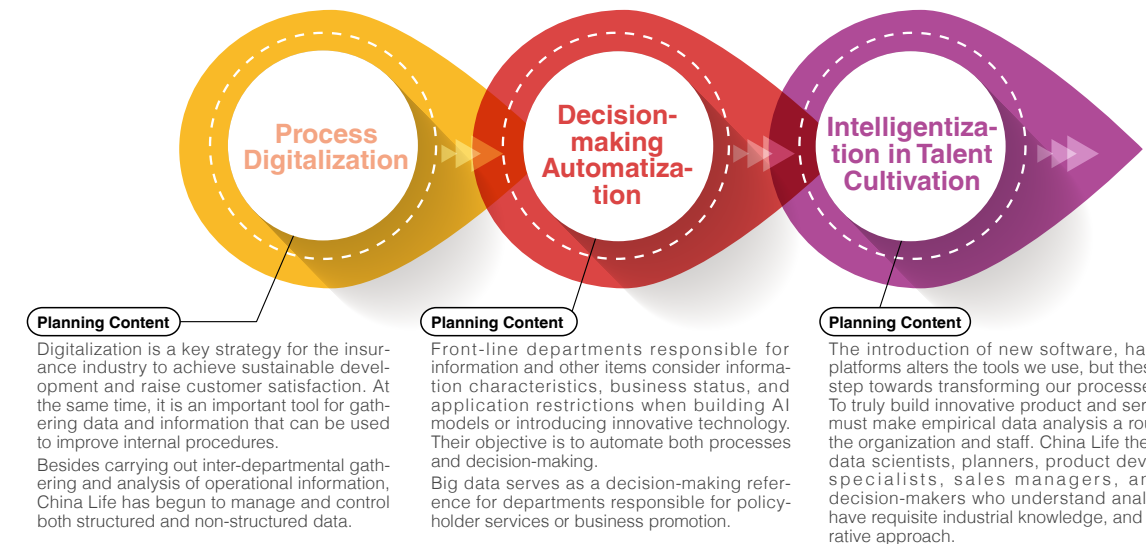
Digital Transformation

Fintech's vigorous development has picked up pace in recent years, challenging insurance companies in unprecedented ways while directly altering the future appearance and ecosystem of the industry. Countries around the world must respond to these trends. In Taiwan, the competent authorities closely monitor developments and encourage fintech development. If insurance companies are unable to build digital competitiveness during this wave of innovation, they will face severe market impacts.

» Digital Applications Development

China Life established the Digital Application Development Department to manage all innovative developments. The department conducts planning and integrates fintech development. It seeks to advance beyond rigid traditional views of technology by using R&D and innovative technologies to provide intelligent auxiliary tools to office staff and sales agents. Besides strengthening efficiency, these tools provide a higher quality, more convenient experience for customers, creating a win-win situation for policyholders and the Company.

▼ Digital Applications Development Core Objectives



In 2019, China Life continued to build big data analysis platforms, a Smart Labeling Library, and other digital application financial tools. To help sales agents, we promoted our AI intelligent sales assistant, built precise sales databases, and created radar charts that support intelligent analysis. Ongoing projects include AI insurance fraud prevention models, blockchain alliance platforms, and the first use of facial recognition technology for mobile insurance planning in the industry.

China Life continues to focus on expanding digital and information infrastructure as we cultivate a data-driven corporate culture. As regulatory changes take place, we adjust digital systems to optimize the customer experience and raise the service efficiency of sales agents. Better decision-making enhances our operational efficiency while making data technology friendlier to use. In the future, we will actively seek to develop a more diverse set of channels and tools with AI and big data at their core. As we promote digital transformation, we will prioritize the customer experience. Our goal is to become a technology-based insurance company that offers the best digital user experience.

03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

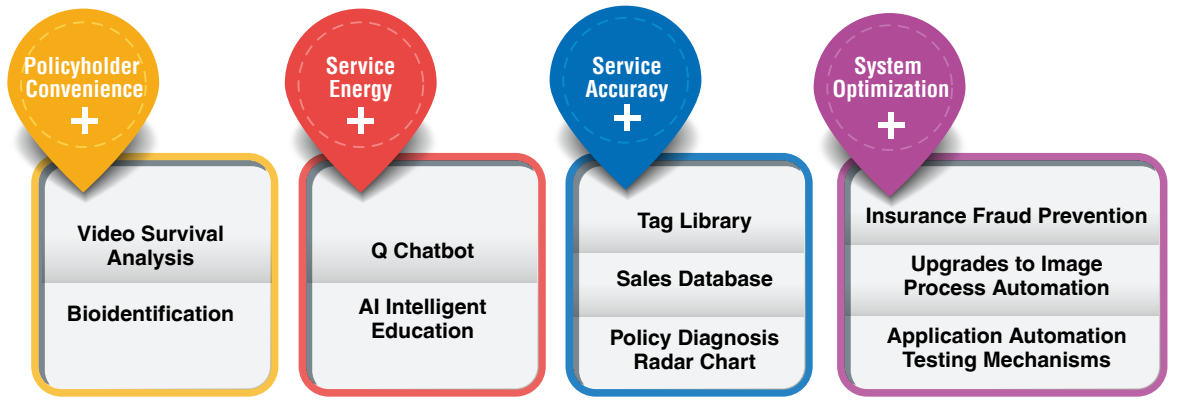
5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

▼ Fintech Applications



Policyholder Convenience (+)

Bioidentification – Pioneering Use of Facial Recognition to Apply for Insurance

Innovation and bold experimentation enable China Life to embrace InsurTech trends. For example, we integrated secure facial recognition technology into the mobile insurance process. Adopting the strictest information security and personal information protection measures gives policyholders safe and efficient financial services. This pioneering use of bioidentification to apply for insurance policies represents a new milestone in our service.



Bioidentification login procedures cannot be forgotten and are highly difficult to forge or steal. Customers can use them at any time or any place. When applying for an insurance policy, the applicant only needs to scan his or her face for verification. After the pilot program is completed, customers will also no longer need to sign paper forms, creating a simpler, paper-free process.

Our e-signature and SelfieSign functions incorporate facial identification to strengthen risk management, and thus make customers more willing to use digital services. By preventing false signatures and reducing fraud risks, we decrease the volume of customer complaint incidents. These advantages show how technology provides policyholders with safer financial services.

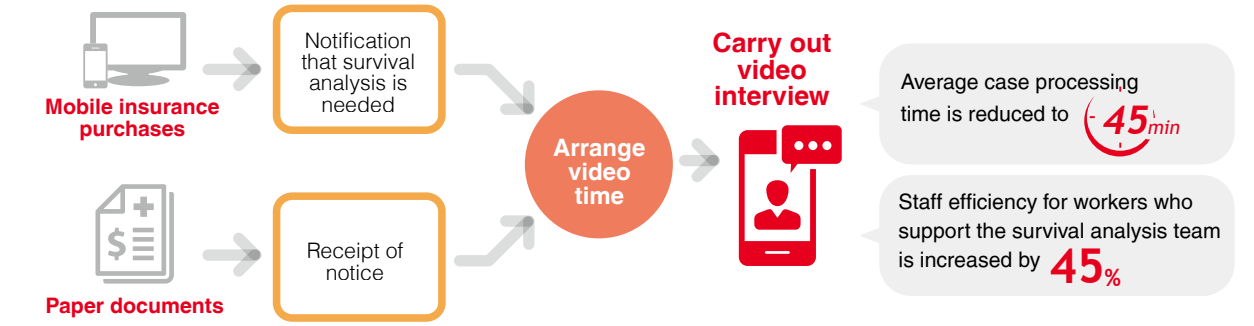
In the future, we will gradually adopt more facial recognition technology for use with mobile policy services, claims, and notifications. This technology will utilize both the mobile device's camera and photo databases to automatically identify users and make risk management more intelligent.

Video Survival Analysis – Saving Time and Money for Customers and the Company

China Life adopted video survival analysis, which lets policyholders reserve a time to complete survival analysis via video conferencing applications. Besides significantly reducing interview and waiting times, this service eliminates transit costs for customers and reduces burdens on bank workers and sales agents.

Video survival analysis also facilitates the recording of interviews, which supports the protection of the rights and interests of both policyholders and the Company and raises overall service quality.

▼ Video Survival Analysis Workflow



Service Energy (+)

Q Chatbot – A Powerful Prospecting Tool for Sales Agents

The Q Chatbot intelligent assistant combines natural language processing and life insurance experience to provide sales agents with a powerful support and consultation tool.

Ongoing dialogue training and added experience optimizes the Q Chatbot functionality. In the future, the Q Chatbot will become an advanced part of an intelligent customer service platform that raises both the customer experience and satisfaction ratings.



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

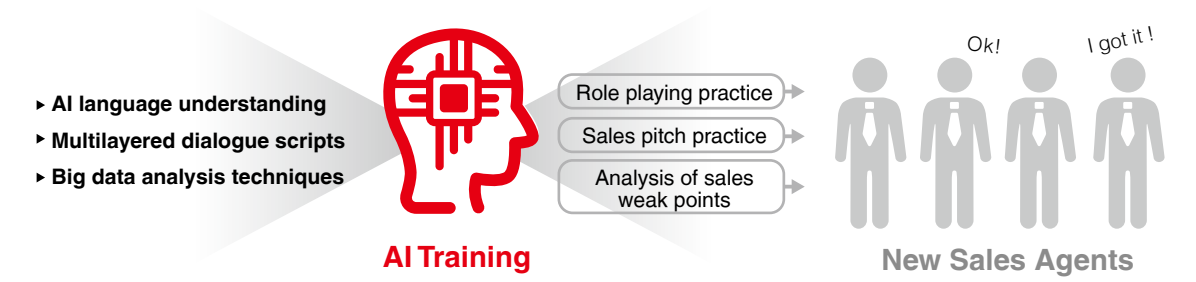
- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

AI Intelligent Instructor – Accurate Guidance of New Sales Agents

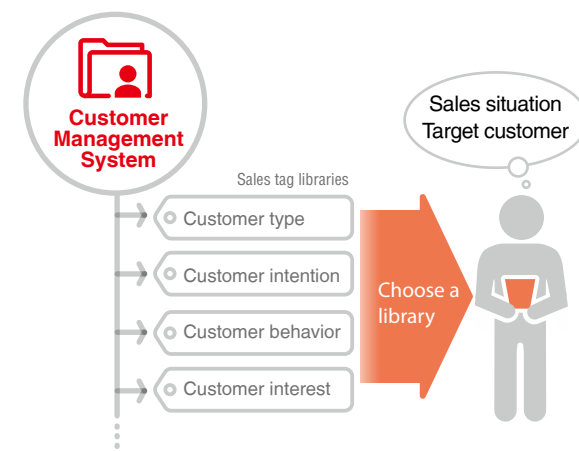
To cultivate the sales and marketing capabilities of new agents, China Life uses AI training technology. Role playing simulates real-life sales activities, so that new agents can practice their pitches. Skills coaches use big data to analyze agent behavior and search for weak points, so that suitable guidance can be provided. As these measures increase the sales activity volume and conversion rates of new agents, the agents benefit from higher income..



Service Accuracy +

Integrating Big Data and AI Platforms with Sales Tag Libraries

China Life builds big data analysis platforms and cooperates with external consultants. Using data sets and AI labeling techniques, we automate interactive data arrangements and relationship definitions. We also build sales tag libraries by turning customer properties, behaviors, intentions, and interests into uniform data frameworks. Based on the sales situation and target customer, a library is selected and embedded into the customer management system. Following the principle that the "user group selects the product, and the product selects the user group" we achieve precision marketing. In the future, we will integrate additional external data to provide even more precise client information. Sales agents and customers will then benefit from closer connections.



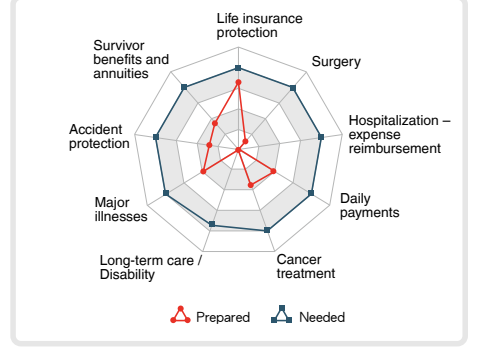
Precise Sales Databases – Finding the Right Customers in the Right Markets

Using big data analysis, we pore over existing customer databases to find the customers with the highest repurchase rates for various product categories, so that sales agents can prioritize marketing activities. The benefits of these lists are much greater than those from the lists derived using traditional analysis methods. Repurchase rates as high as 33% contributed to an increase of NT\$2.6 billion in premiums during the past year.



Protection Radar Chart – A Visual Policy Review

Traditional policy reports outline policyholder protections using complicated forms. China Life therefore developed protection radar charts that use visual representations to clearly present protection portfolios to customers, so that they can better understand their plans.

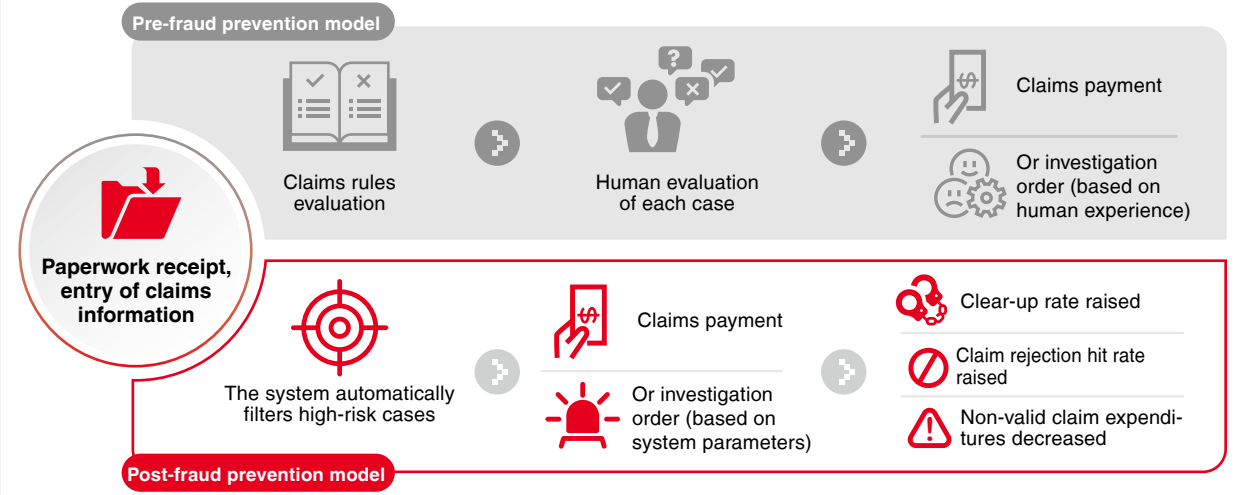


When helping customers with policy planning, we use advanced customer clustering and big data to determine appropriate protection levels that agents can use as a target when making policy recommendations and identifying gaps in customers' insurance plans. These gaps are a valuable entry point for agents to engage customers about a policy review.

System Optimization +

Insurance Fraud Prevention – Systematic Risk Identification and Evaluations

In 2019, we launched an insurance fraud prevention model that adopts big data analysis, relies on past claims settlement data and experiences, and creates a composite profile from the policyholder's medical history, insurance records, time of claim, and claim history. It then uses identification models to differentiate claims settlement risk. Policyholders are divided into high risk and low risk groups to determine whether investigation or fast payment approval is appropriate. Systematic risk evaluation and prediction models lower human judgment errors. In the future, this method will significantly raise the efficiency of the claims process and lead to greater customer satisfaction.



Imaging & Workflow Automation System Upgrades – Standardized, Systematic Management

• New Imaging System

An all-new ICF imaging system will serve as a future integrated imaging management platform. It can combine imaging data from multiple systems to achieve consistent file management. At the same time, it keeps records of image saving actions, which supports the protection of personal information.

