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# A Message from the Chairperson

In the wake of frequent extreme climate disasters and geopolitical conflicts, and with the rise of AI technology and restructuring of the global financial landscape, we are clearly on the cusp of a paradigm shift. Under these circumstances, sustainable development is no longer an option, but a key factor of corporate survival and competitive edge.

Proactively responding to international sustainability trends, KGI Life adopted IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information, and IFRS S2 Climate-related Disclosures in 2024, which linked sustainability disclosure with financial information. We have incorporated climate risk assessment in our Own Risk and Solvency Assessment (ORSA) framework to strengthen the governance and transparency of exposure to climate risks. In upholding the sustainable development themes: corporate governance, sustainable finance, and financial inclusion, KGI Life seeks to use its core capabilities to support industry's low-carbon transition and help society increase its resilience in the face of risks.

## Asset Decarbonization & Amplifying the Impact of Green Influence and Sustainable Investment

Responsible investment is the core of KGI Life's sustainability practice. We have voluntarily established a clear decarbonization management framework on the basis of the United Nations' Principles for Responsible Investment (UN PRI), and set a clear-cut goal of net-zero emissions for our asset portfolio by 2045. Since we strongly emphasize engagement with invested enterprises, in 2024 we conducted the first climate engagement survey of invested enterprises that had not yet adopted the Science Based Target Initiative (SBTi) to learn about their carbon reduction path planning in detail. We are relying on multiple measures to exert our financial influence in facilitating value chain decarbonization.

KGI Life's Major Achievements in 2024:

#### Increase Sustainable Investments

Total green and sustainable investment increased by 45.7% compared with the base year of 2022, reaching NT\$44.8 billion.

#### Reducing the Carbon Intensity of Green Energy Investment

The carbon intensity of investments in renewable energy projects decreased by 43% compared with the base year of 2022.

#### Low-Carbon Transition of Investment Portfolio

Our investment in high-carbon industries consisted of 16.7% of our total investment, and continued to remain below the 24.5% threshold.

Starting in 2025, KGI Life has pledged not to make further investment in coal and unconventional crude oil/natural gas-related industries, and plans to increase green and sustainable investments by an average of 5% per year from 2025 to 2027 compared with the base year. This will fulfill KGI Life's role in directing capital flows as an insurance company, and help the development of a sustainable global economy.

# Financial Inclusion for Diverse Groups and Treating Customers Fairly throughout the Service Life Cycle

Under the Board's leadership, KGI Life upholds the principles of financial inclusion and treating customers fairly. We have initiated new systems including our "Smile to Sign" remote facial recognition application featuring the use of biometrics and the "WebCall" Al-assisted voice recording service for senior customers, and pledged to achieve the following milestones while adhering to our "customer-centric" values in every service interaction:

#### First in Achieving Microinsurance Premium Targets in the Industry

In 2024, more than 100,000 persons benefited from our microinsurance service, the sum insured exceeded NT\$30.4 billion, and claims payout reached NT\$15 million.

#### Customer Complaint Response Obtaining International Accreditation

In February 2025, we were given third-party accreditation for our ISO 10002 customer complaint handling system with a remarkable no-deficiency score.

**Optimization of Underwriting and Policy Service Processes** 

Through operating process optimization, digitalization, employee empowerment, and enhanced data management, we have optimized over 80 operations, strengthening channel support and further improving the customer experience.

Sustainable development has been embedded in the DNA of KGI Life. As of the end of June, 2025, more than 1,100 employees passed the Basic Test on Sustainable Development, equipping every department with relevant knowledge and capabilities to plan their core business in line with sustainable development. Our company set a new record by winning 59 domestic and foreign awards and honors in 2024. These accolades included the National Development Council's "National Sustainable Development Award," the Financial Supervisory Commission's "Best Collaboration Award" of its "Financial Education Contribution Award," and the "Social Empowerment Award" of the "Asia Responsible Enterprise Awards." KGI Life was also the only insurance company to receive the CommonWealth Magazine's assessment as meeting the Paris Agreement's target of limiting global warming to 1.5°C.

According to the World Economic Forum's Global Risks Report 2025, misinformation and disinformation created and spread by Al and other emerging technologies will be the biggest global risk for the next two years. Responding to this threat, KGI Life has begun developing an Al governance framework and internal control measures in order to strengthen information security. But at the same time, we also believe that Al and the trend of interdisciplinary big data integration will reshape the insurance industry's value chain, induce reformation of insurance products, and promote an increasingly real-time, customized service experience. In the future, insurance companies will not only drive net-zero transition and healthy living, but also serve as vital drivers of social inclusion. Upholding the philosophy of "We Share We Link," KGI Life will continue to provide customers with solid support and create sustainable value for Taiwan!





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This Report is the 2024 Sustainability Report (hereinafter referred to as this "Report") of KGI Life Insurance Co., Ltd. (hereinafter referred to as "KGI Life").

## **Reporting Period**

This Report discloses information on sustainable development of KGI Life from January 1, 2024 to December 31, 2024. Due to data integration and transparency considerations, some contents disclosed in this Report are not limited to 2024. The previous Sustainability Report was issued in August 2024, the current Sustainability Report will be issued in July 2025, and the next Sustainability Report is expected to be issued in July 2026. Reports for each year can be downloaded from the Sustainability section on KGI Life's company website.





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#### **Scope and Boundaries of this Report**

This Report describes sustainable development-related practices and results, future strategies, and goal planning. Its scope covers KGI Life's business operations in Taiwan and overseas investment activities<sup>1</sup>.

<sup>1</sup> Please refer to KGI Life's basic information on P.7 for the number and locations of business operations.

#### **Basis and Standards**

KGI Life has enhanced disclosure of sustainability practices based on international and domestic regulations and standards. The contents of this Report uphold the eight major reporting principles (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability) of the Global Reporting Initiative (GRI) Universal Standards, and comply with the Insurance Sustainability Accounting Standard issued by the Sustainability Accounting Standards Board (SASB). The Board of Directors has reviewed and approved the Report's full content. An independent third-party assurance institution—Deloitte—provided limited assurance pursuant to the International Standard on Assurance Engagements (ISAE) 3000—Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Please refer to the appendix of this Report for the assurance statement.

# Stakeholder Communication, Opinions, and Feedback

If you have any advice or recommendations regarding this Report or the sustainability planning and practices of KGI Life, please do not hesitate to contact us using the following methods:

## Sustainable Development Department, KGI Life Insurance Co., Ltd.

 $\underline{\texttt{9}}$  Address: 6F, No. 135, Dunhua N. Rd., Songshan District, Taipei City 105

ଷ Tel: +886-2-2719-6678 ext. 1884

□E-mail: esg.kgil@kgi.com

Issued by	Compliant with
Global Reporting Initiative (GRI)	GRI Universal Standard
Sustainability Accounting Standards Board (SASB)	Insurance Sustainability Accounting Standards
Financial Stability Board (FSB)	Recommendations of the Task Force on Climate-related Financial Disclosures
Financial Supervisory Commission	Guidelines for Climate-Related Financial Disclosures for the Insurance Industry
Haita d National Equipment Design (UNICD)	Principles for Sustainable Insurance (PSI)
United Nations Environment Programme (UNEP)	Principles for Responsible Investment (PRI)
United Matiena (UM)	Sustainable Development Goals (SDGs)
United Nations (UN)	United Nations Global Compact
later at the I Countries billion Observed and Docard	IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
International Sustainability Standards Board	IFRS S2 Climate-related Disclosures
International Organization for Standardization (ISO)	ISO 26000 Guidance on Social Responsibility
Taiwan Stock Exchange Corporation	Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies

Information Category	Standard	Verification Institution
Sustainability Information	Limited assurance of compliance according to ISAE3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information	Deloitte Taiwan
	ISO 14064-1: 2018 Greenhouse Gases	
Environmental	ISO 14067: 2018 Carbon Footprint of Products	British Standards Institution (BSI)
Information	ISO 14001: 2015 Environmental Management Systems	
	ISO 50001: 2018 Energy Management Systems	-
Information Consults	ISO 27001: 2022 Information Security Management Systems	SGS Taiwan
Information Security	BS 10012: 2017 Personal Information Management Systems	- SGS Talwan
Risk Management	ISO 22301: 2019 Business Continuity Management Systems	SGS Taiwan
Customer Complaint Management	ISO 10002: 2018 Customer Satisfaction Management Systems	SGS Taiwan



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## **About KGI Life**

Established in 1963, KGI Life Insurance (formerly China Life Insurance) was renamed KGI Life Insurance Co., Ltd. (hereinafter "KGI Life") on January 1, 2024 to convey a consistent and youthful, vigorous brand image. KGI Life is a subsidiary of the KGI Financial Holding Co., Ltd., and one of Taiwan's five largest insurance companies. Upholding a "customer-centric" approach, we continue to provide customers a full range of insurance products and services.