03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

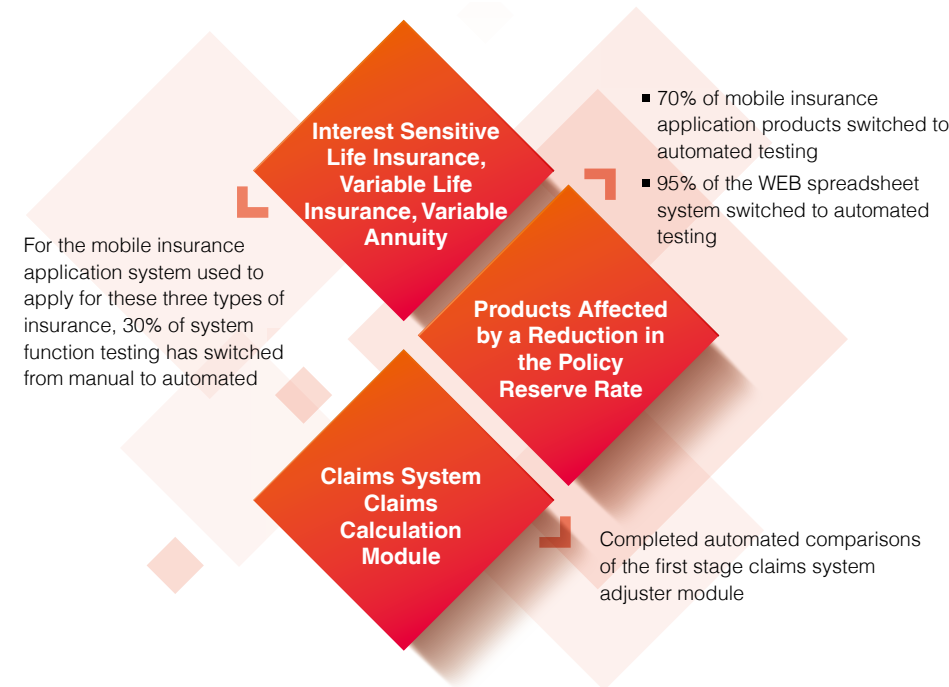
143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

• Policy Entry Platform

An independent policy entry platform features imaging alignment, automated work assignments, and ease of control. Platform design facilitates customization based on data entry requirements. Image identification and alignment further raise entry effectiveness while strengthening the standardization of entry procedures and automated work assignments. The platform improves file creation quality as well as case handling flexibility and effectiveness.

Application System Automated Testing

China Life planned and implemented new product system and function testing to accelerate mobile insurance applications and support testing of products before they go online.



E-Commerce

China Life's e-commerce system aims to achieve inclusive financing. To enable more people to receive protections and to achieve our future objectives, we continue to promote products with small premiums suited to customers with low budgets. Small-amount plans aid family financial planning, children's education, and elder retirement care. Convenient online applications offer a self-planning approach that makes people feel at ease.

In response to fintech development strategies, China Life continues to cooperate with banking channel partners to offer online annuity insurance. By integrating these products into the bancassurance ecosystem and with placement on online banking user interfaces, more people are exposed to our products.

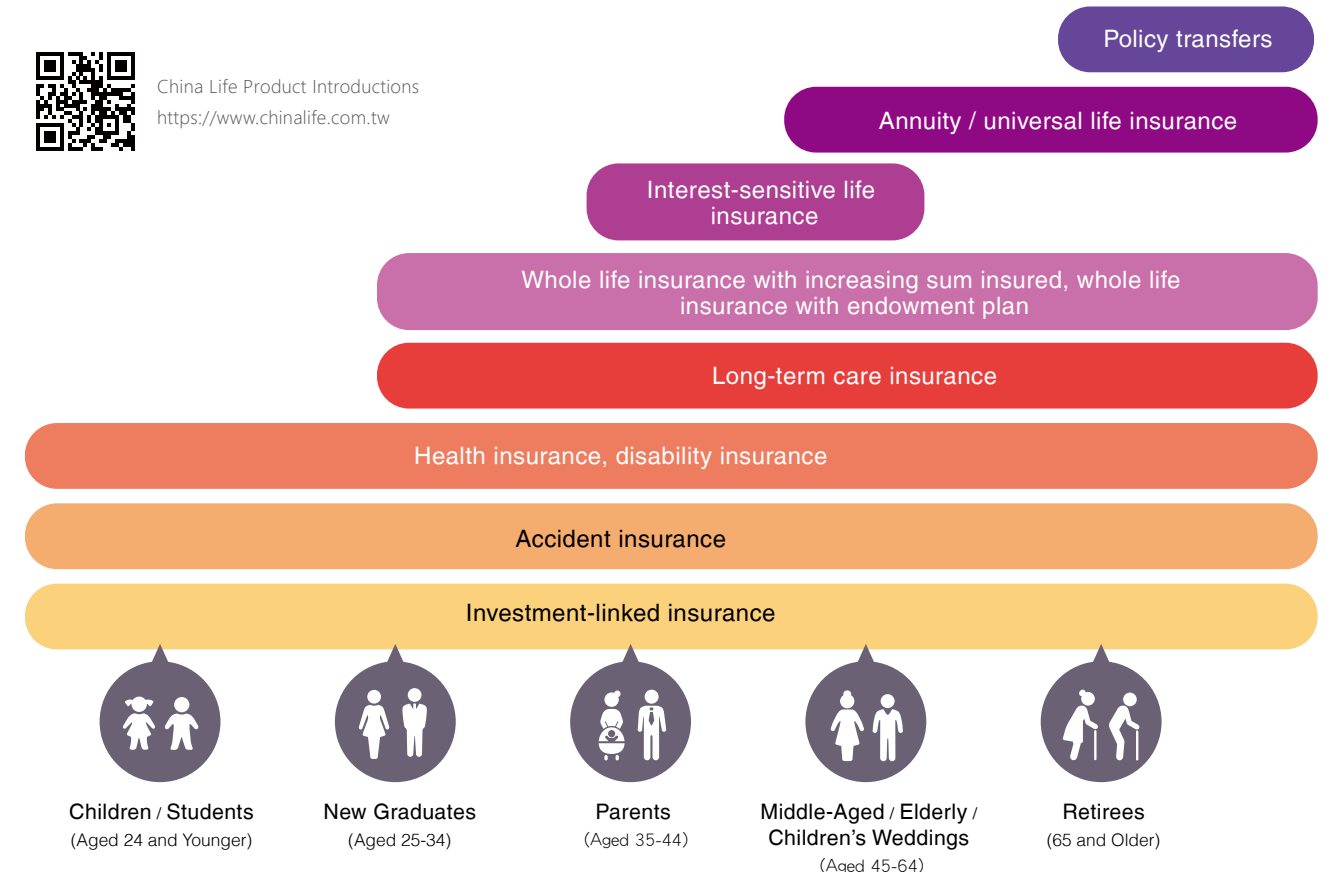
Customers making online insurance policy purchases grew by **26%**

Strengthening Our Corporate Culture of Treating Customers Fairly

To fulfill our social function as an insurance company and respond to government policies, China Life continues to strengthen and promote protection products, inclusive financing, and products that support seniors and disadvantaged groups. As demographic structures change, we shift product focus to long-term risks, pension reform, and tax reform, in order to provide needed retirement, medical care, and long-term care plans to customers. These measures meet demand for insurance guarantees, retirement planning, and asset allocation. At the same time, to fulfill our corporate spirit of treating customers fairly and as we would like to be treated, China Life focuses on products that meet customers' needs and that are specially crafted to support people from disadvantaged groups. In consideration of growing health management trends and ongoing advances in fintech, we will continue to promote policies with spillover effects so as to encourage innovative ways of health management.

Secure and Protected

In response to adoption of IFRS 17, two primary themes of our product development are to optimize product structure and raise the Company's long-term embedded value. Since government policy aims to establish mortality protection thresholds and raise insurance protection standards, China Life increased the proportion of regular premium insurance products and will develop a diverse range of protection products.



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

» Composite Life Insurance Customized for People with Disabilities – Whole Life Insurance (BPGJPL)

Considering that people with disabilities face greater challenges acquiring insurance, particularly in the areas of health check-up requirements, added fees, restricted amounts, and coverages, at the end of 2019 China Life kept with our spirit of serving the disabled by pioneering Taiwan's first composite life insurance product specially designed for people with mild to medium physical disabilities. This whole life insurance (BPGJPL) includes death benefit or funeral expense payments, total disability insurance, survival benefits, refund of all premiums paid (with interest), accidental death insurance or funeral expenses payments, transport accident death insurance or funeral expense payments, daily payments for hospitalization due to accidental injury, advance payment of hospitalization expenses for seniors, and end-of-life advance insurance payments. These benefits provide people with mild to medium physical disabilities with the same whole life insurance guarantees as general customers, thus expanding inclusive financing and fair treatment.

» Health Insurance (LEGOYC 2020)

As population ageing continues in Taiwan, the number of people with dementia is quickly rising. It is therefore vital to heed medical research which shows that sufficient sleep and exercise lower dementia risk. To encourage policyholders to cultivate self-health management habits, China Life promoted a new health management product with spillover effects. This health insurance (LEGOYC 2020) includes preventive mechanisms that are monitored by downloading the China Life Keep Going app then registering as a member. Policyholders regularly upload exercise and sleep health data to the database. If their monthly scores reach designated thresholds, they qualify for additional guarantees. Besides cultivating healthy habits, this product reduces insurance losses and medical expenditures. It creates a winning situation for policyholders, the Company, and society. In addition to releasing products, China Life built a dementia prevention network that considers the various stages of dementia onset.

▼ China Life helps employees to understand how to respond positively to dementia



» Microinsurance

To provide disadvantaged groups with basic accident insurance to cover death and disability, China Life introduced microinsurance products with lower premiums, lower insured amount, and easy to understand terms. These come in three types: accident microinsurance, collective accident microinsurance, and group accident microinsurance. The goal is to make basic coverage affordable for people with low incomes. With the protection of microinsurance, families can avoid the debilitating financial effects of a major accident.

For six consecutive years, the competent authorities praised China Life's microinsurance. At the same time, we are cooperating with banking channels, government agencies, and private organizations to jointly promote our programs. This enables us to spread insurance guarantees to all corners where care is needed, thus providing strong support to mid-to-low income households, people with disabilities, and other disadvantaged households. When a microinsurance beneficiary suffers an accidental death, the Company supports his or her family in preparing all needed documents to quickly release insurance compensation. Families appreciate the care and assistance during difficult times. In this way, insurance fulfills its role as a stabilizing force.

Benefitted more than **22,000** people in 2019

» Small-Amount Life Insurance

Taiwan is already an aged society. According to estimates from the National Development Council, it is forecast to become a super-aged society by 2026, and its population will decrease between 2021 and 2025. Recognizing these trends and considering government policy, China Life launched Citizen Small-Amount Life Insurance and e-Citizen Small-Amount Life Insurance through offline and e-commerce channels. Our goal is to enable more people to apply for small-amount life insurance, and thus contribute towards building a basic social safety net. In 2019, we went a step further by offering small-amount life insurance for teachers and public servants. Besides accepting a diverse range of payment periods, generally speaking teachers and public servants do not need a health examination. Through 2019, more than 23,000 customers signed up for small-amount life insurance and total premiums surpassed NT\$337 million. While small-amount life insurance provides protection for people of all ages, approximately 47% of policyholders were 55 or above and they contributed more than 70% of total premiums.

More than **23,000** policies sold
Total premiums of more than **NT\$ 337** million



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Universal Care

China Life remains committed to love and care as our core values. At the same time, we treat customers fairly and as we would like to be treated, with the objective of surpassing expectations. By strengthening education and training, we uphold people's rights and interests. To help the Board of Directors formulate principles and execution goals, in 2019 the Company established the Treating Customers Fairly Committee. The committee convenes quarterly to examine and promote related policies.

» A Competition Gathers Proposals for Ways to Treat Customers Fairly

To further raise awareness of the principles for treating customers fairly and to expand innovation in this area, in 2019 the Company launched an internal competition to gather related proposals. The theme was "changing customer treatment methods to raise service quality." From 45 departments there were 291 people who made a total of 379 submissions, and the overall participation rate was over 13%. Each of the proposals was inspiring and many will be implemented, to support the Company's goal of every product and service treating customers fairly and as we would like to be treated.

» Health Care Services

Contracted Medical Treatment Services

In response to population ageing, China Life cooperates with medical service providers across Taiwan to direct our policyholders to treatment facilities. Through the end of 2019, we signed agreements with 1,216 health treatment institutions, including many large regional hospitals with the capacity and facilities necessary to provide high-quality, comprehensive services. Policyholders can search for nearby clinics using the China Life app and GPS, greatly simplifying the treatment process. Added convenience raises the utilization of local clinics for minor diseases or illnesses, which reduces waste in the health care industry.

Second Medical Opinion

China Life has a long-term cooperative arrangement with the renowned Koo Foundation Sun Yat-Sen Cancer Center. Policyholders who are suspected of having cancer qualify for second opinion referrals as well as information on the disease's cause and treatment methods. Additionally, depending on place of residence, we provide transportation subsidies to ease the financial burden.

Advance Hospitalization Payments

In the past, when policyholders applied for medical treatment claims, the full process was handled post treatment. Following discharge and the completion of treatment, the policyholder would ask the hospital for his or her medical records and receipt then apply for a claim. Hospital fees, however, may be collected from the policyholder during the course of treatment. In the interest of meeting our obligations as an insurer to protect our policyholders, we developed an advance payment system for hospitalizations. Policyholders who are hospitalized with a disease or an accidental injury and who meet certain conditions can apply for payment upon being admitted for treatment. After receiving an application, China Life dispatches a staff member to the hospital to check on the policyholder and collect his or her documents. Advance payments of up to NT\$60,000 are offered following review. In 2019, eight customers used this service and received a total NT\$180,350.

Policyholder E-Newsletter

As part of our commitment to communicating with policyholders, China Life's monthly e-newsletter provides information covering five main areas: policyholder news, hot topics, financial tips, health & you, and love & sharing. The newsletters are delivered monthly to maintain communication channels and give policyholders an opportunity to obtain health-related information in an efficient, environmentally friendly way.

» Care for Disadvantaged Seniors

Friendly Care of People with Dementia

Seven of the Company's call centers and customer service centers from across Taiwan together with departments that manage insurance policy operations are included within the scope of a dementia friendly organization map, created by the Taiwan Alzheimer Disease Association. All of the Company's customer service agents completed an association online course. In 2020, we will continue to raise the professionalism and service quality of staff. All new customer service employees must complete the online course so they are prepared to provide suitable service to customers with dementia-related needs.

Care Counters

To provide better, faster service to senior citizens with poor mobility, we offer care counters at service centers in Taipei, Taoyuan-Hsinchu, Taichung, Chiayi, Tainan, and Kaohsiung. The counters are designed to provide priority service to the elderly, people with mobility issues, or other policyholders in need of extra assistance. Specially trained counter-staff are available to help with a broad range of insurance needs.

Served a total of 610 people, for growth of **11.3%** compared to the previous year

House Visits

China Life continues to offer caring measures for disadvantaged groups (people with visual or hearing impairments, physical disabilities, or mobility problems) and the elderly (aged 65 years or older). This includes house visits for claims applications and delivery and collection of documentation. When applying for a claim, customers can choose to have the money transferred to their bank account or have a check delivered to their home.

Conducted a total of **52** house visits

Improved Website Accessibility for Better Financial Services

China Life's corporate website includes a section specially designed to offer greater accessibility to people with disabilities. It is a valuable source of information on environmental issues, communication and services, products, China Life news and announcements, and various statistics. Special accessibility modifications to help people with difficulties using a mouse also help general users. For example, adding alt text to images lets visually impaired users employ speech-recognition software while providing general users a reference when graphics do not load properly.

» Emergency Disaster Relief Services

Advance Consolation Payments for Major Disasters

Expedited claims settlements are offered for those who die or suffer injury in typhoons or other major disasters. When there is confirmation that a major accident or disaster qualifies policyholders for insurance claims, the Company proactively prioritizes settlement before the policyholder submits an application. In 2019, we provided a total of NT\$5.56 million in advance payments following an explosion at a home in Suao, a bridge collapse in Nanfang'ao, a fire at a logistics center in Taichung, and a fire at a church in Tainan.