In such times of uncertainty, insurance companies, which are "people-oriented," are consistently playing important roles in stabilizing society. By upholding "customer-centric" values, KGI Life is relying on innovative digital technologies, including AI and big data, to design insurance protection that addresses customers' needs and provides real-time, customized insurance services.

In the areas of corporate governance, digital innovation, information security, green investment, and customer experience, KGI Life has received recognition from multiple major awards from home and abroad. In addition, KGI Life has been recognized as a "Happy Company" through a public vote. We are dedicated to the happiness of our customers, employees, shareholders, and society at large. We will continue to pursue corporate sustainability and work to become the "most recommended and trustworthy life insurance company."



# **History of KGI Life**

The only major insurance company in Taiwan to remain unscathed in the sub-prime mortgage crisis during the global financial tsunami.

Life.

2008

Acquired PCA Life's major

from UK-based Prudential

assets and operations

Formally listed on the Taiwan Stock Exchange under the ticker of 2823.

AXA.

China Life acquired

Winterthur Taiwan from

Obtained approval for incorporation on April 25 under the name of Overseas Life Insurance Corp.

1963

Obtained the superficiary rights of Taipei Academy, establishing a foundation for the next 50 years.

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

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

2017

China Development

Corporation acquired

34.99% of the Company's

Financial Holding

shares.

2014

2013

2009

2010

2007 1995

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Completed share conversion and became a fully-owned subsidiary of China Development Financial Holding Co., Ltd. Renamed KGI Life on January 1, 2024, the Company will continue to uphold customercentricity, pursue corporate sustainability, and become the most recommended and trustworthy life insurance company.

Approved by the FSC to formally launch "Omnichannel Mobile Insurance with Biometric Authentication for Remote Insurance Application" service.

2022

2021

2018

Completed acquisition

of part of the traditional

life insurance policies

Life Insurance Co., a

subsidiary of German

of Allianz Taiwan

insurer Allianz SE.

Formed a strategic alliance with Tokio Marine Newa Insurance Co., Ltd., which is the first crossgroup property insurance and life insurance collaboration in Taiwan.

# 2024

# **Basic Information on KGI Life**

Company Name: KGI Life Insurance Co., Ltd.

**Location of Headquarters:** 

3, 4, 5, 6, 7F, No. 135, Dunhua N. Rd., Taipei City

Time of Establishment:

1963



#### **Number of Employees:**

2,532 employees and 15,088 agents

17,440 people



#### **Main Products:**

Life insurance, annuity, universal insurance, health insurance, accident insurance, group insurance, travel insurance, microinsurance, and investment-linked products.



#### **Investee Insurance Company in China:**

CCB Life has established 24 branches in China, and the total number of branches reached 233 as of the end of 2024.

233 branches



#### Main Market | Taiwan



## **Number and Locations of** Operation:

Headquarters, remote office of the headquarters open to the public for business transactions, the service center, and 9 branches, 6 service locations with customer service counters, and 133 agencies around Taiwan. For detailed locations, please visit KGI Life's Company Website. ↗

133 agencies

**Net Sales:** NT\$265,451 million (operating revenue)

NT\$174,526 million (premium income)

Equity: NT\$185,386 million Liabilities: NT\$2.325.458 million

**Total Assets** 

 $\mathsf{NT\$}\mathbf{2,510,844} \;\mathsf{million}$ 



Note: Please refer to the Company's 2024 Annual Report for detailed information.



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# **Key Achievements** in 2024



# Governance



#### **Corporate Governance**

- Revised the Board Performance Evaluation Guidelines, and added three ESG assessment items to highlight KGI Life's constant efforts in achieving corporate sustainability.
- Established a comprehensive whistleblowing system with diverse whistleblowing channels, and provided measures to protect the rights and interests of whistleblowers.
- There was no unethical conduct as described in the Ethical Corporate Management Best Practice Principles, and there were no violations of ethical corporate management or corruption in 2024.
- The 2024 comprehensive AML/CFT risk assessment results were in line with the Company's risk limit requirements and risk appetite.



### **Risk Management**

- Incorporated strict risk management into the business goals requiring regular follow-ups, and has established and periodically reviewed the risk management policy, which serves as the highest guiding principle for internal risk management mechanisms.
- The Company's risk management organizational framework includes the Board of Directors, Risk Management Committee, Chief Risk Officer, risk management units, and relevant business and audit units, which collectively form a comprehensive network.



## **Information Security**

- The relative size of our information security budget has increased annually over the past four years. The information security budget accounted for more than 13% of our information budget in 2024, which underscores our commitment to information security.
- We jointly held the Cybersecurity Month event with the KGI Financial Holding's Information Security Division during 2024. KGI Financial Holding is the first domestic financial group to observe the Cybersecurity month.
- In the wake of the FSC's promotion of zero trust architecture (ZTA) in high-risk areas, KGI Life was selected for sharing relevant plans and implementation progress with other financial institutions.



## **Responsible Investment**

- With regard to the sustainability performance of the Company's investment portfolio in 2024, investment positions with an ESG grade of "Leader" rose to 59%, which represented an increase of 17% compared to that of 2023.
- Of the 174 investees issued engagement questionnaires in 2024, 100% of investees had established human rights policies or commitments, and 92% had energy conservation or low-carbon transition plans.
- Total carbon emissions of our investment balance approximated 3.539 million tons at the end of 2024, and investment in highemission companies accounted for 16.7%, which continued to meet our target of less than 24.5% of our overall investment position.



## **Digital Finance**

- Focusing on the three strategic areas of "innovative service applications," "intelligent business risk control," and "digital service experience," we are embracing all-round digital innovation as we adopt emerging technologies and continue to promote a digital transition.
- Received the competent authority's approval for piloting a reading and recording assistance system for elderly customers. The system aims to protect the rights and interests of elderly customers and provide a faster and more convenient insurance application experience.
- Taking the lead over most industry peers by introducing the KGI Life "68889" short code service, a messaging service comprising transactions containing URLs, user authentication, and important notifications, ensuring easy identification of the source of messages and helping prevent fraud.



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# **S**ocial



#### **Treating Customers Fairly**

We enhanced products and services for the elderly
in response to the coming of a hyper-aged society
by launching dementia care and long-term care
products to help customer manage aging risks. In
ongoing cooperation with the Taiwan Alzheimer's
Disease Association, independent directors and
senior management led company employees
in participating in the International Dementia
Month, which aimed at encouraging kindness and
consideration toward persons with dementia in
2024. The Company also expanded promotion of
anti-wandering keychains and established an antiloss safety network in Taiwan.

- KGI Life continued to improve convenient services for persons with disabilities in 2024. To eliminate the financial information gap, the Company rolled out an "important policyholder rights reminder sign language video" for the hearing impaired. Additionally, the Company is the first in the industry to introduce insurance policies in Braille, allowing visually impaired policyholders to listen to important information and learn their rights and interests after they are guided to scan a QR code.
- We continued to promote financial knowledge and fraud prevention education in 2024. The Company joined forces with local organizations and police and other government agencies to hold more than 50 lectures benefiting the elderly, persons with disabilities, students, immigrants, indigenous people, and the economically disadvantaged. These talks managed to help 2,439 members of the public and their families and were instrumental in constructing social security networks.
- We took the lead in the financial industry by holding advanced training classes in finance and insurance for immigrant interpreters, reinforcing interpreters' insurance knowledge, boosting our insurance service quality, and also helping more interpreters to pass the insurance agent license exam. This gave them an opportunity to earn equal pay for equal work.



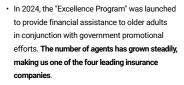
#### Sustainable Insurance Practices

- As applications of digital technology and Fintech
  continue to evolve and diversify, KGI Life is
  building upon the concept of spillover insurance
  by developing health management-linked
  insurance policies. Through the development
  of products based on "health insurance +
  health promotion" the Company aims to meet
  customers' need for insurance that supports
  health management.
- The achievement rate of microinsurance premium income amounted to 256% in 2024, making the Company first in the industry.

  Over 100,000 people benefited from our microinsurance programs.



#### **Talent Cultivation**



- We have linked senior executives' performance targets with ESG- and climate change-related topics, ensuring the Company's proactive participation in achieving the ESG goals.
- Our employee engagement (employee identification with the Company) reached 81% in 2024. This figure, which was up from 2023 and the result of four years of continuous growth, showed we are making progress toward our goal of becoming an employer of choice.



# Diverse and Inclusive Workplace

- In response to the UN Sustainable Development Goals (SDGs), KGI Life has long been committed to promoting gender equality in the workplace. Female supervisors account for 47.81% of all supervisors. Female nonsupervisory employees account for 63.49% of all employees.
- We continue to hire persons with disabilities and members of ethnic minorities. Apart from giving persons with disabilities priority for certain job openings, we make sure to provide these individuals the same rights and opportunities as our full-time employees. The number of employees with disabilities rose steadily over the last few years, and their average length of service at KGI Life was 12 years.

# **E**nvironmental





# Climate Governance and Strategies

To enhance the transparency of climate-related financial information and align with international sustainability trends, we have adopted the IFRS Sustainability Disclosure Standards (IFRS S1 and S2), which ensures that our disclosure of climate-related risks and opportunities meets global standards. This further strengthens the integration of corporate climate governance and financial risk management.



#### **Green Operations**

- In 2024, our electronic services saved a total of 10.187 million sheets of paper, avoiding approximately 183 tons of carbon emissions.
- To achieve net-zero operation by 2040, we have initiated green power procurement for our headquarters. The cost is shared with tenants, achieving better green operations and carbon emissions management. As of the end of 2024, KGI Life had used 2.289 million kWh of green power.



#### **Sustainable Supply Chains**

- KGI Life held the "2024 KGI Financial Holding Group Supplier Conference" with the KGI Financial Holding Group on the International Earth Day. We use our corporate influence and collaborate with our suppliers to forge sustainable supply chains.
- We are relying on tangible actions to support sustainable low-carbon products and suppliers, and preferentially work with suppliers with excellent ESG performance. Our green procurement reached NT\$70.754 million in 2024, realizing the concept and spirit of green procurement.



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## **Honors and Milestones in 2024**



#### The National Brand Yushan Awards

**Brand Management** 

 Most Popular Brand Category-"Committed to Your Happiness" Brand Promotion

# Insurance Quality Award by Risk Management, Insurance & Finance

- "Award of Excellence" for Brand Popularity
- · "Award of Excellence" for Most Recommended
- · "Award of Excellence" for Best Agents

# Insurance Excellence Awards by Excellence Magazine

- · Excellent Brand Image Award
- · Excellent Talent Cultivation Award

### Happy Enterprise by 1111 Job Bank

· Gold Award

# Survey of Large Enterprises Ranking in Taiwan by China Credit Information Service Ltd.

· Twenty-Fourth in Top 5000, 5th in Life Insurance Industry

#### **Trusted Brand Awards by Readers Digest**

Gold Award

# Dragon and Phoenix Insurance Awards by Risk Management, Insurance & Finance

- Award of Excellence for the Life Insurance Company's Field Representative Support Category
- Award of Excellence for the Life Insurance Company's Back Office Support Category

# Golden Torch Award by Outstanding Enterprise Manager Association

· Top 10 Outstanding Companies of the Year

# Taiwan Top 2000 Survey by CommonWealth Magazine

· 5th in the Financial Industry

# 



## **Financial Supervisory Commission**

- · Enhancing Insurance Coverage for Taiwanese People
- Conducting Microinsurance Business
- Investing in 5 + 2 Key Innovative Industries and Public Infrastructure
- · Insurance Company with Outstanding Performance

# 2024 Microinsurance Competition by Financial Supervisory Commission

- Business Excellence Award
- · Care for Persons with Disabilities Award
- Second Place for Insurance Company Category

# Insurance Excellence Awards by Excellence Magazine

- · Outstanding Service Quality Award
- · Outstanding Customer Satisfaction Award



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# International Innovation Award by Enterprise Asia

· Service and Solution Category

#### Digital Financial Award by Commercial Times

· Digital Innovation Excellence Award

# Customer Service Excellence Awards by Taiwan Contact Center Development Association

- · Best Customer Experience Enterprise
- · Best Customer Service Team

# Insurance Asia Awards by Charlton Media Group

- · Insurtech Initiative of the Year
- · Strategic Partnership of the Year

#### The National Brand Yushan Awards

- · Best Product Category-Al Assistant 2.0
- KGI Life's MAHUDA

# Faith, Hope and Love Awards of Insurance by Risk Management, Insurance & Finance

- Best Product Creativity Award
- Most Popular Product Award
- · Best Professional Consultant Award
- Best Insurance Achievement Award
- · Best Insurance Professional Award
- · Best Agency Award
- · Best Channel Strategy Award

# Insurance Quality Award by Risk Management, Insurance & Finance

· "Award of Excellence" for Best Claims Service

# **♥**Sustainable Development

#### **National Development Council**

· Corporate Development Award

#### **Ministry of Environment, Executive Yuan**

 Outstanding Green Procurement and Green Consumption Promotion Unit

#### **MInistry of Economic Affairs**

 Buying Power—The Social Innovation Product and Service Purchase Award "First Prize"

# Taiwan Sustainable Investment Awards (TWSIA)

- · Influential Institution Division "Life Insurance Group Merit Award"
- · Shareholders' Action Award "Silver"

## Asia Responsible Enterprise Awards by Enterprise Asia

Social Empowerment Award

# ESGBusiness Awards by Charlton Media Group

- · Education Equality and Access Award Taiwan
- Inclusion and Diversity Award Taiwan

## Center for Business Sustainability, National Chengchi University

 Task Force on Climate-related Financial Disclosures (TCFD) Report Evaluation – Top 20% Life Insurance Companies



# Financial Education Contribution Award by Financial Supervisory Commission

· Best Collaboration Award

#### **Taipei City Government**

· Outstanding Private Enterprise in Green Procurement

#### **Taiwan Sustainability Action Award (TSAA)**

- · Social Inclusion Gold Award
- · Environmental Sustainability Silver Award

### **Taiwan Corporate Sustainability Awards (TCSA)**

- · Corporate Sustainability Report Platinum Award
- Top 100 Sustainable Companies Award
- Social Inclusion Leadership Award
- Innovative Growth Leadership Award

# Faith, Hope and Love Awards of Insurance by Risk Management, Insurance & Finance

· Best Contribution to Society Award

### **CommonWealth Magazine**

- Enterprise committed to meeting the Paris Agreement target of limiting global warming to less than 1.5°C



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# Creating a Sustainable Future by Treating Customers Fairly: KGI Life's Inclusive Actions

The United Nations Secretary-General's Special Advocate for Financial Health (UNSGSA) noted, "Financial inclusion is a critical enabler and accelerator of equitable economic growth, job creation, social and human development." We uphold "people-oriented" values, and firmly believe that the financial services must be guided by equity and empathy. While constantly striving to enhance the depth and breadth of our convenient services, we also seek to create a financial organism embodying inclusivity, equity, and sustainability, promote social inclusion, and achieve SDGs.

# 1. Friendly and Equitable Services for Diverse Groups

The Company concerns itself with the financial service needs of underprivileged groups and is proactively cooperating with professional organizations to eliminate the financial gaps caused by age, physical conditions, and language proficiency. We are undertaking the following measures to uphold the spirit of inclusivity:

- We have taken the lead in offering convenient, accessible services, including services aimed at helping the hearing impaired, visually impaired, persons with mobility impairments, and persons with dementia.
- We are a leader in offering all-round multilingual services for immigrants.
- · Offering of real-person interpretation service.
- · Pioneering multilingual documents and videos explaining important insurance rights and interests.
- · Optimizing signage in customer service centers.
- · First to hold basic and advanced insurance knowledge training classes for interpreters.

# Comments on the classes from immigrant interpreters

The intensive sessions boosted my understanding of insurance and rights and interests under contracts of insurance, helping me assist even more friends and relatives in the future.

After having lived in Taiwan for a long time, I'd like to start my own career here. Since I previously had no opportunities to take part in a comprehensive insurance course, I'm grateful to KGI Life for providing this opportunity, and I now look forward to taking the insurance agent licensing exam.



## KGI Life immigrant sales supervisor Lin Ru-bai, originally from Myanmar

Immigrants, in general, know very little about insurance and also lack sufficient protection. In addition, because of language barriers and the highly technical nature of insurance, immigrants have great need for individuals who can clearly explain insurance information in their native languages. Thanks to their linguistic, cultural, and trust advantages, immigrant agents can easily communicate and foster rapport with other fellow immigrants. This will not only help promote the understanding of insurance concepts, but also create opportunities to serve immigrants and provide them with needed protection. I hope to help even more immigrant friends and ensure that even more immigrant households can receive care and services.

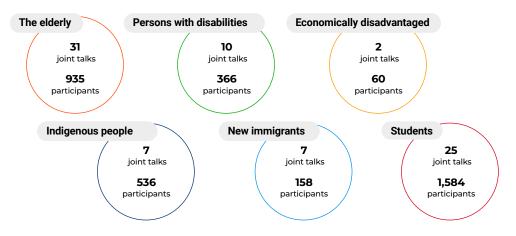
## 2. Training in Financial Literacy and Fraud Prevention

To help more people better understand finance and use financial knowledge to manage their personal finances and minimize their chance of falling victim to fraud schemes, we have established a volunteer team to hold talks on financial knowledge and fraud prevention awareness:



#### Awareness aimed at diverse groups

This pioneering program provides customized financial and insurance knowledge and fraud prevention talks aimed at diverse groups. Our anti-fraud volunteers have teamed up with local organizations, underprivileged groups, associations, schools, and law enforcement agencies to conduct these talks over the course of several years.