Expedited Counter Claims

China Life understands the anxiety of policyholders who are affected by an emergency situation or a disaster. To help them overcome these trying times, we launched fast claim services at service counters in six customer service centers across Taiwan. For claims of NT\$30,000 or less on general medical insurance that has been valid for at least two years (including renewals), policyholders can apply in person at one of the Company's six major customer service centers located across Taiwan to complete claim review in as fast as 30 minutes. If approved, they can receive payment on the same day. This service, which is four times faster than our normal claims process, demonstrates the value of insurance towards people who are in distress. It shows how claims are more than just a number; they are a form of care.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

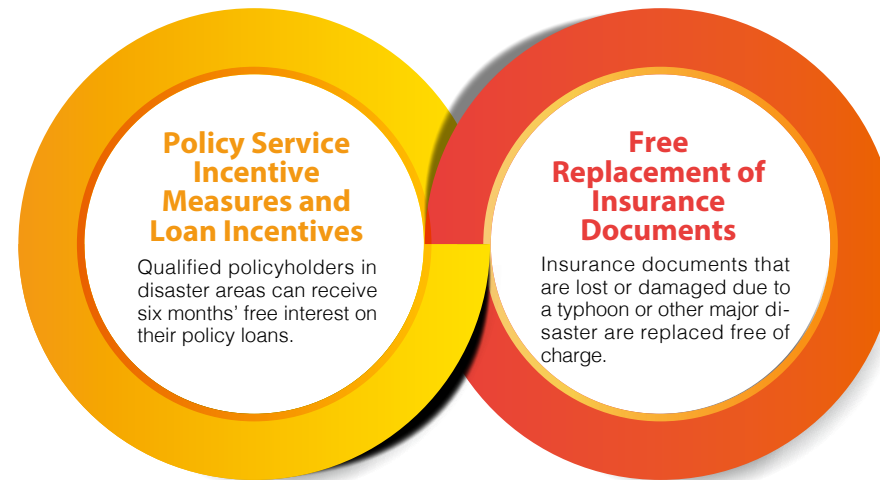
In 2019, we integrated the Enhanced Automated Clearing House (eACH) system into our service. If a policyholder's bank uses this system, after a case is concluded we can complete payment transfer within 30 seconds.



A total of **21** banks have already joined China Life's (eACH) fast payment system

Emergency Disaster Relief

In 2019, China Life launched response measures to five major disasters: a fire at a church in Tainan's Yujing District and four tropical storms or typhoons that made landfall in Taiwan, including Danas, Lekima, Bailu, and Mitag.



Listening to Our Policyholders

» Counter Service

To measure customer satisfaction at our service counters, staff members ask customers to rate their experience from 1 to 5 (5 being the highest). Their responses serve as a reference for further improvements. In the future, we will continue to conduct customer satisfaction surveys at our general service counters and care counters as we aim to maintain satisfaction ratings of 4 or higher.



» Call Centers

When customers place a call to inquire about policy-related issues, we first confirm their identity to protect policyholder privacy. We then provide all needed assistance. For issues we cannot solve immediately, our staff follow internal notification procedures to request help from responsible department(s). Working together as a team enables us to better solve problems.

China Life continues to conduct customer satisfaction surveys by phone to assess customer experiences, problem resolution, and overall service. Results are used to raise service quality. In 2019, we scored an average of 4 (out of 5) or higher on 100% of surveys.

Customer service representatives at call centers need comprehensive professional skills and knowledge. Along with basic sales agent certification, they must possess exceedingly strong telephone etiquette, service attitude, and emotional management. Therefore, to ensure that each representative is equipped to provide professional service consultations, we encourage them to obtain licenses and certifications in foreign currency products, investment-linked products, and LOMA basic and professional life insurance management training. At the same time, we promote fintech testing to strengthen the transformation of our human resources.



Service Ambassadors Exemplify Caring Service

In order to raise the sense of accomplishment among staff on the front lines of serving customers, for two consecutive years we held a selection activity to choose service ambassadors. We urged staff to join in demonstrating exemplary, caring service and in creating model employees who raise our corporate image and customer satisfaction. In 2019, we had 49 service ambassadors, 21 of whom were honored in a "Top 5" competition that showed our appreciation for their contributions.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Customer Complaint Mechanisms

China Life accepts a wide range of opinions and suggestions while offering diverse customer complaint channels and comprehensive complaint management processes. We hold weekly cross-departmental meetings to handle complaints. Supervisors discuss how to fix problems and designate steps to prevent those problems from happening again. In 2019, all relevant departments successfully reached their targets for complaint settlement rates and raising problem-solving efficiency.

Customer Complaint Handling Procedures



Customers file complaints through different channels, and China Life contacts the customer **within one working day of claim receipt**.

Relevant departments discuss the complaint and respond **within 30 days or notify the customer** if more time is needed.

Case progress is regularly updated via telephone, SMS, or in writing. No effort is spared in handling the case and solving the dispute.

China Life's three major categories of complaints are claims, solicitation quality improvement and control, and customer service. We will continue to provide response methods for each case that arises.

Claims	Solicitation Quality Improvement and Control	Customer Service
Continue to promote ways to manage unusual insurance claims and carry out review mechanisms. These steps reduce claims risk and maintain a fair insurance system.	Using disputes as a basis, develop case studies to improve the quality of solicitation carried out by our sales agents.	Adjust payment notification methods and include additional alert types to protect the rights and interests of customers while reducing the incidence of disputes.

In 2019, the volume and ratio of cases filed with the Financial Ombudsman Institution increased slightly compared to the previous seven years, but the average number of working days spent dealing with cases remained the lowest in the industry and the review settlement rate was 97%. In 2019, there were 150 complaints, consisting of 89 claim cases and 61 non-claim cases. 97% of cases were settled.

Financial Ombudsman Institution Complaint Statistics

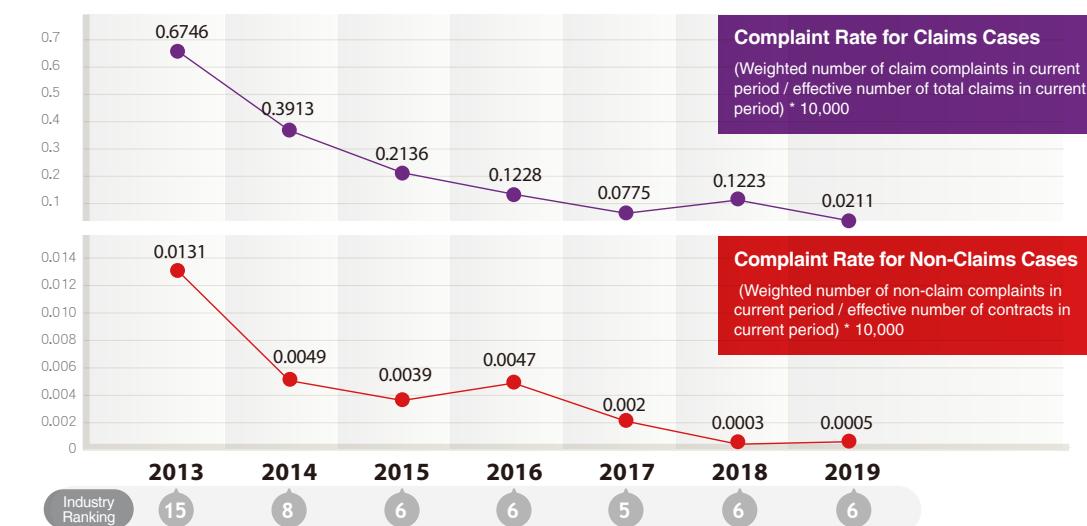
Year	Number of Cases	Total Number of Cases Signed	Complaint Rate ②	Average Processing Days ①
2016	96	16,060,558	0.0597737	1
2017	111	17,590,927	0.0613952	1
2018	117	19,279,841	0.0606851	1
2019	150	19,734,447	0.0760092	1

① The Insurance Bureau announced that all cases having a processing time of zero days are counted as one day. Hence, our 2016 to 2019 average processing time of one day was the best in the industry.

② Complaint rate = (No. of complaints / No. of contracts) * 10,000

Over the past seven years, the Insurance Bureau's comprehensive data on complaint scores showed great improvements in processing and response efficiency. The latest annual ranking released in March 2020 placed us sixth in the industry.

Insurance Bureau's Comprehensive Complaint Scores and Performance Statistics



① Comprehensive complaint scores announced since February 2020 do not include complaints for claim cases or complaints for non-claim cases that were counted in the previous period's statistics.



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Care for Social Needs

Working for the next generation in the hope of making today better than yesterday and showing the beauty of Taiwan to the world. The value of every person, activity and thing should be seen, so that we can create a better society.

China Life acts in accordance with international corporate sustainability principles and firmly believes that innovative thinking is the basis of corporate competitiveness. Leveraging this corporate competitiveness, we actively participate in society, with the goal of growing as a company while solving social issues. Together with stakeholders, we create shared value, as we fulfill promises and enact change for this society and land. In 2019, we applied social enterprise concepts and the UN Sustainable Development Goals (SDGs) to demonstrate our belief that people are at the core of the insurance industry. We integrate human-centered concepts, including regular contributions, advance payments, and diversity into our social participation actions, in order to create greater value for society.

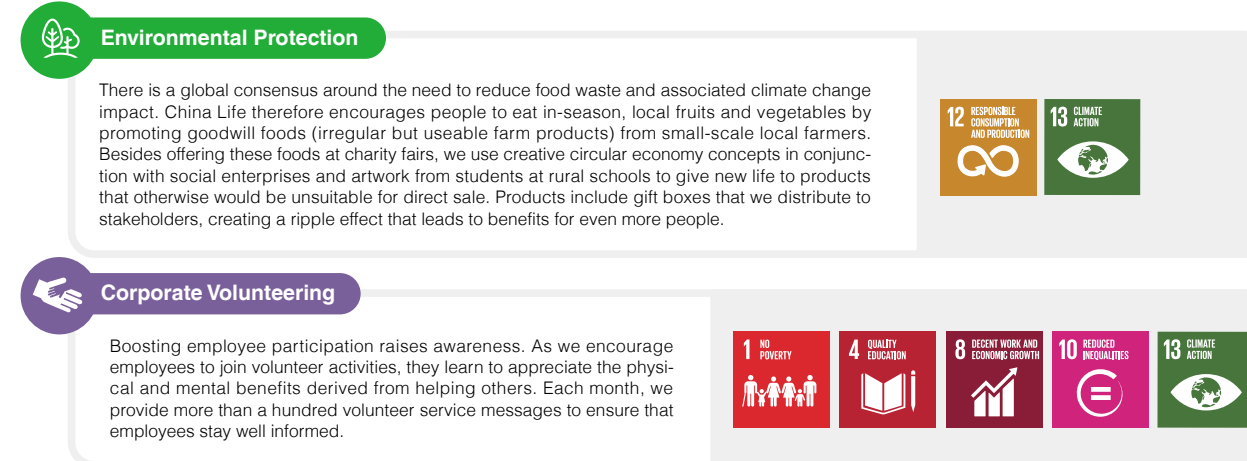
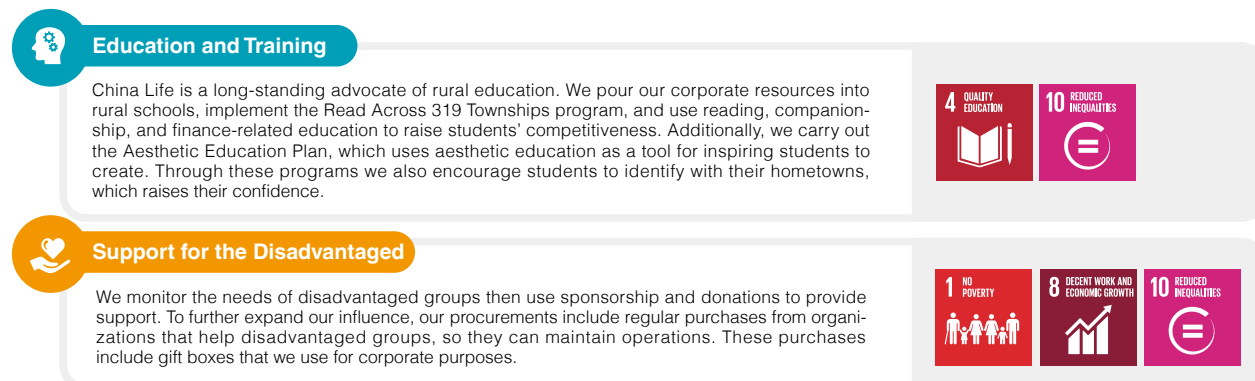
▼ Shared Value Is Part of Our Corporate Spirit

China Life develops social participation projects that are based on the spirit of the insurance industry. We lower participation thresholds to get more people involved. Cooperation from all categories of stakeholders provides greater economic value for participants while generating a broader range of strategic values. This fulfills our goal of creating shared value for all.

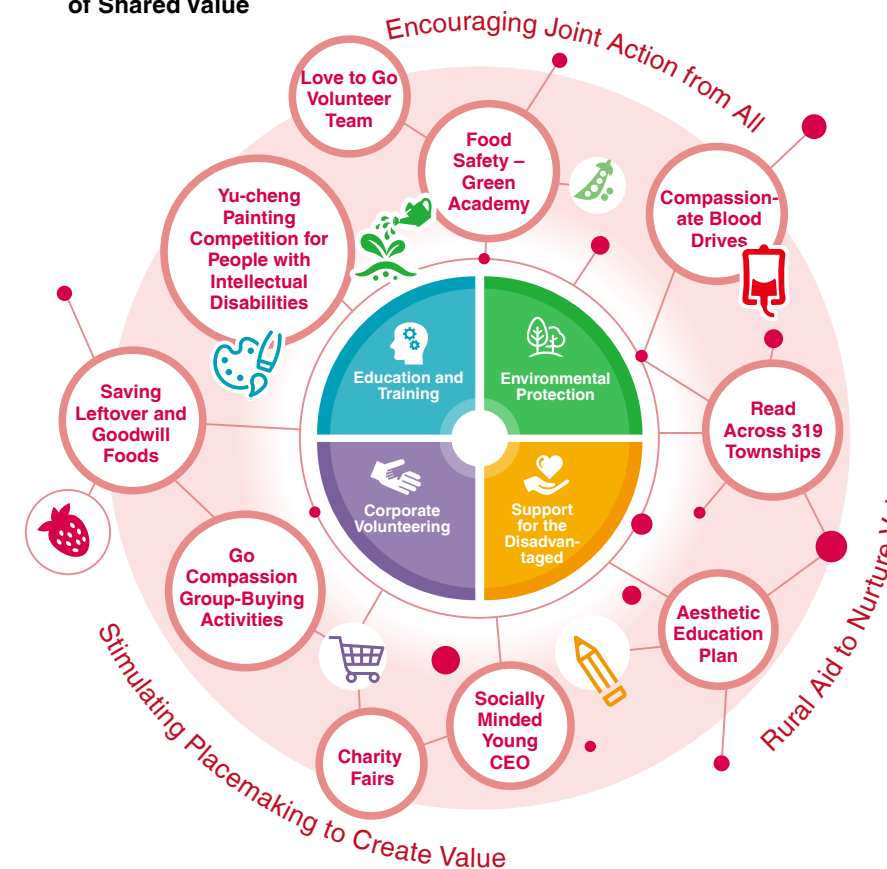


China Life's social participation can be divided into four main categories: education and training, support for the disadvantaged, environmental protection, and corporate volunteering. We combine corporate resources with public welfare organizations, social enterprises, and local farmers in order to develop social participation projects that are innovative and diverse. Our goals include rural aid to nurture value, stimulating placemaking to create value, and encouraging joint action from all. Linking people together expands the impact of cooperative action, turning Taiwan into a network of shared prosperity. Showing the beauty of Taiwan's people, activities and things raises the visibility of this land and creates greater value for all people who call it home.