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# **Actual fraud prevention cases** involving KGI Life employees

#### Collaboration of fraud prevention between the Taichung and Tainan Customer Service Centers

After an elderly customer presented an unusual situation at the Tainan Customer Service Center, personnel notified the Taichung Customer Service Center to watch out for this customer. This customer then visited the Taichung Customer Service Center to try to surrender his policy. When Taichung personnel kindly asked the customer about the purpose of the funds, they found inconsistencies in the customer's explanation, and therefore notified the police.

The police and staff cited fraud prevention cases and successfully prevented the customer from falling victim to a fraud scheme of NT\$400,000.



#### A true case involving the Kaohsiung Customer Service Center

An elderly policyholder visited the Kaohsiung Customer Service Center and requested a small policy loan, which he said he wished to remit to an injured classmate. When the policyholder mentioned "Bitcoin" in the course of discussion, the staff felt something was wrong and began asking questions out of concern. They then discovered that the policyholder seemed to have fallen victim to a fraud attempt. When asked to verify certain details, the policyholder refused. The staff escalated the suspected fraud and also requested the police department to send an officer to the site, preventing the fraudulent activity.



### The Customer Rights Protection Department and Taoyuan-**Hsinchu Customer Service Center jointly prevented fraud**

The Taoyuan-Hsinchu Customer Service Center received a request for a loan by a policyholder's son on behalf of the policyholder. After the personnel called the policyholder and found inconsistencies, they tried to arrange a videoconference with the policyholder only to find that the participant was still the policyholder's son. As a result, they refused the loan application and notified customer service centers throughout Taiwan.

The policyholder's son tried to apply for loans under various fake names. As a result, personnel in the Customer Rights Protection Department attempted to call the actual policyholder on numerous occasions, but failed every time. They consequently assigned personnel to visit the policyholder in person in a mountainous part of Hsinchu, for which they confirmed that the policyholder had no intention of applying for a loan, and thereby successfully protected the policyholder's rights and interests.



# 3. Short insurance education videos

People use online and social media more often nowadays. In light of this, we have produced 30 short videos concerning insurance knowledge. We hope that these videos will help us overcome barriers of age, place of residence, socioeconomic status, identity, and physical condition, and boost the public's resilience to financial risks:



Four major topics:

Understanding a few things about insurance

A detailed look at life insurance & accident insurance protection

What is medical insurance?

With help from insurance, my partner is protected

 These videos have been viewed 1.20 million times on Facebook. Instagram, YouTube, and Line@



#### Understanding a few things about insurance: 7 videos

What is insurance, differing needs at different stages of life,



#### A detailed look at life insurance & accident insurance protection: 6 videos

Learning about occupational grades and categories, life insurance claims exclusions, etc.



#### Protection for my partner: 8 videos

The best time to buy insurance for newborns; parents' protection is even more important,



#### Medical insurance protection:

#### 10 videos

Six types of protection, things to note for benefits limit, etc.

## Concluding remarks: Joining forces to realize a sustainable future

KGI Life's core principle is to treat customers fairly. We stay abreast of and respond to the needs of society. With our partnerships with public and social welfare groups and professional organizations, we will be able to create greater value. With innovative thinking and proactive measures, we are consistently promoting sustainability. We strive not only to meet the financial service and insurance needs of various groups of consumers, but also to rely on equitable and inclusive actions to realize our vision of a sustainable society. Bit by bit, we are making an inclusive, happy sustainable future a reality.



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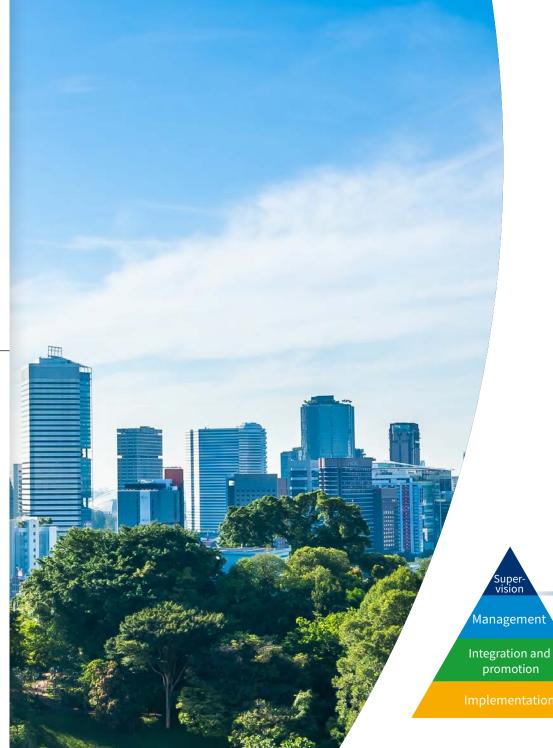
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# 1.1 Culture of Sustainable Governance

KGI Life utilizes its strengths and resources in its core business to align with the UN Sustainable Development Goals (SDGs) and Taiwan's sustainable development goals, responding to global ESG initiatives and trends. The Company also planned four sustainable development themes: "Corporate Governance Enhancement," "Achieving Financial Inclusion," "Low Carbon Transition," and "Promoting Sustainable Finance."

Under the leadership of its management team, KGI Life continues to align with international sustainability trends by deeply integrating ESG into all aspects of our operation. Guided by the four main themes of sustainable development, the Company has formulated ten comprehensive ESG sustainability strategies to fulfill the life insurance industry's corporate responsibility toward sustainability. By promoting a range of short-, mid-, and long-term goals.

KGI Life continues to strengthen its sustainable risk management and resilience, deepen collaboration with stakeholders, and adopt a forward-looking mindset to exert its influence as a life insurance company, aiming to become the most recommended and trustworthy company.

# 1.1.1 Sustainable Governance Structure

The Board of Directors serves as the highest supervisory body in the Company's sustainability governance structure. Under its authority, the Corporate Sustainable Development Committee has been established as a functional committee of the Board. Additionally, the Sustainable Development Department has been set up to coordinate and promote various sustainability initiatives and to ensure that all departments follow the Company's sustainability goals. The duties of the Board of Directors for sustainable

> development include approving corporate sustainable development policies, systems, or related management approaches, and approving specific promotion plans for corporate sustainable development.

**Board of Directors** 

Corporate Sustainable **Development Committee** 

> Sustainable Development Department

Departments



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# Implementation Status of the Sustainable Governance Bodies in 2024

#### **Board of Directors**

A total of 7 proposals were presented to the Board of Directors or submitted for approval in 2024, including:

- Climate-related risk management targets and their progress in each quarter
- Revised net-zero emission targets
- Revised the definition of "highly sensitive industries" and "other high carbon emission industries" to take into account business development needs
- Strengthened engagement mechanisms and added voting mechanisms to implement the stewardship principles
- Added the Sustainability Information
   Management Guidelines to strengthen
   the quality of sustainability information
   disclosures

#### **Corporate Sustainable Development Committee**

#### Composition of committee members:

Committee members are appointed by resolution of the Board of Directors. Currently, there are four members, all of whom are directors of the Company, including two independent directors. The committee is chaired by the President, who also serves as a director of the Company. Each member possesses expertise and practical experience in their respective fields, which help improve the quality of the committee's decision-making and strengthen internal supervision mechanisms and sustainability performance.

#### Task forces under the committee:

The Corporate Sustainable Development Committee has established six task forces for "Corporate Governance", "Social Welfare", "Environmental Sustainability", "Responsible Finance", "Customer Rights and Interests", and "Employee Care", to comprehensively cover sustainability actions in various aspects and assist in promoting the Company's overall ESG-related affairs.

#### • Number of meetings and agenda items:

In 2024, a total of 4 meetings of the Corporate Sustainable Development Committee were held, approving 9 proposals.

Important proposals were submitted to the Board of Directors for further reporting or approval.

- Achievement of sustainable development goals in Q1 to Q4 of 2024 and report on future plans
- 2023 Sustainability Report and completed third-party assurance report
- 2023 TCFD Report proposal
- 2024 Sustainable Development Achievements and Honors
- Amendments to the Sustainable Finance Commitment (including revising the net-zero carbon emission target, revising
  the definition of "highly sensitive industries" and "other high-carbon emission industries", strengthening engagement
  mechanisms, and adding voting mechanisms)

# Sustainable Development Department

As a dedicated department for sustainability affairs, the Sustainable Development Department assists the Company in formulating corporate sustainability policies and implementing sustainable development strategies. It promotes sustainable actions by referencing the sustainable development policy blueprint of the competent authority.

# Corporate Sustainable Development Committee

#### Responsible Finance Task Force

- Promote sustainable economic activities through the PRI, PSI, and PRB
- Promote climate strategies and goals related to investment and financing in response to business opportunities created by climate change
- Develop green products and other related products and services

#### Environmental Sustainability Task Force

- Establish specific goals and methods for environmental protection, energy conservation, and carbon reduction
- Promote climate strategies and goals related to the Company's operations and develop mitigation and adaptation plans

#### Social Welfare Task Force

 Invest in important social welfare issues, implement social care from all aspects, and exert key influence

#### Customer Rights and Interests Task Force

- Customer service and rights protection
- Provide comprehensive financial services through the research and development of financial innovation

#### Employee Care Task Force

- Comply with relevant labor laws and regulations
- Provide a corporate system suitable for employees' career development to cultivate and care for employees

#### Corporate Governance Task Force

- Develop suggestions to strengthen the Company's transparency and risk management, and implement compliance, internal audits, and internal controls
- Track the development of external factors related to the Company's operations



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## **KGI Life Sustainability Roadmap**



Deepen corporate governance culture, effectively utilize the functions of the Board of Directors, improve information disclosure and compliance.

- Enhance corporate governance
- Optimize sustainable supply chain management
- Strengthen information security









Align with international sustainable finance development trends, incorporate net-zero carbon emissions strategies into the sustainable finance action plan, establish cross-disciplinary alliances, and jointly create a sustainable ecosystem.

- Stable sustainable investment development
- Engagement with investees
- Increase green and sustainable investment



- The concept of "shared value" is gradually influencing corporate operations. Use this concept to create social value and increase corporate value.
- Simultaneously develop digital FinTech and seek cross-industry partners to enhance the financial service experience and brand value.
- With the rise of the knowledge economy, talent cultivation will lead companies through everchanging situations. Therefore, we create forward-looking sustainable talent plans.
  - Promote inclusive products and services
  - Promote social welfare and support regional revitalization
  - Develop digital finance innovations
  - Continuous talent cultivation
  - Promote financial fraud prevention











Pledge to achieve operational net-zero emissions and low-carbon transition.

- Strengthen risk management mechanisms
- Transition to low-carbon products and services
- Optimize operations and carbon management







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 Established baseline data for insurance service carbon footprint and obtained ISO 14067 third-party verification

- Voluntarily published the first TCFD Report

 Established the "Corporate Sustainable Development Department" dedicated to sustainability affairs

- Included SASB disclosures in the Corporate Social Responsibility Report
- Enhanced TCFD management mechanisms and passed the highest-level, third-party compliance audit
- Enhanced sustainable investment measures, implemented climate action plans, and became the world's first to obtain ISO 14097 third-party assurance

Included TCFD disclosures in the Corporate Social Responsibility Report

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

202!

2024

- Participated in the first batch of carbon trading to realize the vision of net-zero and sustainability
- Introduced IFRS S1/S2 Sustainability Disclosure Standards to identify sustainability issues that have a material financial impact

2023

2022

2021

2018

2016

2014

 The Corporate Sustainable Development Committee was upgraded to a functional committee under the Board of Directors and six task forces were established under the committee

- Amended the Sustainable Development Policy and Sustainable Development Best Practice Principles.
- Established the "Climate-Related Risk Management Guidelines" and the three lines of defense to effectively monitor climaterelated risks
- Acquired a product carbon-footprint label certificate from the Ministry of Envionment

2020

Established the Responsible Investment Policy

2019

Became a TCFD Supporter

2017

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

2015

- Established a CSR section on the company website
- Established Corporate Social Responsibility Best Practice Principles
- Set ESG goals and continued to carry out review and improvement

2008

Voluntarily published the first Corporate Social Responsibility (CSR) Report



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# 1.2 Sustainable Development Strategy

KGI Life utilizes its strengths and resources in its core business to align with the UN Sustainable Development Goals (SDGs), and planned four sustainable development themes: "Corporate Governance Enhancement," "Achieving Financial Inclusion," "Low Carbon Transition," and "Promoting Sustainable Finance," in order to show the spirit of sustainability and make a positive impact, while responding to global ESG trends. All sustainability goals set by KGI Life in 2024 have been achieved. In the future, we will continue to monitor the progress of short, medium, and long-term goals and move steadily towards a sustainable future.

/ Corporate	Achieving	Low	Promoting
Governance	Financial	Carbon	Sustainable
\ Enhancement \	Inclusion	Transition	Finance /

## **Corporate Governance Enhancement**

	Implementation Status in 2024	Short-term Goals for 2025	Mid-term Goals for 2026 to 2027	Long-term Goals for 2028 to 2029
Enhance corporate governance	<ul> <li>In line with the response of listed companies to the FSC's policy, the Company adopted the Audit Quality Indicators (AQI) policy for the first time in 2024.</li> <li>Completed the formulation of KGI Life Sustainability Information Management Guidelines.</li> </ul>	<ul> <li>Jointly implement the IFRS Sustainability Standards introduction plan with the parent company and establish an internal control system for sustainability information disclosures.</li> <li>Optimize the stakeholder system and intellectual property management.</li> </ul>	<ul> <li>Assist the parent company in improving its ranking in the Corporate Governance Evaluation of TWSE/TPEX Listed Companies and being selected as a constituent stock of international indices.</li> <li>Complete the semiautomatic input system for stakeholders and prepare for integration into the financial holding system.</li> </ul>	<ul> <li>Continue to strengthen the timeliness of information disclosure and improve the quality of sustainability information disclosures in accordance with the IFRS Sustainability Disclosure Standards.</li> <li>Continue to optimize the stakeholder system and build a legal compliance technology and resource ecosystem.</li> </ul>
Optimize sustainable supply chain management	<ul> <li>Completed human rights risk and ESG due diligence surveys on "key suppliers" with a 100% response rate.</li> <li>Supported social innovation and environmental sustainability, through a procurement amount of NT\$70 million-a number 6 times the target.</li> <li>The Company was recognized by the Ministry of Environment and the Taipei City Government as a private enterprise with excellent performance in green procurement.</li> </ul>	<ul> <li>Implement sustainable supply chain engagement and achieve a response rate of 70% for human rights risk and ESG due diligence surveys on "key suppliers".</li> <li>Encourage suppliers to join social innovation organizations and reach NT\$13 million in annual purchases from social innovation organizations.</li> <li>Promote green procurement and obtain at least one related award.</li> </ul>	<ul> <li>Implement sustainable supply chain engagement and achieve a response rate of 75% for human rights risk and ESG due diligence surveys on "key suppliers".</li> <li>Encourage suppliers to join social innovation organizations and reach NT\$14 million in annual purchases from social innovation organizations.</li> <li>Promote green procurement and obtain at least one related award.</li> </ul>	<ul> <li>Implement sustainable supply chain engagement and achieve a response rate of 80% for human rights risk and ESG due diligence surveys on "key suppliers".</li> <li>Encourage suppliers to join social innovation organizations and reach NT\$16 million in annual purchases from social innovation organizations.</li> <li>Promote green procurement and obtain at least one related award.</li> </ul>
Strengthen information security	Reduced the response time to information security incidents by 50% and the impact of information security incidents.  Passed the new version of ISO27001:2022 Information Security Management System transition certification.	<ul> <li>Reduce the response time to information security incidents and introduce automated processes for handling information security incidents: 100% processing rate within 1 day.</li> <li>Introduce a zero trust framework to reach maturity level I for high-risk and low-impact sites.</li> </ul>	<ul> <li>Introduce automated processes for handling information security incidents: 100% processing rate within 1 day.</li> <li>Introduce a zero trust framework to reach maturity level III for high-risk and low-impact sites.</li> </ul>	<ul> <li>Information security incident automated handling process optimization: 100% processing rate of specific information security incidents within 4 hours.</li> <li>Expand the implementation of the zero trust framework.</li> </ul>



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#### **Promoting Sustainable Finance**