SDGs and Four Main Areas to Raise Social Participation and Value



▼ China Life's Network of Shared Value



Rural Aid to Nurture Value

Recognizing the educational gap that exists between urban and countryside regions, China Life became committed to rural education. Our objective is to contribute to rural education through programs such as the Read Across 319 Townships program, the Aesthetic Education Plan, and Food Safety – Green Academy. Combining aesthetic and agricultural social enterprises with charitable organizations and local farmers enables us to continue to provide strong support to rural schools.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

▼ Create Greater Value

Establish Diverse Knowledge

- Financial knowledge
- Art and aesthetics
- Food and agriculture concepts

Warmth and Companionship

- Face-to-face interaction between volunteers and students from rural schools

Combining Social Resources

- Dual-method charity approach brings together social enterprises and local farmers



Invested over NT\$ **9.89** million

1,131 volunteers have contributed

4,836 total volunteer hours

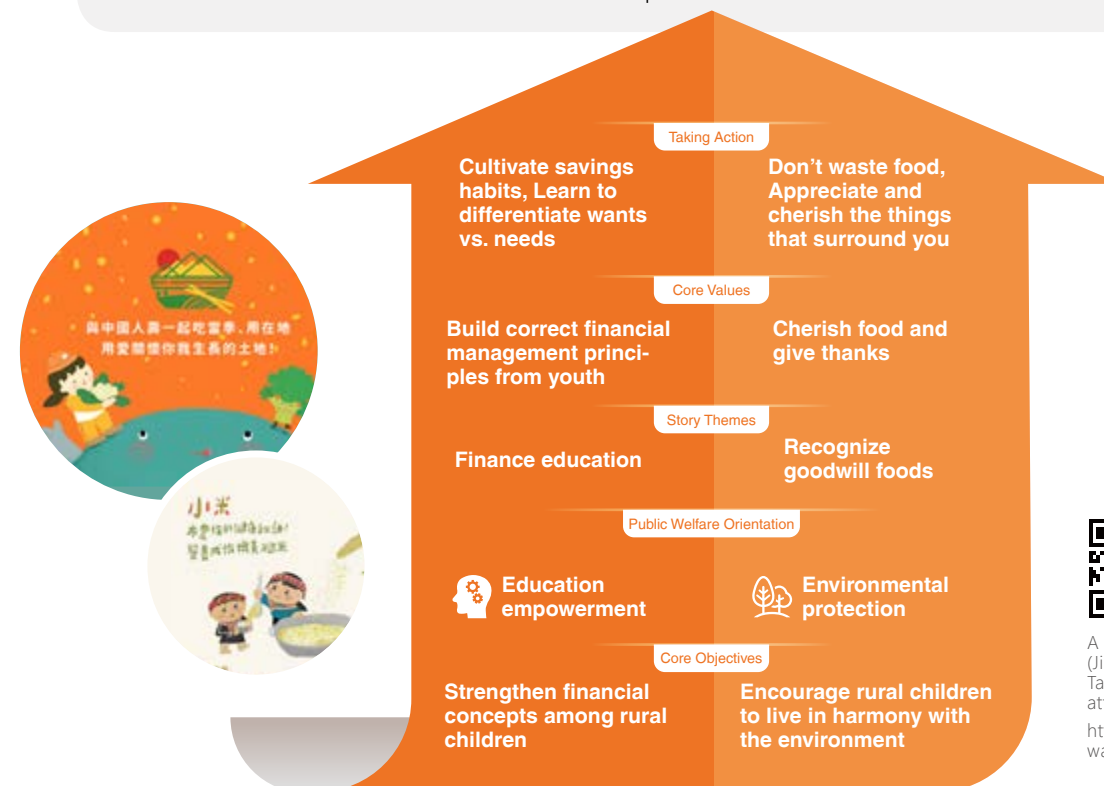
» Read Across 319 Townships



After considering the needs of rural students, China Life launched the Read Across 319 Townships program. Already in its sixth year, the program aims to reach elementary schools in all of Taiwan's 319 townships. Using reading as a foundation, it includes DIY classes, storytelling, interactive games, and other educational methods that integrate current events into their curriculum design. As we encourage rural students to study and read, we delve into foundational concepts, such as the importance of saving money, building financial safeguards, protecting the environment, and food safety. Lessons covering aesthetics, art, and character education further boost students' learning interest and raise their capabilities.

Action Value: Increase chances for rural schools to gain visibility

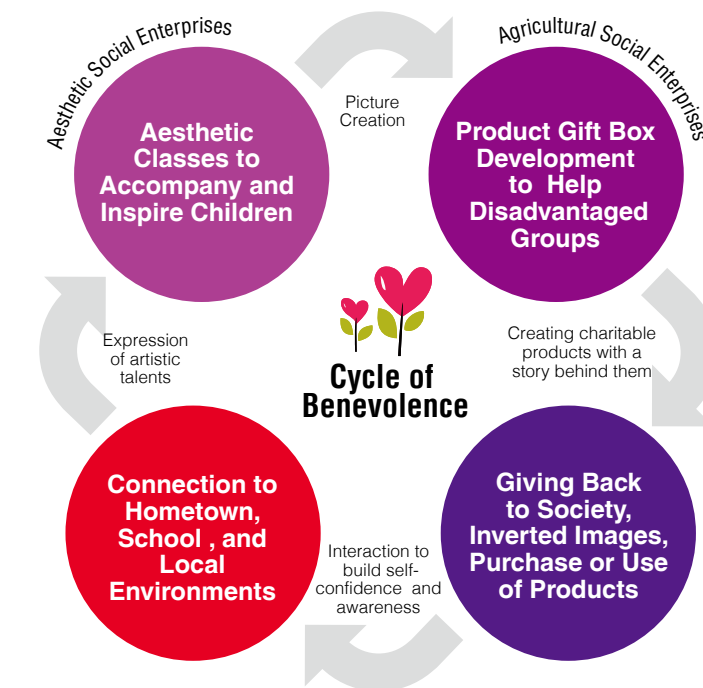
In 2019, we continued making themed marketing materials for rural elementary schools. Using innovative public welfare marketing, we packaged the schools' highlights to illustrate their beautiful scenery and unique characteristics. These materials raised attention placed on the schools.



A rural elementary school (Jinping Elementary School, Taitung) video shows school attractions
<https://www.youtube.com/watch?v=nQz2adps8zE>

» Aesthetic Education Plan

Based on the foundation of the Read Across 319 Townships program, the Company launched the Aesthetic Education Plan in 2017. This public welfare program brings together cutting-edge artists and arts-based social enterprises to offer aesthetics classes to rural students. By incorporating local culture and school characteristics into the artworks, the children develop greater recognition towards their hometown, which boosts self-value. The plan won a Buying Power – Social Innovation Product and Service Procurement Award from the Small and Medium Enterprise Administration, MOEA for three consecutive years as well as a Social Inclusion Award from the Taiwan Corporate Sustainability Awards in 2019. To raise visibility of children's aesthetic talents, China Life turned the children's artworks into e-cards. We also used the children's pictures to decorate gift boxes distributed to stakeholders for our 56th anniversary and new year's, thus contributing towards a "cycle of benevolence."



Jian-an Elementary School, New Taipei
Aesthetic Education Plan video
<https://www.youtube.com/watch?v=-Z9nx5YIUZM>



Guang Fuh Elementary School, Yunlin
Aesthetic Education Plan video
https://www.youtube.com/watch?v=VLZd_vdNM00



Yongle Elementary School, Yilan
Aesthetic Education Plan video
<https://www.youtube.com/watch?v=dpTn6EuWzE>



Student e-cards:
<https://www.chinalife.com.tw/wps/portal/Welfare/game>



▼ Invested over NT\$2.5 million
Rural students created 227 different artworks
Developed two goodwill food gift items (56th anniversary gifts and new year's gift boxes)



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

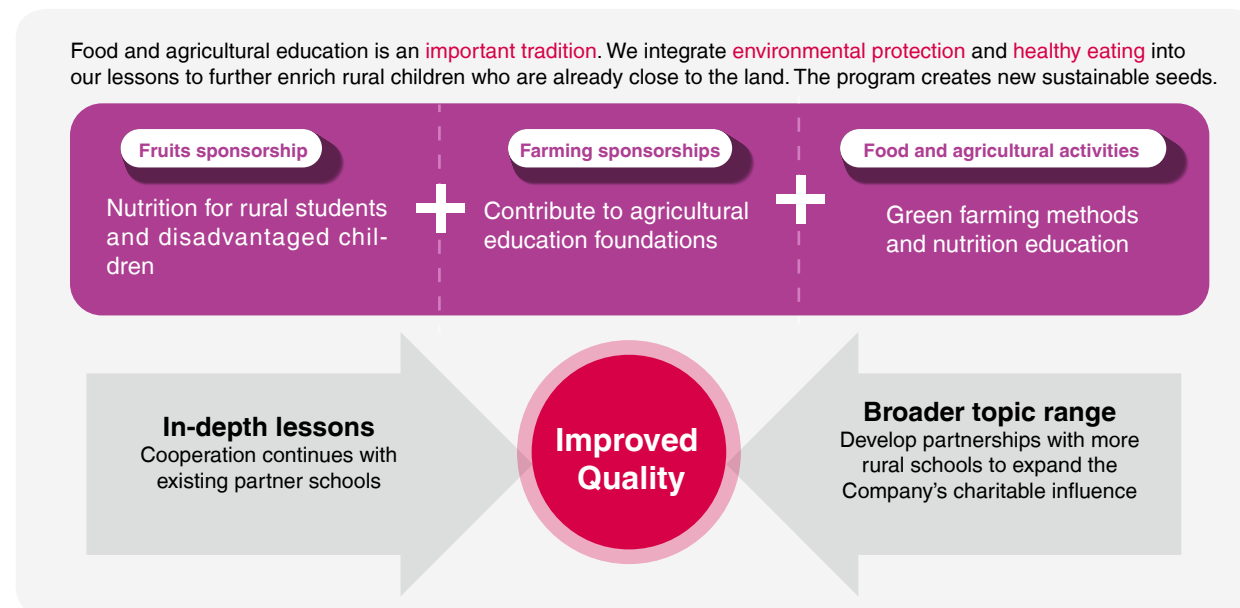
- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

» Food Safety – Green Academy Program



For five years China Life has held the Food Safety – Green Academy Program. We purchase seasonal fruits from small-scale farmers who are conscientious stewards of the land then donate the fruits to rural elementary school and disadvantaged children. Students benefit from the delicious, healthy food as we raise awareness of the value the farmers bring.

At the same time, we join with social enterprises in using food and agricultural education and campus garden sponsorship to bridge the gap between the farm and the table for students at rural schools. When reaching out to these children, who already tend to be close to the land, we focus on environmental protection and healthy eating. In 2019, we worked with four rural elementary schools and one social welfare organization on this program to the benefit of more than 310 students.



▼ Little Farmers activity

Join rural children in exploring food's magical journey from farm to the dinner table

Local farms
The children grow herb plants that serve as a natural deterrent to pests.

Agricultural goods marketplace
Children play the roles of farmer and distributors. After pricing agricultural goods based on the weather and the quality of the harvest they sell their goods. The person who gets the highest sale price wins!

Your meal is served
Mix chopped broccoli and leeks with starch then pan fry to make a delicious, healthy snack!

China Life's fun farm train has arrived at Yongle Elementary School in Changhua! Children experience how farmers grow and distribute food. They also turn goodwill broccoli into pancake-style snacks. Come see these wonders!

Click here to see more



Food Safety – Green Academy Program Little Farmers activity video:
<https://www.youtube.com/watch?v=KUguciqvDUc>



▼ 2019 Rural Aid Results

Community Impact

- Education and Training**
 - Corporate volunteers and professional storytellers entertained students with practical lessons and DIY activities, sparking students' interest in studying.
 - Provided reading and art training fees. Assisted schools in purchasing extracurricular books to boost the reading ability of students.
- Care Capabilities**
 - Volunteers provided companionship and care, increasing opportunities for rural children to interact with people outside their community.
- Local Identity**
 - Together with aesthetic social enterprises and cutting-edge artists, we created aesthetic education courses customized towards rural elementary school students. Expressing local characteristics through colorful art encouraged the children to use their imagination and creativity. As the students revisited their hometowns, they expanded their horizons and built greater self-confidence.
 - Produced videos and marketing materials that introduce the special characteristics of rural elementary schools. Used social media platforms to share and spread the videos, overcoming spatial limitations. By publicizing the charm of rural attractions, we encouraged more people to visit. As children in the communities gained visibility, they became more self-confident.
- Sustainability Cycle**
 - In conjunction with international trends, we integrated circular economy concepts. Examples included increasing the usage of goodwill foods, which reduces environmental costs. We cooperated with our suppliers to adjust our industrial chains, which led to greater positive impact for stakeholders and enabled us to jointly create social value.

Commercial Impact

- Received a Buying Power – Social Innovation Product and Service Procurement Award from the Small and Medium Enterprise Administration, MOEA.
- Received a Taiwan Corporate Sustainability Award for Social Inclusion from the Taiwan Academy of Corporate Sustainability.



Leverage

Cooperated with two social enterprises on the Aesthetic Education Plan
Cooperated with four artists on the Aesthetic Education Plan

Community Benefits

- »451 participating students and 75 teachers
- »11 schools
- »Two reading activities
- »Production of marketing materials for three rural elementary schools
- »Release of promotional videos for four rural elementary schools

Commercial Benefits

- »Five media reports

- »Cash donations of NT\$230,000
- »Material donations of NT\$240,000
- »47 volunteers
- »608 total volunteer hours

Input

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Stimulating Placemaking to Create Value

By purchasing agricultural products from local, small-scale farmers, we not only help the environment but also stimulate spending in local communities, which encourages further production. Keeping these economic activities local reduces agricultural carbon footprints, which contributes to a more sustainable future for the foods we eat. China Life joins social enterprises in buying in-season, local fruits and vegetables as well as goodwill foods, which are irregular but useable farm products. We then sell these goods together with other products from local farmers and social enterprises at charity fairs. As we advance environmental sustainability and social welfare, we raise the value of local goods.

» Cherishing Food Generates Renewed Value for Goodwill Foods



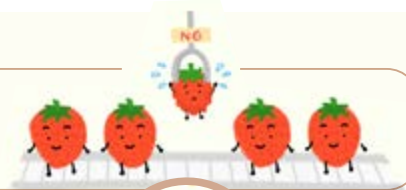
Green methods of farming generally call for not using any chemicals or pesticides. Fruits and vegetables should be able to follow their natural course, ripening at the right time of season. This can disrupt markets, however, such as when fruit ripens after a popular holiday or too much of a particular type of fruit ripens at the same time. Goodwill foods, which are of good quality but have an irregular appearance, are also difficult to sell.

▼ The Origin of Goodwill Foods

As the world changes and natural resources become scarcer, the linear consumption model, in which large volumes of manufactured materials are used then thrown away, is giving way to the circular economy movement. As Taiwan promotes sustainability, it is using the UN Sustainable Development Goals as the basis of its communication. One of the most important strategies for implementing the SDGs is the circular economy.

Reversing negatives to generate new life

Purchase of poorly selling agricultural products that are of good quality, but have an irregular appearance (goodwill foods). This makes the general public more aware of the importance of cherishing food.



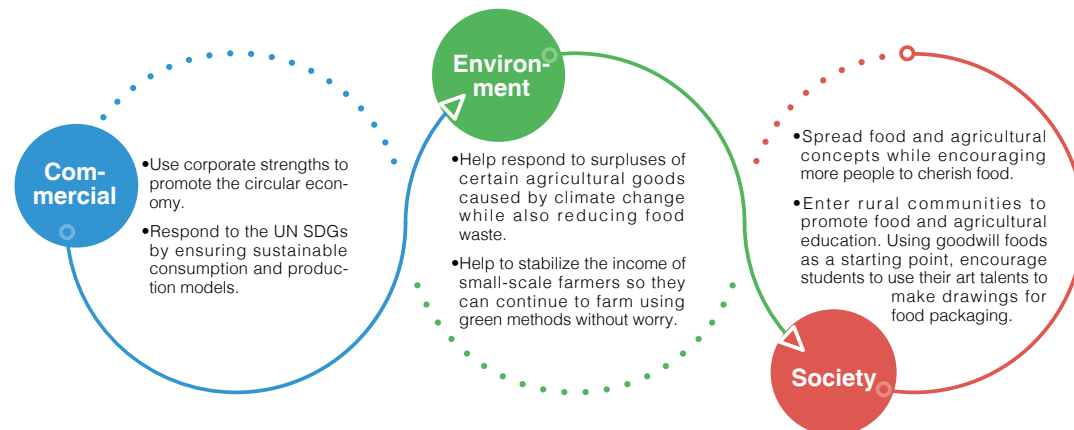
Social enterprises use goodwill foods to make jam.



Artwork by students from rural schools is used for packaging.

Blending green themes and fashion into food products can change people's consumption habits and encourage them to integrate environmental protection actions into their daily life.

▼ The Influence of Goodwill Foods



To help small-scale farmers overcome difficult periods, reduce food waste, and protect the environment, China Life cooperated with social enterprises to buy more than 6,000 kg of pomelos, goodwill foods, and other products. Our employees offered advance payments, so the farmers could harvest their crops and make jam and other goods without worry. Rural elementary school students contributed artwork for the packaging of goodwill foods, adding a dose of joy to gift boxes that the Company gave to stakeholders to mark our 56th anniversary. To further expand our influence, we produced promotional videos that encourage people to cut down on food waste and engage in other environmentally sound practices.



Goodwill foods publicity video:
<https://youtu.be/-yyOXkCs61k>

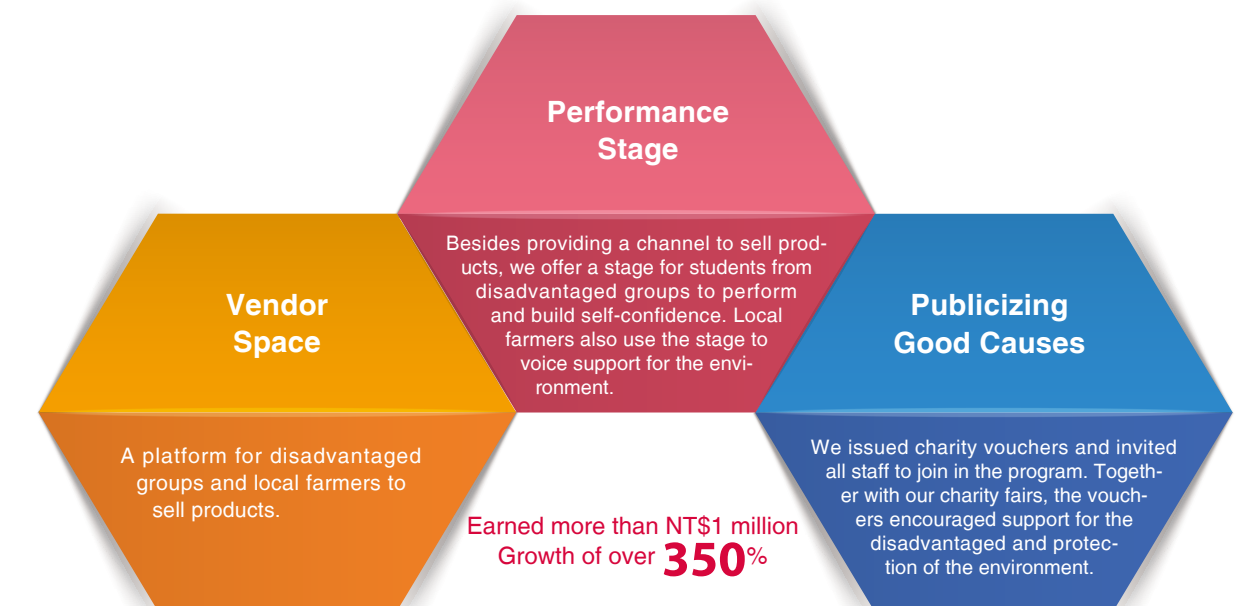
▼ China Life's 56th anniversary gift



» Charity Fairs



China Life has already held charity fairs for 11 years. At first, we simply gathered products sold by small-scale farmers who are conscientious stewards of the land together with goods from social welfare organizations then sold them onsite. In recent years, however, we expanded the scope of the fairs to include performances by disadvantaged children. Fair attendees praise the children, providing a boost to their self-confidence. In 2019, China Life issued charity vouchers for the first time. More than 70% of our staff across Taiwan purchased these in a show of support for disadvantaged groups and small-scale farmers.



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

▼ 2019 Charity Fairs

Community Impact

- Used Company resources to connect with social welfare organizations, small-scale farmers, and social enterprises. Through joint buying power, we helped people in need.
- More than 70% of our staff purchased charity vouchers, showing that they were willing to use their pocketbooks to do good.

- Provided performance opportunities for disadvantaged children and people with disabilities in order to raise their self-confidence and visibility while letting them experience the joy of a supportive audience.
- Provided disadvantaged groups with the opportunity to sell their goods onsite. This increased their interaction with others and improved their communication skills.

- Combined environmental protection and social welfare. Invited staff to donate secondhand goods, which had the environmental benefit of reusing items.

Commercial Impact

- Social organizations schedule time to participate in China Life's annual charity fairs.
- Besides festivals and fairs, employees continued to buy goods from small-scale farmers and disadvantaged groups, making their impact last throughout the year and providing a steady income and support to those in need.



Go Compassion group-buying activities helped seven small-scale farmers and 67 people with disabilities generate a total of NT\$1.13 million in income

Leverage

Employees donated secondhand goods and continued to purchase products from participants in the fair

Businesses responded by preparing goods to give to those in need

Community Benefits

- » One charity fair
- » Three gift presentation sessions
- » Supported 13 social welfare organizations and small-scale farmers

Commercial Benefits

- » Total sales of over NT\$1 million
- » 13 internal electronic direct mail messages and total reach of 97,765
- » One media report with exposure in seven locations
- » Three social media posts with 41,697 visitors

- » Activity expenses of NT\$474,853
- » 12 volunteers
- » 48 total volunteer hours
- » Material donations of NT\$30,000

Input

Encouraging Joint Action from All

For social welfare actions, China Life brings people together with the aim of mobilizing more people to help others in need. We hope to generate greater excitement around social participation and turn it into a sustainable movement. Besides organizing volunteers from within the Company, China Life cooperates with public welfare foundations and students to expand our resources and meet the wide-ranging needs of our stakeholders. In this way, we achieve the greatest possible impact.

▼ China Life brings people together to demonstrate the value of action



A group of people with a sense of mission creates infectious love and care that recruits more people to the cause.

Love to Go Volunteer Team

Calling on China Life employees to participate in public welfare activities

Socially Minded Young CEO Plan

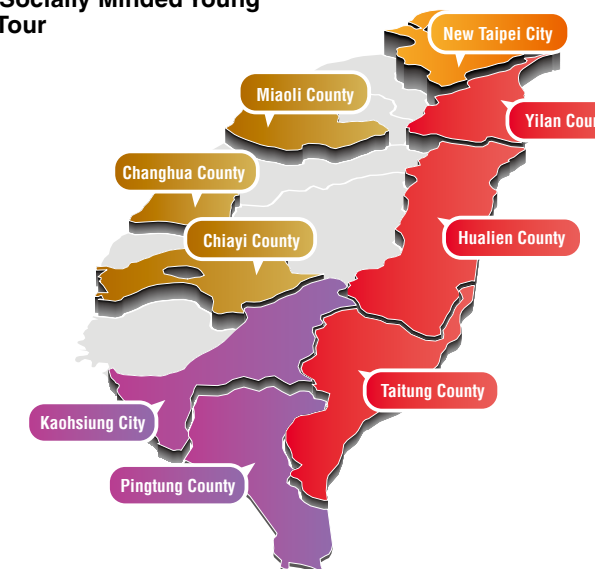
Bringing together students from different colleges and universities to care for society and support the disadvantaged

» Socially Minded Young CEO Plan



We believe that one idea and one action can make society better, which inspires us to spread our corporate cultural spirit of love and care. To appeal to students at colleges and universities across Taiwan to join us in caring for society and providing service, China Life sponsors youth-led activities that protect the environment, provide educational lessons, support the disadvantaged, and teach financial and insurance concepts. The plan encourages social welfare participation, which provides positive strength to Taiwan society. Our goal is to produce energy one step at a time, forming a care relay which spreads across Taiwan. In 2019, we sponsored the plan at 10 colleges and universities, generating support for 1,634 rural students and residents.

▼ 2019 Socially Minded Young CEO Tour



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

» Love to Go Volunteer Team Support for the Disadvantaged Environmental Protection Corporate Volunteering

For close to 10 years, the Love to Go Volunteer Team has provided a channel for employees to participate in community service and uphold China Life's core spirit of "We Share We Link." In cooperation with around 10 social welfare organizations, we helped people with disabilities fit in to their communities, provided companionship to children in orphanages as well as disadvantaged seniors, held beach cleaning activities, and created packaging for goodwill items.

During the year, we provided close to **3,000** information updates on volunteer activities to office staff

Total volunteer hours reached **7,096**

To raise social participation among employees, since 2014 we have provided one volunteer holiday each year to employees. Each quarter we praise supervisors and teams from departments that make particularly strong contributions to volunteering, in order to encourage more employees to join our efforts.

» Go Compassion Group-Buying Activities Show the Industry's Spirit and the Power of Benevolence Support for the Disadvantaged Environmental Protection

We demonstrate corporate benevolence and show the value of the insurance industry's regular payments model by inviting colleagues to form groups that regularly buy set amounts of products from disadvantaged groups and small-scale farmers, thus showing them long-term support. Besides providing stable work and income for beneficiaries, this type of program simplifies charitable contributions. Easy entry and low participation thresholds encourage a wider range of people to participate.

After purchasing products, our employees choose whether to use the items themselves or donate them to social welfare organizations. Donations further spread goodwill, support sustainability efforts, and bring us closer to beneficiaries. In 2019, our employees joined to purchase more than NT\$1.13 million worth of goods and donated close to NT\$600,000 in items, benefiting nearly 400 people.

▼ Go Compassion Group-Buying Activities Simplify Charitable Contributions



721 employees joined to make compassionate group purchases of goods

I heard that these products were made by small-scale farmers using natural methods. They do not contain chemicals and are safe for the environment, which is why they are so sweet and juicy.

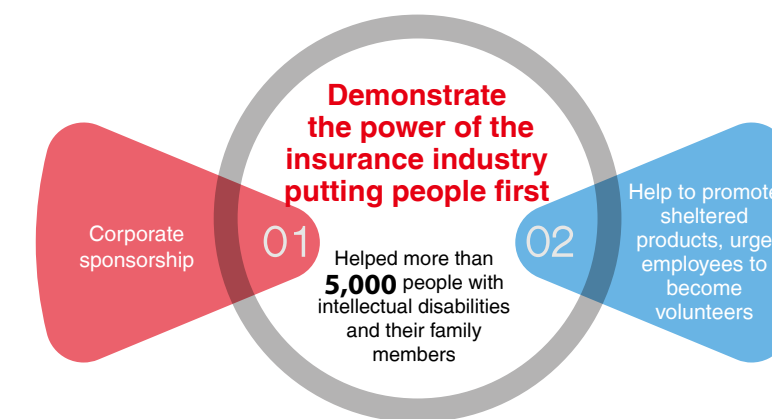
Go Compassion Group fruits are really tasty!

The children's biscuits and other treats taste excellent. My kids love them!

You can do a good deed while shopping. I will participate in these group-buying activities again!

» Yu-Cheng Painting Competition for People with Intellectual Disabilities Support for the Disadvantaged

China Life has sponsored a Yu-Cheng Social Welfare Foundation painting competition for people with intellectual disabilities for 11 consecutive years, and we promote sheltered workshop products. Our goal is for more people to see the paintings produced by intellectually disabled persons, so they understand the hard work that went into this art. Through these types of programs, the general public gains greater awareness of the intellectually disabled.



» Compassionate Blood Drives Support for the Disadvantaged Corporate Volunteering

We continue to cooperate with the Taiwan Blood Services Foundation to promote blood drives across Taiwan. These efforts to promote charity stabilized Taiwan's blood donation environment.

As a gesture of support to participants, China Life provided stainless steel straws to blood donors. While saving lives, these blood donors also received a small item that will help them to join in protecting the earth.

Collected close to **200,000** c.c. of blood



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement



5

Protection Green Environment

A major milestone was reached in 2016 when the Paris Agreement took effect, as governments and corporations around the world committed to identifying, adapting to, and mitigating the risks associated with climate change. China Life responded by adopting standards from the Task Force on Climate-related Financial Disclosures (TCFD) to evaluate the impact that climate change will have on our operations and value chain. At the same time, to strengthen green procurement and green supply chain management, we extended "Citizen of the Earth" responsibilities and missions to the upstream and downstream members of our industrial supply chain.



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Implementing sustainable supply chain management through joint social responsibility promises

2019 ESG Goals and Progress

- In 156 procurement cases, the supplier contract contained "Articles Governing CSR and Ethical Management."
- 100% of construction and repair works suppliers signed the "Supplier CSR Commitment."
- 100% of suppliers that gather, handle, or use personal information signed the Supplier Personal Information Protection Evaluation Form.
- Achieved nearly three times our target value for green procurement.

2020 ESG Goals

- Conduct sustainability audits on six key suppliers to build sustainable supply chain management mechanisms.
- Publish an annual list of suppliers with excellent sustainability performance on our corporate website to publicize sustainability management achievements in our supply chain.
- 100% of our suppliers that collect, handle or use personal information signed the "Supplier Personal Information Protection Evaluation Form."
- Expand the scope of green procurement by increasing property, construction, and repair green procurement spending to at least NT\$30 million.
- At least 50% of our corporate-branded gift items shall have environmental protection certification (e.g. paper with forest stewardship certification).

Implementing environmental management in response to climate change

2019 ESG Goals and Progress

- Continued to evaluate electricity efficiency based on equipment and spatial area at all of our workplaces. On average, we achieved a 7.1% reduction in electricity use compared to the base year of 2016.
- Our total greenhouse gas emissions measured 4,307.668 tons CO₂e.
- Reduced average waste per person at our six primary workplaces ^① by 5.96%.
- Raised the energy efficiency of our data centers, which lowered their power usage effectiveness (PUE) ratio to 1.61.
- Continued to carry out tree protection initiatives to reduce the environmental impact arising from construction of our new head office at Taipei Academy.

2020 ESG Goals

- Continue to target an average electricity savings goal of 1% per year and 5% over five years (using 2016 as the base year) for each of our Taiwan offices.
- Maintain compliance with ISO 14064-1 greenhouse gas certification and continue to measure Scope 3 greenhouse gas emissions from sources such as gasoline, diesel, electricity, waste, and employee business travel.
- Raise the energy efficiency of our data centers, lowering their PUE ratio to 1.6 or below.
- Raise the average recycling rates at our six primary workplaces to 50% or more.
- Promote renewable energy development and begin operating our solar power system at the Taipei Academy.

Protecting the environment with green financial services

2019 ESG Goals and Progress

- Promoted green processes ^②, which reduced our paper usage. Paper savings reached over 130% of our target.
- Among customers who purchased insurance products online, the percentage that agreed to receive e-documents reached 104% of our target.

2020 ESG Goals

- Continue to promote green processes, with a goal of reducing paper usage by 3.5 million sheets.
- Achieve an e-document usage rate of 75% among customers who purchase insurance products online.
- Continue to promote mobile insurance policies to achieve a 95% usage rate in our sales channel and expand use to seven of our cooperative partners.
- Continue to promote digital application inspections among our banking channels and broker channels in order to maintain a usage rate of at least 95%.

Management Guidelines

Major Topics Compliance with Environmental Protection Regulations

Commitments

- Became an official TCFD supporter to strengthen climate change management and respond to international trends.
- Prioritize the purchase of Green Mark products to meet low polluting, recyclable, and resource saving standards. This lowers our impact on the environment.
- Suppliers that conduct business and sign procurement contracts with the Company must adhere to principles governing CSR and ethical management. These include compliance with laws and regulations relating to environmental protection, labor conditions, labor safety and health, labor rights, and human rights. Suppliers shall reduce or eliminate waste and lower the amount of pollution, toxins, and emissions they generate.

Policies / Management System

- Establish the Environmental Protection Committee, which is responsible for overseeing and evaluating environmental protection and green energy policies.
- Formulate the "China Life Environmental Protection Policy," the "Supplier CSR Guidelines," and the "Contractor Safety, Health, and Environmental Management Methods."
- Encourage our property suppliers to sign the "Supplier CSR Commitment." The commitment sets screening standards that account for legal compliance, environmental assessments, labor practices, human rights, and social impact.

Complaint Mechanisms

- Complaint mechanisms to reach relevant departments are available on the CSR, stakeholder, and opinion/feedback sections of the corporate website.

Evaluation Mechanisms

- Besides carrying out greenhouse gas inventories using ISO 14064-1, we passed a third-party inspection that serves as a reference for future greenhouse gas management maintenance and improvements.
- Green procurement was NT\$71.73 million. For four consecutive years, the Department of Environmental Protection, Taipei City Government awarded the Company a green procurement award
- 100% of construction and repair works suppliers signed the "Supplier CSR Commitment."
- In 156 procurement cases, supplier contracts included the "Articles Governing CSR and Ethical Management."

^① Our six primary workplaces include the Company headquarters and the Taoyuan-Hsinchu, Taichung, Chiayi, Tainan, and Kaohsiung branches.

^② Green process scope includes e-notices, e-service, e-policies, and mobile insurance applications.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Developing a Green Economy

Climate Governance

The Intergovernmental Panel on Climate Change (IPCC) forecasts that average global temperatures will increase by 1.5°C or more by 2030 at the earliest. Climate change has clearly become an issue that cannot be ignored. In 2019, we became an official TCFD supporter with the aim of using insurance industry strengths to mitigate and adapt to climate change.