#### Implementation Status in 2024 Short-term Goals for 2025 Mid-term Goals for 2026 to 2027 Long-term Goals for 2028 to 2029 Implemented Science Based Targets (SBTs) - 15% increase in green or sustainable investment - 25% increase in green or sustainable investment - 35% increase in green or sustainable investment positions compared to the end of 2022. positions compared to 2022. positions compared to 2022. and promoted low-carbon transition along the value chain: - Engage listed companies and set carbon - Engage listed companies and set carbon reduction - Engage listed companies and set carbon reduction reduction SBTs for 31.84% of the investment SBTs for 40.8% of the investment value of listed SBTs for 49.7% of the investment value of listed · The carbon emission intensity of power value of listed equity and bond investment equity and bond investment portfolios in 2027. equity and bond investment portfolios in 2029. generation projects was 0.19 (tCO2e/MWh), portfolios. - Implement decarbonization commitments and lower than the target 0.29 (tCO2e/MWh), with a Implement decarbonization commitments and roadmaps, with investments in high carbon industries roadmaps, with investments in high carbon industries 134% achievement rate. - Implement decarbonization commitments and roadmaps, with investments in high carbon accounting for less than 24.5%. accounting for less than 24.5%. industries accounting for less than 24.5%. · The exposure ratio of high carbon industries - Continue to cease the provision of direct project Withdraw from direct investment and financing was 16.7%, lower than the target 24.5%, with a Cease the provision of direct project financing financing and investment support for projects related support<sup>3</sup> for most<sup>4</sup> of the coal and unconventional Stable 132% achievement rate. and investment support for projects related to to thermal coal and unconventional oil and gas, as crude oil/natural gas-related industries in sustainable thermal coal and unconventional oil and gas by well as for companies involved in the continued industrialized countries such as the EU and · Engagements were conducted, and 34% of the investment member countries of the Organization for Economic 2025, as well as for companies involved in the expansion2 of such operations. investment portfolio set their SBTs, higher than development Cooperation and Development by 2030. continued expansion1 of such operations. the target 29%, with a 117% achievement rate. Decrease GHG emissions per MWh of electricity generated from electricity generation projects in - Decrease GHG emissions per MWh of electricity - Decrease GHG emissions per MWh of electricity generated from electricity generation projects 2027 by 46.2% compared to the baseline year (2022). generated from electricity generation projects in 2029 Revised the Procedures for Real Estate by 28.54% compared to the baseline year by 63.00% compared to the baseline year (2022). Investment and Management, achieving 100% - Strengthen flood prevention facilities, backup (2022).Strengthen flood prevention facilities, backup implementation of the physical risk assessment measures, or property insurance for investment real of new real estate investment targets. - Strengthen flood prevention facilities, backup estate. The percentage of high-risk cases after target measures, or property insurance for investment real measures, or property insurance for investment adjustment is less than 4%. estate. The percentage of high-risk cases after target

real estate. The percentage of high-risk cases

after target adjustment is less than 5%.

adjustment is less than 3%.

<sup>&</sup>lt;sup>1</sup> The increase in revenue ratio of related companies is expected to continue.

<sup>&</sup>lt;sup>2</sup> The increase in revenue ratio of related companies is expected to continue.

<sup>&</sup>lt;sup>3</sup> Direct investment refers to the allocation of funds into investment targets by holding more than 10% of their common shares. Direct financing refers to the direct provision of funds to enterprises or institutional units in need of capital, including extending loans and purchasing more than 10% of a company's bond in the primary market.

<sup>4</sup> Investment and financing targets whose revenue or power generation from related industries exceeds 30% and who have not proposed a low-carbon transition plan aligned with the goals of the Paris Agreement.



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## **Achieving Financial Inclusion**

	Implementation Status in 2024	Short-term Goals for 2025	Mid-term Goals for 2026 to 2027	Long-term Goals for 2028 to 2029
Promotion of inclusive products and services	<ul> <li>The microinsurance premium target achievement rate reached 256%, ranking first in the industry.</li> <li>Customer NPS: 4% growth YOY.</li> <li>The resolution rate of the FOI was 98.23%.</li> <li>Created the first multilingual interpretation service and friendly measures for people with disabilities.</li> </ul>	<ul> <li>Maintain a top-three industry ranking in microinsurance premium income target attainment.</li> <li>Continue to promote NPS: Listen to customers and optimize their experience, achieving a consolidated NPS of 55 points or higher.</li> <li>A resolution rate of over 90% by the FOI.</li> </ul>	<ul> <li>Maintain a top-three industry ranking in microinsurance premium income target attainment.</li> <li>Continue to promote NPS: Listen to customers and optimize their experience, achieving a consolidated NPS of 57 points or higher.</li> <li>A resolution rate of over 90% by the FOI.</li> </ul>	<ul> <li>Maintain a top-three industry ranking in microinsurance premium income target attainment.</li> <li>Continue to promote NPS: Listen to customers and optimize their experience, achieving a consolidated NPS of 60 points or higher.</li> <li>A resolution rate of over 90% by the FOI.</li> </ul>
romote social elfare and upport regional vitalization	<ul> <li>Organized the local youth talent cultivation academy, with more than 200 young students participating in financial education courses.</li> <li>Promoted innovative and collaborative financial education to make financial education accessible to elderly people, students, people with disabilities, new immigrants, and indigenous people.</li> <li>Enhanced the volunteer service culture, logging 29,092 volunteer service hours in 2024.</li> <li>Continued to sponsor charity events, benefiting 68,415 people during the year.</li> </ul>	<ul> <li>Promote financial education that combines regional revitalization concepts and work with 4 schools or 4 regional revitalization teams.</li> <li>Volunteer activities are combined with regional revitalization teams/public welfare organizations, with a 10% annual growth in partners and sessions.</li> <li>Average 7 volunteer service hours per employee.</li> <li>Gradually increase the number of beneficiaries from charitable support for disadvantaged groups in remote areas, reaching 21,000 people.</li> </ul>	<ul> <li>Promote financial education that combines regional revitalization concepts and work with 5 schools or 5 regional revitalization teams.</li> <li>Volunteer activities are combined with regional revitalization teams/public welfare organizations, with a 10% annual growth in partners and sessions.</li> <li>Average 8 volunteer service hours per employee.</li> <li>Gradually increase the number of beneficiaries from charitable support for disadvantaged groups in remote areas, with a 5% annual growth in beneficiaries from charity activities.</li> </ul>	<ul> <li>Promote financial education that combines regional revitalization concepts and work with 6 schools or 6 regional revitalization teams.</li> <li>Volunteer activities are combined with regional revitalization teams/public welfare organizations, with a 10% annual growth in partners and sessions.</li> <li>Average 9 volunteer service hours per employee.</li> <li>Gradually increase the number of beneficiaries from charitable support for disadvantaged groups in remote areas, with a 5% annual growth in beneficiaries from charity activities.</li> </ul>
Develop ligital finance nnovations	<ul> <li>Promoted digital insurance services and increased electronic policies by 12.03% compared to 2023.</li> <li>Online service usage rate reached 40.9%.</li> </ul>	<ul> <li>Promote electronic policies and mobile claim rates with a 2% annual growth.</li> <li>iLife App/Web optimization or new services ≥ 12 items.</li> <li>Establish Chatbot for C and complete 11 major FAQ and 38 service categories.</li> <li>Install audio recording and playback bots for the elderly.</li> <li>Develop the Mobile Application 2.0 for better performance and user experience.</li> </ul>	<ul> <li>Promote electronic policies and mobile claim rate with a 2% annual growth and a 3% annual growth for mobile insurance purchase rate.</li> <li>iLife App/Web optimization or new services ≥ 15 items.</li> <li>Add transferring to live chat with human agent to Chatbot for C.</li> <li>Add voice bots and customer self-service to Chatbot for C.</li> </ul>	<ul> <li>Promote electronic policies and mobile claim rate with a 2% annual growth and a 3% annual growth for mobile insurance purchase rate.</li> <li>iLife App/Web optimization or new services ≥ 15 items.</li> <li>Establish a comprehensive smart customer service, providing text, voice, and video appointments to expand customer self-service.</li> <li>Obtain the first operation approval from the competent authority for the audio recording and playback bots for the elderly, expand collaboration with external channels, and evaluate robot calling operations.</li> </ul>



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# **Achieving Financial Inclusion**