To strengthen our response capabilities to climate change, suitably disclose our achievements and actions, and act in accordance with international trends, we began to use TCFD standards to show the impact of climate change on our operations and value chain. TCFD guidance focuses on four main areas: governance, strategy, risk management, and metrics and targets. We included factors associated with guidelines that are important to our industry, namely insurance and property ownership. Using this framework, we strengthened the Company's climate change governance and devised systematic methods to identify climate change risks and opportunities. By setting and tracking goals, we successfully lowered potential impacts and prepared for future opportunities. At the same time, we responded to the climate change management expectations of our external shareholders.

» Governance

In order to promote environmental protection, effectively manage climate change risks, and build a low carbon corporate environment, the Company formulated the "Environmental Protection Policies." In 2014, we established the Environmental Protection Committee, which consists of nine Company managers responsible for after-sales service, information, administrative support, and other important duties. Besides formulating committee rules and environmental protection policies, the committee oversees implementation of energy savings, carbon cutting, waste disposal, environmental cleanliness, and environmental protection.



- 1 Set environmental goals and carry out management measures.
- 2 Emphasize energy savings and advocate recycling.
- 3 Adhere to environmental protection regulations and implement green purchasing policies.
- 4 Use education and training to improve environmental protection capacity and knowledge.
- 5 Cooperate with suppliers to implement corporate responsibilities.
- 6 Assign responsible units and regularly review effectiveness.

In 2019, the committee convened two times to review implementation of environmental protection measures while also establishing environmental protection goals and implementation guidance for 2020. Our three main guidelines continue to be green procurement, responses to climate change, and environmental management / energy reduction.

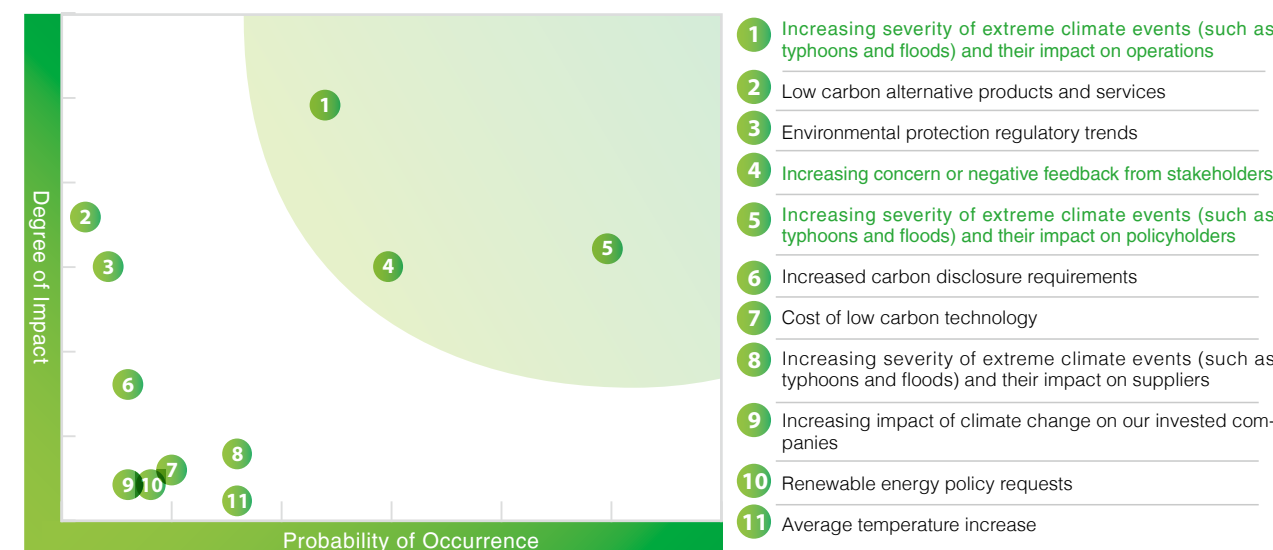
» Strategy and Risk Management

China Life gathers various units to evaluate climate change's impacts on operations and our value chain. We identify climate-related risks and opportunities then assess the impacts on the Company's revenues, costs, and continuing operations. Each unit must analyze the probability of occurrence of various scenarios as well as the potential financial, operational, and strategic impacts. This information is used as a reference for determining associated risks and opportunities then crafting response strategies and action plans. Implementation and assessments follow. We must effectively control or reduce climate-related risks and take advantage of related opportunities in order to meet the expectations of stakeholders.

Climate Risk Evaluation Results

Each unit considered "probability of occurrence" and "degree of impact" then used these data points to determine three of China Life's major climate risks. Strategists crafted responses based on risk characteristics, with the goal of adopting early management to reduce potential impact.

▼ Climate Risk Evaluation Results



Risk Factors
Increasing severity of extreme climate events (such as typhoons and floods) and their impact on policyholders

Description
Extreme climate events lead to increased frequency and severity of natural disasters, raising the need for emergency relief among policyholders.

Scope of Impact: Operational expenses

Response Strategies

- Offer policy loan incentives, premium extensions, expedited claims, and other emergency relief measures to provide policyholders immediate support.
- Annual review of processes for supporting policyholders affected by major disasters. Adjustments are made based on policyholder needs.

Risk Factors
Increasing concern or negative feedback from stakeholders

Description
Investment in industries that have a reputation for high carbon emissions or pollution leads to concerns or negative feedback from stakeholders.

Scope of Impact: Revenues

Response Strategies

- Monitor policies, laws, and market changes. Adjust investment handbooks when appropriate.
- Investment research reports include CSR evaluations to adequately assess risk.

03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

Immediate Risk

Risk Factors
Increasing severity of extreme climate events (such as typhoons and floods) and their impact on operations

Description
Extreme weather increases the severity of typhoons or floods while higher temperatures raise power usage. Besides affecting office or data center operations, public utility (water, electricity, telecommunications) instability could interrupt operations.

Scope of Impact: Operational interruptions

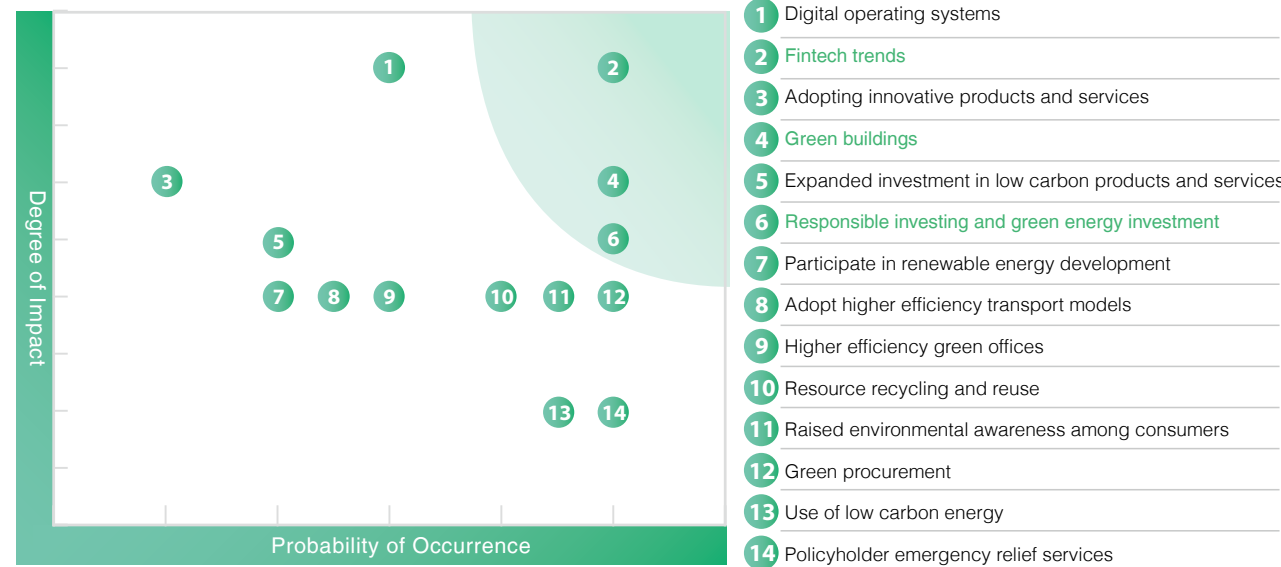
Response Strategies

- Formulate plans to maintain operations during typhoons or other natural disasters and to enhance system restoration.
- Regularly evaluate the impact of natural disasters on remote backup centers then make needed improvements in order to reduce extreme weather-related risks.
- Build remote backup centers to ensure that key systems and services continue to operate when main centers are offline.
- Complete at least one annual data restoration drill at remote backup centers.

Climate Opportunity Evaluation Results

Each unit considered "probability of occurrence" and "degree of impact" then used these data points to determine three major opportunities related to climate change. We then poured resources into designing action plans that will enable us to take advantage of the opportunities that climate change may potentially bring.

Climate Opportunity Evaluation Results



Product and Service Opportunities

Opportunity Factor
Fintech trends

Description
Use fintech to provide low carbon services that meet policyholders' expectations

Scope of Impact: Operational expenses, time cost

Action Plan

- Continue to promote digital low carbon services, including e-notices, e-service, e-policies, and mobile insurance applications to reduce paper use.
- Use mobile insurance applications to reduce the processing period by an estimated 1.5 – 2 days.
- Use the cloud to interact with policyholders, which will raise efficiency and reduce paper cost.

Resource Efficiency Opportunities

Opportunity Factor
Green buildings

Description
Relocate offices to green buildings to reduce energy use

Scope of Impact: Operational expenses

Action Plan

- Company headquarters is scheduled to relocate to a green building at the end of 2020, which will reduce energy use and improve our sustainability image.
- Install 36 kW of solar panels at the new headquarters building, which we forecast will produce 34,344 kWh of green energy.

Market Opportunities

Opportunity Factor
Responsible investing and green energy investment

Description
Participate in the "5 + 2 innovative industries plan" by investing in green energy or purchasing green bonds, which will increase our investment profit sources

Scope of Impact: Revenues

Action Plan

- Support the government's "5 + 2 innovative industries plan" by investing NT\$33.5 billion in green energy technology industries.
- Continue to evaluate renewable energy, public infrastructure, green bonds, and other related investments.

» Metrics and Targets

China Life includes climate change management in the Company's annual ESG objectives and checks progress twice annually. For related information, see the "2019 ESG Goals and Progress" and the "2020 ESG Goals" sections at the beginning of the chapter.



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

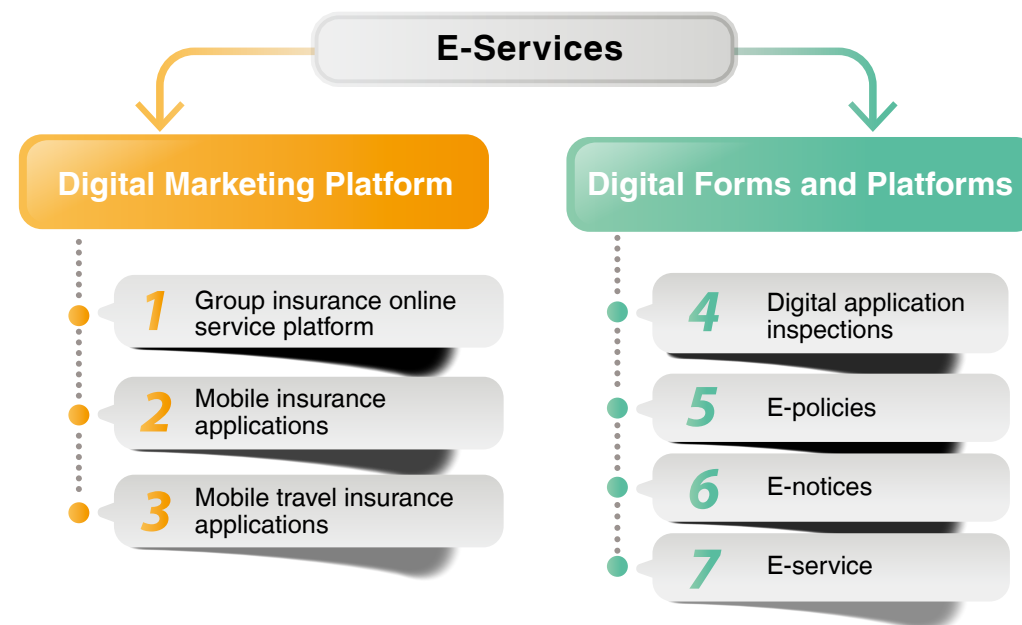
6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Low Carbon Operations

» Digital Services

In recent years, China Life has developed digital marketing tools, forms, and platforms to enhance digitalization and reduce workflow paper use. Besides conforming to modern consumer practices, these measures lower our environmental impact and greenhouse gas emissions production. In 2019, our digital services saved over 4.3 million sheets of paper.



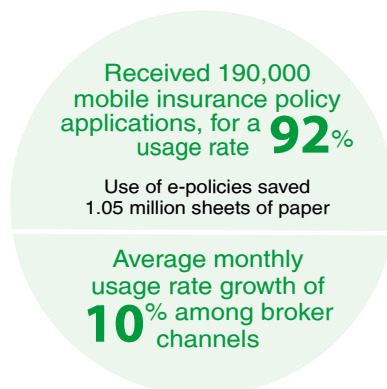
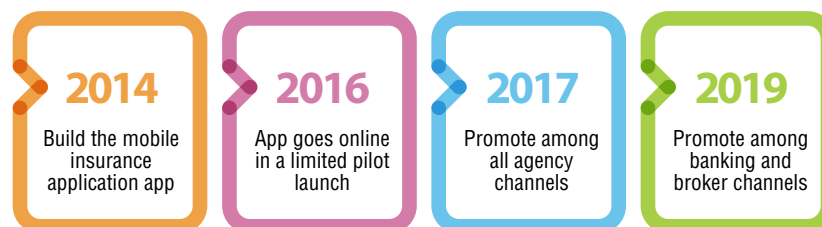
Digital Marketing Tools

1 Group Insurance Online Service Platform

China Life offers a group insurance online service platform that uses digital workflows in place of paper applications. Group insurance applicants, such as employers, use the platform to obtain or cancel coverage for their employees or other members. Insured persons are able to check their policy details. In 2019, 56.7% of qualified group insurance applicants used the platform. In the future, we will continue to encourage companies to use the online platform to obtain or cancel coverage for their employees.

2 Mobile Insurance Policy App

Promote mobile insurance services so that policyholders can manage data online, which reduces form errors and notification rates while raising approval efficiency. Lower paper usage cuts document printing, delivery, scanning, file creation, and storage costs while saving energy and reducing carbon production.



5 Mobile Travel Insurance Applications

To simplify administrative workflows for travel insurance while reducing paperwork, customers can use mobile apps to apply for insurance, including signing paperwork and making payments. In 2019, 90.24% of qualified travel insurance applications were made using our mobile application. In the future, we will continue to expand the range of insurance categories in our mobile portfolio.

E-forms and Platforms

4 Digital Application Notifications

China Life actively cooperates with banking partners to promote digital application notifications. Most of our channels use daily emails to send new applications for notifications, which raises efficiency and reduces carbon emissions associated with paper production and delivery.

5 E-policies

E-policies contribute towards our goal of eliminating paper use while providing an avenue for us to cooperate with policyholders to protect the environment. When applying for a new policy, applicants can choose to receive e-policies. Following authentication by a third party, the e-policies are saved in channels that offer easy access to policyholders to support inquiries.



6 E-notices

Email is replacing paper documents as the preferred method for delivering policies, mail, and invoices. Paper and print waste are lowered, as are traditional mail deliveries. Policies are uploaded to the Company's website, making them available for customers to search and download at any time.

7 E-service

China Life provides policyholders with an uninterrupted, 24-hour e-service platform. Customers can quickly check their policy info and make adjustments from anywhere. Besides saving the time and trouble of filling out paper forms, users reduce greenhouse gas emissions produced during mail delivery or transportation to and from the insurance office.

» Energy Management

Environmental Protection Advocacy

China Life continues to take steps to reduce greenhouse gas emissions in all our workplaces in accordance with environmental protection and energy savings management standards. In 2019, we participated in over 30 environmental protection activities and publicized energy savings and environmental protection concepts during Earth Hour, Earth Day, and World Food Day. Using our corporate social media accounts, we promoted our corporate culture of environmental protection and sustainability by advocating for saving energy, reducing carbon, and refraining from plastic use. Accumulated page views on Facebook and Instagram reached 1.6 million, and there were more than 33,000 likes, messages, and shares.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Management of Greenhouse Gas Emissions

For five consecutive years, China Life has conducted annual inventories of greenhouse gases produced at our six primary workplaces by following quantification guidance in our ISO 14064-1 greenhouse gases certification. Since 2018, we have tracked Scope 3 indirect emissions, such as indirect emissions from gasoline, diesel, electricity, and waste. In 2019, our total emissions were 4,307.668 tonnes of CO₂e and we included emissions from employee business travel in Scope 3 emissions.

Greenhouse Gas Emissions, 2018 and 2019

	Scope 1			Scope 2	Scope 3	Total	
	Stationary Emissions	Mobile Emissions	Fugitive Emissions				
2018	Emissions	0.523	38.764	148.358	3,440.304	852.086	4,480.035
	Scope	0.28%	20.66%	79.06%	76.79%	19.02%	100%
2019	Emissions	0.000	36.134	148.669	3,174.020	948.845	4,307.668
	Scope	0.00%	19.55%	80.45%	73.68%	22.03%	100.00%

- ① We used version 6.0.4 of the Environmental Protection Administration's global warming potential values table. The GWP values were from the IPCC's fourth assessment report (2007). Surveys adopt a control approach.
- ② Scope 1 emissions include CO₂, methane, N₂O and HFCs.

Electricity Consumption Management

For each of our Taiwan offices, we set an average electricity savings goal of 1% per year and 5% over five years, with 2016 serving as a base year. In 2019, for current buildings we continued to maintain and repair equipment while evaluating whether old, inefficient equipment, such as central air systems, needed to be replaced. We sought to cultivate green working habits among employees, including urging them to turn off lights during midday breaks and when leaving the office. We spent NT\$26.51 million to renew old central air systems and equipment in the Company's buildings. Compared to the base year, our total electricity consumption fell by 246,650 kWh in 2018 and 910,709 kWh in 2019. This is equivalent to a reduction of 131,464 tons and 485,408 tons of CO₂, respectively, showing that our efforts to reduce energy use achieved excellent results.

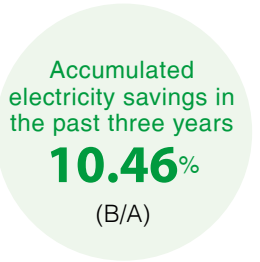
In 2019, we reduced electricity use at facilities used by office staff and sales agents by 5.16% compared to the previous year.

Electricity Use by Company Unit	2018 Electricity consumption (kWh)	2019 Electricity consumption (kWh)	(A-B) / A Energy savings
Facilities used by office staff (head office / branch)	6,239,324	5,985,685	4.07%
Facilities used by sales agents (district offices)	6,690,005	6,276,284	6.18%



Compared to the base year of 2016, during the past three years we achieved accumulated electricity savings of 10.46% at our workplaces for office staff and agents.

Company Unit	2016 (base year) electricity use, kWh (A)	kWh reduction			
		2017	2018	2019	Subtotal (B)
Workplaces for office staff / agents	12,827,266	183,764	246,650	910,709	1,341,123



Electricity Use, 2017 - 2019

		2019	2018	2017
Electricity Use	(kWh)	12,261,969	12,929,329	12,838,021
	(GJ)	44,143.09	46,545.58	46,216.88
Revenues	(NT\$ million)	339,115	338,495	255,328
Energy intensity	(kWh/NT\$ million)	36.16	38.20	50.28
	(GJ/NT\$ million)	0.13	0.14	0.18

- ① The primary energy used at China Life is electricity originating mostly from nonrenewable sources. Scope of power use includes facilities used by office staff (head office/branches) and sales agents (district offices). 1 kWh = 3.6*10⁶ joules

Green Data Center Management

China Life is promoting data center management from two primary directions: raising air conditioning efficiency and lowering the electricity usage of air conditioning. These steps will lower power usage effectiveness (PUE) of the new data centers to 1.7 or lower, which will enable us to save on air conditioning fees. In 2019, our new data centers had a PUE of 1.61, achieving our goal of saving electricity.



- ① According to the Bureau of Energy's emissions factor data released in 2018, 1 kWh of electricity produced an average of 0.554 tons of CO₂ emissions.
- ② The PUE of a data center is the ratio of total amount of energy used to the energy delivered to the computing equipment. The smaller the PUE, the better the power usage effectiveness.

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Water Resources Management

China Life primarily uses water to operate the central air system and for employees' general use. We improve water use efficiency by replacing old central air equipment, switching to efficient equipment, and urging staff to heed consumption. In 2019, water use at our six main workplaces totaled 40,209 kl.

In 2019, our water use increased compared to the previous year due to the work associated with replacing old central air equipment and lines at our various offices as well as a 5.8% increase in office staff.

▼ Water Usage, 2017 - 2019	2019	2018	2017
Total Water Use (kl)	40,209	37,764	34,532
Revenues (NT\$ million)	339,115	338,495	255,328
Water Intensity (kl/NT\$ million)	0.12	0.11	0.14

① The Company primarily uses water in the central air system and for employees' general use. The measured usage scope was limited to office workplaces (head office / main branches).


Waste Management

All of China Life's waste is nonhazardous and is broken down into two primary types: general waste and recyclable waste. Waste disposal companies transport general waste to government-approved waste treatment facilities for incineration. In 2019, our six main workplaces recycled 86,502 kg out of 166,545 kg of total waste. Compared to 2018, the recycling rate increased by 1.1% to reach 51.94%.

 Reduced average waste per person by **5.96%**

Green Buildings

For new construction projects, China Life applies for Green Building certification. Our new headquarters at Taipei Academy, which is under construction, became a candidate for Gold Class Green Building certification in 2017. During construction, to reduce the environmental impact of the project we carried out quarterly tree protection initiatives in February, May, August, and November 2019.

 New solar panels are expected to produce 34,344 kWh of energy and reduce emissions by **18.3** tons of CO₂e per year

The new headquarters will have 36 kW of solar panels which will generate power for self-consumption. After the system goes online in 2020, we will apply to the National Renewable Energy Certification Center for renewable energy certification.

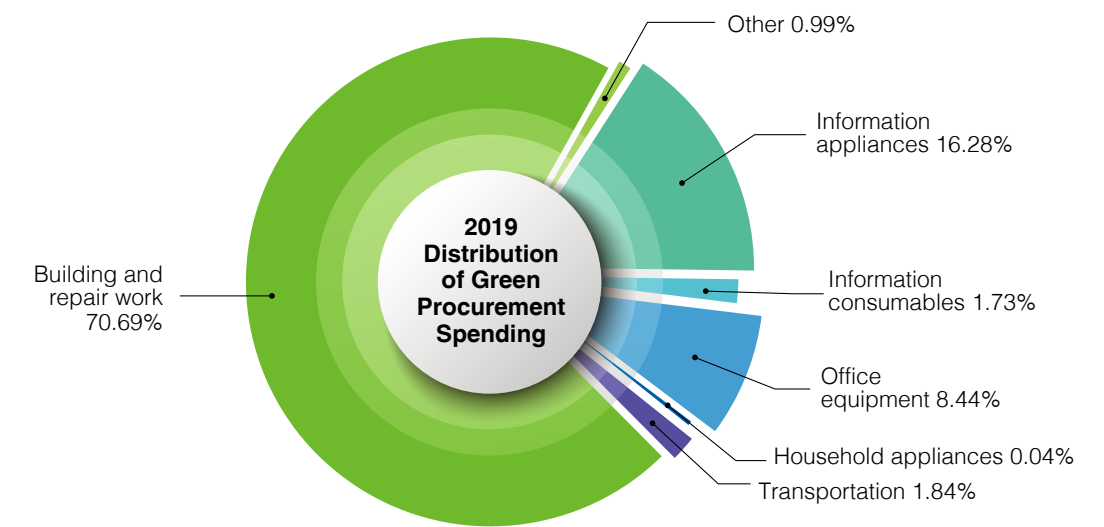
Also, in 2019 the Company reevaluated the feasibility of green energy generation at each workplace, including the installation of solar panels at Kaohsiung's Mingcheng Building and Zhonghua Building.

Green Supply Chain

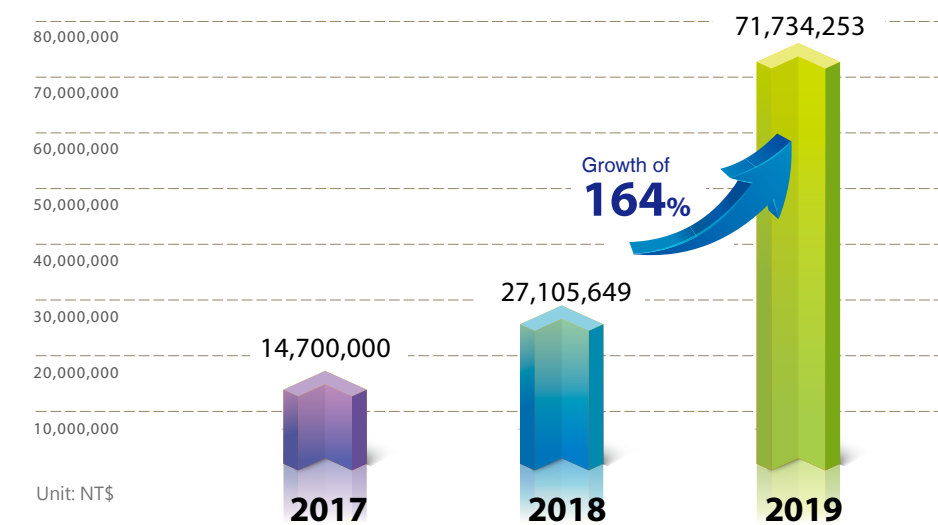
» Green Procurement Policy

China Life has always regarded our suppliers as partners. To support supply-chain stability, long-term operations, and local manufacturing, 99% of our procurements come from local suppliers. We prioritize the purchase of Green Mark products and require that at least 50% of our corporate-branded gift items have environmental protection certifications. These measures ensure that our procurements are low polluting and recyclable, which reduces resource use and lowers environmental impact. In 2019, we purchased over 100,000 sheets of paper that had Forest Stewardship Council certification. Our green procurements totaled NT\$71.73 million, which was an increase of 164% compared to 2018. Around NT\$50.70 million of this amount, or over 70%, was spent on green building materials for our new Taipei headquarters.

▼ 2019 Distribution of Green Procurement Spending (Unit: %)



▼ Green Procurement During the Past Three Years



- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

» Supply Chain Management Policies

The Company sources three main types of items: office supplies and equipment, labor, and construction and repairs. We use fair, just, and transparent methods to choose suppliers.



Labor Safety and Health

The Company closely monitors labor safety and health as well as environmental protection, including among our suppliers. To effectively manage suppliers, all general procurement contracts contain mandatory "Articles Governing CSR and Ethical Management." Content includes environmental protection, labor conditions, occupational health and safety, and worker rights. Suppliers also must sign the "Supplier CSR Commitment." In 2019, suppliers and contractors signed related documents in 156 of our procurement cases.

Personal Information Protection

To protect the rights and interests of our customers, in procurement cases we carefully monitor how personal information is collected, managed, and used. To ensure ethical, trustworthy behavior, 100% of our suppliers that collect, handle or use personal information signed the "Supplier Personal Information Protection Evaluation Form." In 2019, 15 of our suppliers signed this form.

Performance Evaluation of Commissioned Organizations

In order to understand the service qualifications, quality, limitations, and compatibility of the organizations that we commission, China Life carries out at least one internal inspection and satisfaction survey each year. Results are included with supplier evaluations and used as a reference when evaluating contract renewals. In 2019, we carried out outsource process training in May, and each outsourced unit completed performance evaluations in August. Among them, we renewed the contracts of 14 commissioned enterprises that had an average satisfaction score of 89.6 (out of 100).

Hazard Notifications Among Construction and Repair Contractors

To meet occupational safety and health regulations, the Company established the "Safety, Health, and Environmental Management Methods of Contractors." Making contractors aware of hazards in the workplace as well as any safety or health management oversights helps to ensure that all work is carried out safely. Thus far, our contractors did not have any workplace injuries.

Management of Sustainable Suppliers

In order to build management mechanisms that support sustainable suppliers, in 2020 we will audit key aspects of our most important suppliers. At the same time, we will revisit the weighting of ESG standards in supplier evaluations. To continue to encourage sustainable development while demonstrating the results of our supply chain management, in 2020 we will also evaluate whether to release a list of suppliers with excellent sustainability performance.

We would like to thank all stakeholders for their interest in our CSR practices. China Life will continue to promote and implement environmental, social, and corporate governance principles, and to publish CSR information and our CSR Report on the Company's website. We will use innovative thinking to produce greater benefits and value for our policyholders, employees, shareholders, and society. With a wider scope and outlook and a bolder approach, we will produce even better results in our ongoing push towards sustainable development.

6

Appendix

- » GRI Standards
- » Taiwan's Sustainable Development Goals
- » The UN Global Compact Comparative Table
- » Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- » Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- » Independent Assurance Opinion Statement

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

Appendix

» GRI Standards

	Corresponding Chapter (Includes Omitted Description)	Page No.
General Disclosure		
Organizational Profile (2016)		
102-1	Name of the organization	About This Report Getting to Know China Life
		05 07
102-2	Activities, brands, products, and services	Getting to Know China Life Strengthening Our Corporate Culture of Treating Customers Fairly All products this year were subject to review and investigation by regulators before going on sale
		07 106
102-3	Location of headquarters	Getting to Know China Life
		07
102-4	Location of operations	About This Report Getting to Know China Life
		05 07
102-5	Ownership and legal form	Getting to Know China Life
		07
102-6	Markets served	Getting to Know China Life
		07
102-7	Scale of the organization	Getting to Know China Life
		07
102-8	Information on employees and other workers	Building a Happy Workplace The Company does not have any part-time employees
		86-88
102-9	Supply chain	Developing a Green Economy
		140-141
102-10	Significant changes to the organization and its supply chain	No major changes
102-11	Precautionary principle or approach	Strict Risk Management
		59-61
102-12	External initiatives	Developing a Green Economy
		131-134
102-13	Membership of associations	Firm and Stable Operations
		55
Strategy (2016)		
102-14	Statement from senior decision-maker	A Message from Management
		03
Ethics and Integrity (2016)		
102-16	Values, principles, standards, and norms of behavior	Firm and Stable Operations
		56
Governance (2016)		
102-18	Governance structure	Building a Sustainable Foundation Firm and Stable Operations
		20-21 48-50
Stakeholder Engagement (2016)		
102-40	List of stakeholder groups	Bolstering Sustainable Relations with Stakeholders
		28-32

	Corresponding Chapter (Includes Omitted Description)	Page No.
102-41	Collective bargaining agreements	China Life has not established trade unions; hence there are no collective bargaining agreements
102-42	Identifying and selecting stakeholders	Bolstering Sustainable Relations with Stakeholders
		28
102-43	Approach to stakeholder engagement	Bolstering Sustainable Relations with Stakeholders
		28-32
102-44	Key topics and concerns raised	Bolstering Sustainable Relations with Stakeholders
		28-32
Reporting Practice (2016)		
102-45	Entities included in the consolidated financial statements	There are no other financial reports shared externally
102-46	Defining report content and topic boundaries	Bolstering Sustainable Relations with Stakeholders
		35-38
102-47	List of material topics	Bolstering Sustainable Relations with Stakeholders
		34-38
102-48	Restatements of information	China Life did not have any restatements of information during this year
102-49	Changes in reporting	China Life did not have any restatements of information during this year
102-50	Reporting period	About This Report
		05
102-51	Date of most recent report	About This Report
		05
102-52	Reporting cycle	About This Report
		05
102-53	Contact point for questions regarding the report	About This Report
		06
102-54	Claims of reporting in accordance with the GRI standards	About This Report
		06
102-55	GRI content index	Appendix
		141-145
102-56	External assurance	About This Report Appendix
		06 151-152
103-1	Explanation of the material topic and its Boundary	Bolstering Sustainable Relations with Stakeholders
		35-38
103-2	The management approach and its components	Aspiration • The Pursuit of Sustainability Advancement • Ethical Operations and Corporate Governance Innovation • Cultivate Digital Capacity Care • Inclusive Society Protection • Green Environment
		19 42-44 74 99 130

Management Approach (2016)