	Implementation Status in 2024	Short-term Goals for 2025	Mid-term Goals for 2026 to 2027	Long-term Goals for 2028 to 2029
Continuous talent cultivation	Organized 20 financial insurance seminars for colleges and high schools.	<ul> <li>Establish a succession and potential talent pool.</li> <li>Organize at least 8 camps and lectures for colleges and high schools.</li> </ul>	<ul> <li>Increase the retention rate of key talent.</li> <li>Organize at least 20 camps and lectures for colleges and high schools over 2 years.</li> </ul>	<ul> <li>Increase the retention rate of key talent.</li> <li>Organize at least 25 camps and lectures for colleges and high schools over 2 years.</li> </ul>
Promote financial fraud prevention	<ul> <li>Strengthened financial fraud prevention and provided online financial fraud prevention services for the visually impaired.</li> <li>A total of 50 fraud prevention and financial literacy seminars were held throughout the year, with over 2,439 participants.</li> </ul>	<ul> <li>Implement financial fraud prevention and promote 5 customer service fraud prevention measures.</li> <li>Collaborate with community associations for seniors, indigenous people, and new immigrants to organize at least 12 fraud prevention and financial insurance seminars.</li> <li>Collaborate with the Criminal Investigation Bureau to organize fraud prevention seminars for agents, with 3 sessions planned.</li> </ul>	<ul> <li>Implement financial fraud prevention and promote 5 customer service fraud prevention measures.</li> <li>Collaborate with community associations for seniors, indigenous people, and new immigrants to organize at least 25 fraud prevention and financial insurance seminars over 2 years.</li> <li>Collaborate with the Criminal Investigation Bureau to organize fraud prevention seminars for agents, with 7 sessions planned over 2 years.</li> </ul>	<ul> <li>Implement financial fraud prevention and promote 5 customer service fraud prevention measures.</li> <li>Collaborate with community associations for seniors, indigenous people, and new immigrants to organize at least 30 fraud prevention and financial insurance seminars over 2 years.</li> <li>Collaborate with the Criminal Investigation Bureau to organize fraud prevention seminars for agents, with 9 sessions planned over 2 years.</li> </ul>

## **Low Carbon Transition**

	Implementation Status in 2024	Short-term Goals for 2025	Mid-term Goals for 2026 to 2027	Long-term Goals for 2028 to 2029
Strengthen risk management mechanisms	<ul> <li>Continued to improve climate risk management mechanisms and strengthen climate scenario analysis.</li> <li>Maintained the business continuity management mechanism for natural disasters. Completed annual off-site office drills, information operation continuity plan drills, and internal audits.</li> </ul>	<ul> <li>Introduce the IFRS Sustainability Disclosure Standards.</li> <li>Introduce the principle of dual materiality and optimize the disclosure of sustainability information.</li> <li>Strengthen climate-related opportunity identification and corresponding management strategies.</li> <li>Optimize scenario analysis tools to assess the financial impact of transition risks.</li> <li>Optimize physical risk scenario analysis models.</li> </ul>	<ul> <li>Complete preparations for alignment with IFRS S1/S2 Climate-related Information Disclosure Requirements.</li> <li>Continue to improve the methodology for climate risk scenario analysis.</li> </ul>	<ul> <li>Publish climate-related information in accordance with IFRS S1/S2 Climate-related Information Disclosure Requirements.</li> <li>Continue to improve the methodology for climate risk scenario analysis.</li> </ul>



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## **Low Carbon Transition**

	Implementation Status in 2024	Short-term Goals for 2025	Mid-term Goals for 2026 to 2027	Long-term Goals for 2028 to 2029
Transition to low-carbon products and services	<ul> <li>Promoted paperless administrative processes, with a 14% annual growth rate in paper savings, equivalent to saving 10.187 million sheets of paper.</li> </ul>	<ul> <li>Promote paperless administrative processes, including E-notice/electronic notifications, with a 5% annual growth rate in paper savings.</li> </ul>	<ul> <li>Promote paperless administrative processes, including E-notice/electronic notifications, with a 5% annual growth rate in paper savings.</li> </ul>	<ul> <li>Promote paperless administrative processes, including E-notice/electronic notifications, with a 5% annual growth rate in paper savings.</li> </ul>
Optimize operations and carbon management	<ul> <li>The Company's operational carbon emission was 3,836 tons, lower than the target of 6,021 tons, with a 136% achievement rate.</li> <li>Continued to obtain ISO 50001 Energy Management System external certification and ISO 14001 Environmental Management System external certification.</li> <li>Employee cafeterias regularly implemented the "One Day Without Red Meat" initiative, reducing carbon emissions by 43.77 metric tons.</li> <li>51% of equipment used at offices and agencies have water efficiency labels.</li> </ul>	<ul> <li>Implement operational carbon emission reduction for offices and agencies based on SBTs.</li> <li>Continue the red meat reduction and zero kitchen waste plan for employee cafeterias to promote operational carbon reduction and circular economy development:</li> <li>Two vegetarian days a year</li> <li>Red meat free menu twice a month</li> <li>More than 65% of equipment used at offices and agencies have water efficiency labels.</li> <li>Obtain ISO 14001 certification for the headquarters and Dunbei buildings.</li> <li>Obtain ISO 50001 certification for the headquarters building.</li> </ul>	<ul> <li>Implement operational carbon emission reduction for offices and agencies. Maintain carbon neutrality in the headquarters building.</li> <li>Continue the red meat reduction and zero kitchen waste plan for employee cafeteria to promote operational carbon reduction and circular economy development:</li> <li>Two vegetarian days a year</li> <li>Red meat free menu twice a month</li> <li>More than 65% of equipment used at offices and agencies have water efficiency labels.</li> <li>Obtain ISO 14001 certification for the headquarters and Dunbei buildings.</li> <li>Obtain ISO 50001 certification for the headquarters building.</li> </ul>	<ul> <li>Implement operational carbon emission reduction for offices and agencies. Maintain carbon neutrality in the headquarters building.</li> <li>Continue the red meat reduction and zero kitchen waste plan for employee cafeterias to promote operational carbon reduction and circular economy development:</li> <li>Two vegetarian days a year</li> <li>Red meat free menu twice a month</li> <li>More than 65% of equipment used at offices and agencies have water efficiency labels.</li> <li>Obtain ISO 14001 certification for the headquarters and Dunbei buildings.</li> <li>Obtain ISO 50001 certification for the headquarters building.</li> </ul>



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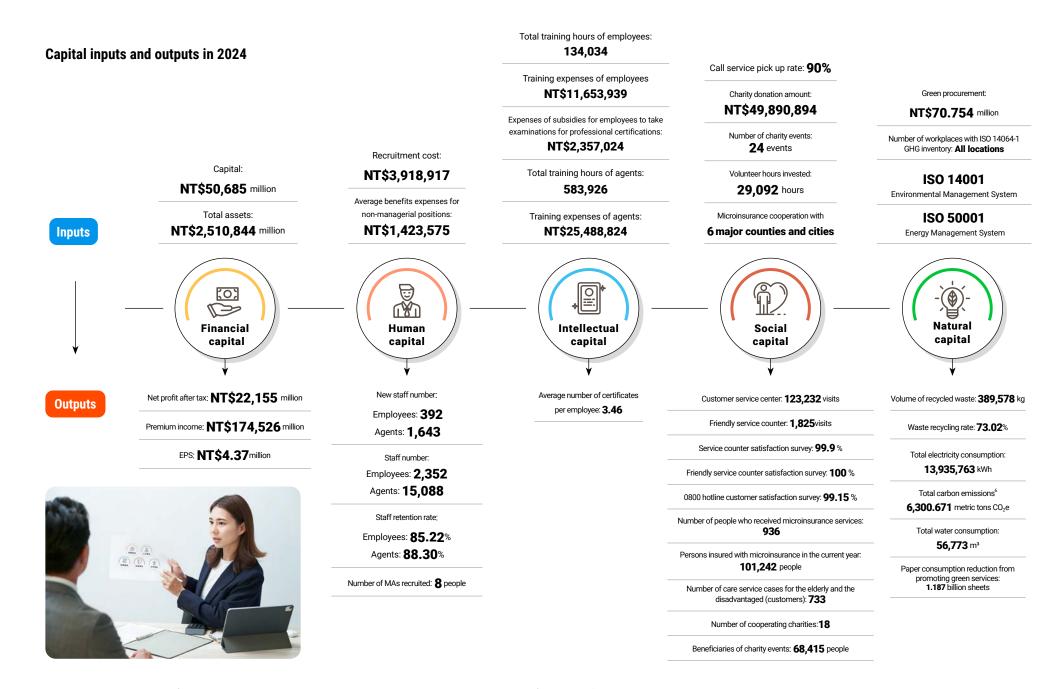
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<sup>6</sup> Carbon emissions are the sum of category 1 and category 2 emissions. For category 3 to 5 greenhouse gas emissions, please refer to CH 4.2.4 "Greenhouse Gas Management".



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# 1.3 Stakeholder Engagement

Based on identification results using the AA1000 Stakeholder Engagement Standard, as well as methods of benchmark enterprises, we selected 9 types of important stakeholders of KGI Life, including the competent authority, cooperating channels, policyholders, employees, media, suppliers/contractors, investees, public welfare organizations/NGOs, and shareholders (parent company). We engage stakeholders through different channels to understand topics of concern to them, their opinions, and feedback, which are referenced during material topic analysis. We adjust management measures or provide corresponding information accordingly to achieve good engagement results.