03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

	Corresponding Chapter (Includes Omitted Description)	Page No.	
Economic Approach	103-3 Evaluation of the management approach	Aspiration • The Pursuit of Sustainability Advancement • Ethical Operations and Corporate Governance Innovation • Cultivate Digital Capacity Care • Inclusive Society Protection • Green Environment	19 42-44 74 99 130
	GRI 201: Economic Performance (2016)		
	201-1 Direct economic value generated and distributed	Firm and Stable Operations	46-47
	201-3 Defined benefit plan obligations and other retirement plans	Building a Happy Workplace	89-90
	GRI 202: Market Presence (2016)		
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Building a Happy Workplace	91	
GRI 204: Procurement Practices (2016)			
204-1 Proportion of spending on local suppliers	Developing a Green Economy	140	
GRI 205: Anti-corruption (2016)			
205-2 Communication and training about anti-corruption policies and procedures	Firm and Stable Operations	62-64	
205-3 Confirmed incidents of corruption and actions taken	China Life had no cases of corruption during this year		
GRI 302: Energy (2016)			
302-1 Energy consumption within the organization	Developing a Green Economy	137-138	
302-3 Energy intensity	Developing a Green Economy	138	
GRI 305: Emissions (2016)			
305-1 Direct (Scope 1) GHG emissions	Developing a Green Economy	137-138	
305-2 Energy indirect (Scope 2) GHG emissions	Developing a Green Economy	137-138	
GRI 306: Effluents and Waste (2016)			
306-2 Waste by type and disposal method	Developing a Green Economy	139	
GRI 307: Environmental Compliance (2016)			
307-1 Non-compliance with environmental laws and regulations	China Life had no cases of non-compliance with environmental laws this year		
GRI 308: Supplier Environmental Assessment (2016)			
308-1 New suppliers that were screened using environmental criteria	Developing a Green Economy	141	

	Corresponding Chapter (Includes Omitted Description)	Page No.	
Social Approach	GRI 401: Employment (2016)		
	401-1 New employee hires and employee turnover	Building a Happy Workplace	87-88
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Building a Happy Workplace	89-90
GRI 403: Occupational Health and Safety (2016)			
	403-1 Workers representation in formal joint management-worker health and safety committees	Building a Happy Workplace	93
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Building a Happy Workplace China Life did not have any incidences of occupational injury among workers who were not employees of the company this year	93
	403-3 Workers with high incidence or high risk of diseases related to their occupation	China Life does not have any occupational activities involving a high incidence or high risk of disease	
	403-4 Health and safety topics covered in formal agreements with trade unions	China Life has not established trade unions; hence there are no related agreements	
GRI 404: Training and Education (2016)			
	404-1 Average hours of training per year per employee	Diverse Talent Development	79
	404-3 Percentage of employees receiving regular performance and career development reviews	Diverse Talent Development	85
GRI 405: Diversity and Equal Opportunity (2016)			
	405-1 Diversity of governance bodies and employees	Firm and Stable Operations Building a Happy Workplace	49-50 86-87
	405-2 Ratio of basic salary and remuneration of women to men	Building a Happy Workplace	91
GRI 406: Non-discrimination (2016)			
	406-1 Incidents of discrimination and corrective actions taken	China Life did not have any incidences of discrimination this past year	
GRI 408: Child Labor (2016)			
	408-1 Operations and suppliers at significant risk for incidents of child labor	China Life had no operations or suppliers identified as having incidents of child labor	
GRI 409: Forced or Compulsory Labor (2016)			
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	China Life had no operations or suppliers identified as having significant risk for incidents of forced or compulsory labor	
GRI 413: Local Communities (2016)			
	413-2 Operations with significant actual and potential negative impacts on local communities	China Life had no operations with significant negative impacts on local communities this year	

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

	Corresponding Chapter (Includes Omitted Description)	Page No.
GRI 414: Supplier Social Assessment (2016)		
414-1	New suppliers that were screened using social criteria	Developing a Green Economy 141
GRI 415: Public Policy (2016)		
415-1	Political contributions	China Life did not provide any form of political donation
GRI 417: Marketing and Labeling (2016)		
417-2	Incidents of non-compliance concerning product and service information and labeling	Strict Risk Management 69-70
417-3	Incidents of non-compliance concerning marketing communications	Strict Risk Management 69-70
GRI 418: Customer Privacy (2016)		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Strict Risk Management 67-68
GRI 419: Socioeconomic Compliance (2016)		
419-1	Non-compliance with laws and regulations in the social and economic area	Strict Risk Management 69-70
GRI Financial Services Sector Supplement: Product Assembly		
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	Firm and Stable Operations 46-47 57-58
		Strengthening Our Corporate Culture of Treating Customers Fairly 106-108
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	Firm and Stable Operations 57-58
Self-Designated Topics		
	Sustainable Development Strategies	Sustainable Strategies 22-27
	Risk Management	Risk Management 59-61
	Anti-Money Laundering and Counter-Terrorist Financing	Anti-Money Laundering 62-64
	Fintech and Related Innovations	Digital Innovations 100-105

» Taiwan's Sustainable Development Goals

No.	Specific Goal	Corresponding Chapter
1.4	Enhance the safeguards and equal rights associated with entrepreneurship, employment, loans, financing, residence, and land ownership of all citizens, in particular people from disadvantaged groups.	Strengthening Our Corporate Culture of Treating Customers Fairly
1.5	Reduce the losses caused by disasters, in particular the losses suffered by vulnerable groups in need of extra protection and people from low-income groups.	Strengthening Our Corporate Culture of Treating Customers Fairly
4.5	Ensure that people from disadvantaged groups, including people with disabilities, indigenous peoples, and vulnerable children, have the means to accept the channels and professional training available at all stages of education.	Care for Social Needs
5.5	Encourage administrative departments of all levels to promote women to management and senior management positions, and political parties to cultivate women and increase their political participation. Increase the ratio of female police officers and female managers in listed and OTC companies, and guide women towards becoming company representatives.	Firm and Stable Operations Building a Happy Workplace
7.2	Increase the capacity of renewable energy equipment.	Developing a Green Economy
8.1	Maintain a suitable level of economic growth by following the core values of innovation, employment, and distribution.	Strengthening Our Corporate Culture of Treating Customers Fairly
8.5	Raise labor productivity.	Diverse Talent Development
8.6	Match education and work skills and introduce training measures that strengthen the employment capabilities of young workers.	Diverse Talent Development
8.7	Promote workplace safety and guarantee the rights of female workers to participate in labor and trade unions.	Building a Happy Workplace
8.9	Promote fintech innovations and diverse convenient financial services.	Strengthening Our Corporate Culture of Treating Customers Fairly
8.13	Develop green energy technology, raise energy autonomy and energy diversity, promote the development of renewable energy.	Developing a Green Economy

- 03 A Message from Management
- 05 About This Report
- 07 Getting to Know China Life
- 08 Honors and Milestones in 2019
- 09 Key Achievements in 2019
- 11 China Life's Sustainability Practices
- 13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

- 20 Building a Sustainable Foundation
- 22 Upholding Sustainable Values
- 28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

- 45 Firm and Stable Operations
- 59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

- 75 Diverse Talent Development
- 86 Building a Happy Workplace

4 Care • Inclusive Society

- 100 Innovative Digital Experience
- 106 Strengthening Our Corporate Culture of Treating Customers Fairly
- 115 Care for Social Needs

5 Protection • Green Environment

- 131 Developing a Green Economy

6 Appendix

- 143 GRI Standards
- 148 Taiwan's Sustainable Development Goals
- 150 The UN Global Compact Comparative Table
- 150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
- 151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
- 153 Independent Assurance Opinion Statement

No.	Specific Goal	Corresponding Chapter
10.2	Continue to promote employment initiatives for indigenous people and increase their job opportunities and income. Raise employment among the disabled as well as their economic status.	Building a Happy Workplace
10.3	Expand promotion and education of laws that strengthen gender equality and eliminate employment discrimination. Build a comprehensive system to prevent gender violence and protect children. Improve people's ability to sense instances of discrimination or violence.	Building a Happy Workplace
11.5	Reduce losses from various types of disasters and protect the disadvantaged and people with low incomes.	Strengthening Our Corporate Culture of Treating Customers Fairly
11.9	Strengthen the social safety net, ensure social stability, and uphold public security. Resist violent criminal offenses.	Strict Risk Management
11.12	Raise energy efficiency and GHG emissions reduction features of buildings.	Developing a Green Economy
12.6	Encourage companies to adopt sustainable development measures and disclose sustainable development information. At the same time, ensure that the information disclosed is accurate and of sufficient quality.	Building a Sustainable Foundation
12.7	Encourage public and private sectors to increase green procurement.	Developing a Green Economy
13.1	Raise adaptability, increase resilience and reduce vulnerability for climate change.	Developing a Green Economy
13.3	Enhance climate change and sustainability education, as well as people's accomplishments.	Care for Social Needs Developing a Green Economy
16.1	Strengthen the social safety net, ensure social stability, and uphold public security. Resist violent criminal offenses.	Strict Risk Management

» The UN Global Compact Comparative Table

Classification	Main Issues	Corresponding Chapter
Human Rights	Businesses should support and respect internationally recognized human rights	Building a Happy Workplace
	Make sure that they are not complicit in human rights abuses	Developing a Green Economy
Labor Standards	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Building a Happy Workplace
	The elimination of all forms of forced and compulsory labor	Building a Happy Workplace
	The effective abolition of child labor	Building a Happy Workplace
	The elimination of discrimination in respect of employment and occupation	Building a Happy Workplace
Environment	Businesses should support a precautionary approach to environmental challenges	Strict Risk Management Developing a Green Economy
	Undertake initiatives to promote greater environmental responsibility practices	Developing a Green Economy
	Encourage the development and diffusion of ecofriendly technologies	Developing a Green Economy
Anticorruption	Businesses should work against all forms of corruption, including extortion and bribery	Strict Risk Management

» Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table

Chapter	Corresponding Chapter / Description
Chapter 1 General Principles	Building a Sustainable Foundation
Chapter 2 Exercising Corporate Governance	Firm and Stable Operations
Chapter 3 Fostering Sustainable Environments	Developing a Green Economy
Chapter 4 Preserving Public Welfare	Building a Happy Workplace Care for Social Needs
Chapter 5 Enhancing Disclosure of Corporate Social Responsibility Information	Firm and Stable Operations
Chapter 6 Supplementary Provisions	Building a Sustainable Foundation

03 A Message from Management
05 About This Report
07 Getting to Know China Life
08 Honors and Milestones in 2019
09 Key Achievements in 2019
11 China Life's Sustainability Practices
13 Digital Transformation Leaps Ahead

1 Aspiration • The Pursuit of Sustainability

20 Building a Sustainable Foundation
22 Upholding Sustainable Values
28 Bolstering Sustainable Relations with Stakeholders

2 Advancement • Ethical Operations and Corporate Governance

45 Firm and Stable Operations
59 Strict Risk Management

3 Innovation • Cultivate Digital Capacity

75 Diverse Talent Development
86 Building a Happy Workplace

4 Care • Inclusive Society

100 Innovative Digital Experience
106 Strengthening Our Corporate Culture of Treating Customers Fairly
115 Care for Social Needs

5 Protection • Green Environment

131 Developing a Green Economy

6 Appendix

143 GRI Standards
148 Taiwan's Sustainable Development Goals
150 The UN Global Compact Comparative Table
150 Corporate Governance Best Practice Principles for TWSE / GTSM Listed Companies Comparative Table
151 Social Responsibility Guidance Standard (ISO 26000) Comparative Table
153 Independent Assurance Opinion Statement

» Social Responsibility Guidance Standard (ISO 26000) Comparative Table

	Main Issues	Corresponding Chapter
Organizational Governance	Make decisions and implement a systematic corporate social responsibility philosophy when carrying out an objective	Building a Sustainable Foundation
	Conduct due diligence to avoid human rights risks	Building a Happy Workplace
	Human right risks situations	Building a Happy Workplace
Human Rights	Avoidance of complicity – including direct, beneficial or silent	Firm and Stable Operations
	Resolving grievances	Building a Happy Workplace
	Discrimination and vulnerable groups	Building a Happy Workplace
	Civil and political rights	Building a Happy Workplace
	Economic, social and cultural rights	Building a Happy Workplace
	Fundamental principles and rights at work	Building a Happy Workplace
Labor Practices	Employment and employment relationships	Building a Happy Workplace
	Conditions of work and social protection	Building a Happy Workplace
	Social dialogue	Care for Social Needs
	Health and safety at work	Building a Happy Workplace
	Human development and training in the workplace	Diverse Talent Development
Environment	Prevention of pollution	Developing a Green Economy
	Sustainable resource use	Developing a Green Economy
	Climate change mitigation and adaptation	Developing a Green Economy
	Protection of the environment, biodiversity and restoration of natural habitats	Developing a Green Economy

	Main Issues	Corresponding Chapter
Fair Operating Practices	Anti-corruption	Firm and Stable Operations
	Responsible political involvement	Firm and Stable Operations
	Fair competition	Firm and Stable Operations
	Promote social responsibility in the value chain	Developing a Green Economy
	Respect for property rights	*Not very applicable to the life insurance industry
Consumer Issues	Fair marketing, factual and unbiased information, and fair contractual practices	Strengthening Our Corporate Culture of Treating Customers Fairly
	Protecting consumers' health and safety	Strengthening Our Corporate Culture of Treating Customers Fairly
	Sustainable consumption	Strengthening Our Corporate Culture of Treating Customers Fairly
	Consumer service, support, and complaints and dispute resolution	Strengthening Our Corporate Culture of Treating Customers Fairly
	Consumer data protection and privacy	Strict Risk Management
	Access to essential services	Strengthening Our Corporate Culture of Treating Customers Fairly
	Education and awareness	Care for Social Needs
	Community involvement	Care for Social Needs
	Employment creation and skills development	Diverse Talent Development
Community Participation and Development	Technology development and access	*Not very applicable to the life insurance industry
	Wealth and income creation	Care for Social Needs
	Education and culture	Care for Social Needs
	Health	Care for Social Needs
	Social investment	Care for Social Needs

1 Aspiration • The Pursuit of Sustainability

2 Advancement • Ethical Operations and Corporate Governance

3 Innovation • Cultivate Digital Capacity

4 Care • Inclusive Society

5 Protection • Green Environment

6 Appendix



INDEPENDENT ASSURANCE OPINION STATEMENT

China Life 2019 Corporate Social Responsibility Report

The British Standards Institution is independent to China Life Insurance Co., Ltd. (hereafter referred to as China Life in this statement) and has no financial interest in the operation of China Life other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of China Life only for the purposes of assuring its statements relating to its corporate social responsibility (CSR), more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by China Life. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to China Life only.

Scope

The scope of engagement agreed upon with China Life includes the followings:

1. The assurance scope is consistent with the description of China Life 2019 Corporate Social Responsibility Report.
2. The evaluation of the nature and extent of the China Life's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000 Assurance Standard (2008) with 2018 Addendum assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the China Life 2019 Corporate Social Responsibility Report provides a fair view of the China Life CSR programmes and performances during 2019. The CSR report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the China Life and the sample taken. We believe that the 2019 economic, social and environmental performance information are fairly represented. The CSR performance information disclosed in the report demonstrate China Life's efforts recognized by its stakeholders.

Our work was carried out by a team of CSR report assurors in accordance with the AA1000AS (2008) with 2018 Addendum. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that China Life's description of their approach to AA1000AS (2008) with 2018 Addendum and their self-declaration in accordance with GRI Standards: Core option were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top level review of issues raised by external parties that could be relevant to China Life's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 20 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness and Impact of AA1000AP (2018) and GRI Standards is set out below:

Inclusivity

This report has reflected a fact that China Life has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for economic, social and environmental information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the China Life's inclusivity issues.

Materiality

China Life publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of China Life and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the China Life's management and performance. In our professional opinion the report covers the China Life's material issues.

Responsiveness

China Life has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for China Life is developed and continually provides the opportunity to further enhance China Life's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the China Life's responsiveness issues.

Impact

China Life has Identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. China Life has established processes to monitor, measure, evaluate and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the China Life's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

China Life provided us with their self-declaration of in accordance with GRI Standards: Core option (For each material topic covered by a topic-specific GRI Standard, comply with all reporting requirements for at least one topic-specific disclosure). Based on our review, we confirm that social responsibility and sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported or omitted. In our professional opinion the self-declaration covers the China Life's social responsibility and sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS (2008) with 2018 Addendum in our review, as defined by the scope and methodology described in this statement.

Responsibility

The CSR report is the responsibility of the China Life's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of Lead auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-2019077
2020-06-04

...making excellence a habit.™



We Share We Link
 中國人壽
www.chinalife.com.tw