#### **Competent authority**

Ethical management of the insurance business and compliance with regulations of the competent authority

#### **Shareholders (parent company/investors)**

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

#### **Policyholders**

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

#### Communication Channels

- Provide reports or descriptions of related businesses to the competent authority
- Irregularly participate in relevant forums and seminars held by competent authorities; provide suggestions and keep abreast of the latest regulations and related campaigns
- Disclosures required by law are disclosed on the official website

# Channels

- Investor conference
- · Official website
- · Market Observation Post System

#### Communication Results

Communication

Frequency

- Financial holding company organized investor conferences
- Regularly updated the results of the Company's sustainable development initiatives in the sustainable development section of
- Regularly announced the Company's Chinese and English quarterly financial reports and annual reports for shareholders' meetings in the financial information section of its website
- Regularly updated the Company's financial highlights, business overview, and corporate governance information in the information disclosure section of its website
- · Regularly update financial reports, annual reports, corporate governance, and sustainable development information on the Market Observation Post System and the Market Observation Post System for the Insurance Industry
- Irregular/regular

# Communication

- Issued the policyholder e-newsletter 12 times with a total of 111
- institutions that provide discounts
- provided in 2024
- from elderly, disabled, and disadvantaged people, accounting for 12.2% of all cases
- · The total number of inbound telephone calls reached 637,090 in
- · A total of 9,497 comments were left on the company website in 2024 and 2,765 service emails were received, totaling 12,262 messages. First contact with the commenters was made within 5 hours after the case was assigned

munication Frequency

Irregular/regular

#### Communication Channels

- Inquire or file a complaint with the Company via mail, fax, telephone, online message, visit a service counter in person, personal visit, or other channels (including but not limited to the Financial Ombudsman Institution, Financial Supervisory Commission Insurance Bureau, county/city governments, etc.)
- Company website: Inquiries and comments, policyholder section, online insurance enrollment section, stakeholders section, AML section, and free e-newsletter subscription
- · Social media: Facebook, Instagram, Line
- · Toll-free customer service hotline: 0800-098-889
- Overseas consultation hotline: International call prefix +886-4-66015760

# Results

- Provided a policyholder sharing card with 2,982 contracted
- · A total of 41 overseas emergency assistance services were
- · Received 1,295 complaints in 2024, in which 158 complaints were

contracted businesses offered discount

#### Communication Results

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

- · Financial industry AML/CFT seminar
- · Seminar on strengthening compliance for the insurance industry
- · Insurance industry corporate governance seminar
- · Insurance industry internal audit forum
- · Meeting and seminar on IFRS 17 transition and relevant regulatory amendments
- · Insurance industry risk management meetings and risk management
- Insurance industry climate-related financial disclosure practices handbook promotion seminar
- Scope 3 carbon reduction targets and strategic schedule planning meeting
- Meetings on proposed reference principles for using insurance contracts as the object of compulsory enforcement, as well as the draft amendments to certain provisions of the Insurance Act.
- Meetings on the revision of penalty standards for insurance agents
- Seminar on sexual harassment prevention education in the workplace
- · Consultative meeting on the legality of fire authorities accessing policyholders' insurance application records
- · Meetings on information security protection in the insurance industry (covering topics such as national cybersecurity policies and defense strategies, guidelines for the use of artificial intelligence (AI), digital identity verification, outsourcing cloud services, and operating principles for emerging technologies)

Communication Frequency

Irregular/regular



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5

#### labor-managment meetings

100%

#### positive media exposure

#### **Employees**

Employees are the Company's most important assets; the Company thus provides good training programs and competitive remuneration and benefits

#### Communication Channels

- Held quarterly labor-management meetings
- Diverse training and courses
  - · Workday employee learning section
  - · Publish an internal publication for employees
  - The intranet provides employee complaint channels, and complainants can access the information to file a complaint

#### Communication Results

- Held 5 labor-management meetings to report, fully communicate, and discuss labor trends, business overview, and labor related matters
- Published internal publications for employees 12 times

## Cooperating channels

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

#### Communication Channels

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

#### Communication Results

- Established partnerships with 29 banks and 13 securities firms as cooperating channels
- Jointly implemented mobile insurance application projects with 13 cooperating channels to make digitalization results a leading indicator in the industry
- Established the industry's first collaboration with bank channels to launch zero-contact, paperless remote insurance application services. Partnering with Hua Nan Bank, First Commercial Bank, E.SUN Bank, and KGI Securities in remote insurance application made KGI Life first in market share in terms of the number of digital insurance application partners. This initiative also supported the Company's digital insurance policy and ESG sustainability governance

Communication

Channels

Media

Establish a dedicated unit

to the Company to strengthen the brand image

Publish press releases every month and irregularly produce special reports

Maintain good interaction with the media and proactively provide information related

- Maintain media relations and organize media dinners and activities from time to time
- A note of recent events and highlights is provided to the media for press releases
- · Social media: Facebook and Instagram
- · Information disclosures in "Latest News" on the company website

#### Communication Results

- Issued 117 press releases and the number of news reports where KGI Life proactively sent the manuscript, data, or arranged for the spokesperson to be interviewed reached 3,090; 100% of the reports were positive
- Published 453 posts on Facebook and Instagram to proactively create exposure on social media and increase brand awareness, reaching 15 million users

#### Communication Frequency

Irregular/regular

#### Communication Frequency

Irregular/regular

#### Communication Frequency

Irregular/regular









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#### Public welfare organizations/NGOs

Charity events:

Irregular/regular

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

Communication

Communication

Frequency

Results

- Organize monthly corporate volunteer service activities
- Irregularly sponsor or donate to underprivileged groups
- · Irregularly organize charity events based on different topics

Collaborated with 18 public welfare organizations and

organized 24 charity events with 68,415 beneficiaries

Worked with 30 welfare organizations to organize 355

activities, with the service hours totaling 29,092 hours

Communication on social media: Facebook, Instagram, and Line

## Communication

**Investees** 

term investment benefits

Periodically attend shareholders' meetings and board meetings

Implement the Stewardship Principles for Institutional Investors, continue to engage

with investees, and fulfill responsibilities when making investments to increase long-

- Attend investor conferences of investees and look into material topics from time to time
- · In-person visits
- · Distribute engagement questionnaires each year

#### Communication Results

- Published monthly investment reports reviewing the performance and tracking the operating status of investees, and submitted the reports to senior executives for review; monitored 100% of investees each month
- · Participated in 100% of shareholders' meetings of domestic listed (unlisted) investee companies within the scope permitted by law
- · Visited 92 investee companies in Taiwan in person, averaging 3 visits per company. Attended the shareholders' meetings of 117 domestic investee companies, with a total of 559 votes on proposals of listed and unlisted companies
- · Distributed 174 engagement questionnaires

#### Communication Frequency

Irregular/regular



100% 70.745

#### of suppliers signed the Supplier **Sustainability Commitment**

#### million for green procurement

#### **Suppliers/Contractors**

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

#### Communication Channels

- "Sustainable Supply Chain" and "Supplier Management" sections of the company website
- Suppliers sign the Supplier Sustainability Commitment or Supplier Corporate Social Responsibility Commitment
- · Supplier evaluation
- · Sustainable supply chain management and ESG EDM

# Communication

- Continued to implement green procurement and promote green consumption. In 2024, the amount of green procurement amounted to NT\$70.754 million, an increase of almost 30% compared to 2023
- Received the top prize in the "2024 Buying Power Social Innovation Products and Services Procurement Incentive Program" organized by the Small and Medium Enterprise and Startup Administration of the Ministry of Economic Affairs in 2024. With procurement exceeding NT\$71 million, the Company has been recognized for eight consecutive years and has secured the top prize three times.
- · 100% of suppliers of general procurement contracts signed the Supplier Sustainability Commitment
- · Completed the "Supplier Human Rights Risk and ESG Due Diligence Survey" for 17 key suppliers
- The Supplier Corporate Social Responsibility Commitment signing rate reached 100% for construction contracts
- · In the construction category, 32 suppliers were eliminated, 14 suppliers were added, and the number of qualified suppliers decreased to 70 in 2024

# Frequency

Irregular/regular





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# 1.4 Material Topics Identification Process

KGI Life follows the "GRI 3: Material Topics" identification process to annually review and identify material topics closely related to the Company's operations. These topics serve as a guide for the Company's sustainability initiatives and form the basis for disclosures in the current year's sustainability report. In 2024, a total of 6 material topics, 14 secondary topics, and 4 other topics were identified. These were reviewed and approved by the Corporate Sustainable Development Committee and the Board of Directors to help stakeholders understand KGI Life's sustainability performance.



# Step 1

# Identify and redefine impacts

Reviewed the types of KGI Life's operating activities, issues of concern to domestic and foreign peers, and related initiatives, standards, and requirements, and identified the actual and potential positive and negative topics for KGI Life

## 24 sustainability topics

(including 12 positive impact topics and 12 negative impact topics)

# Step 2

## Identification

## Degree of impact of sustainability topics on external economy, environment, and people:

The heads and members of the six task forces under the Corporate Sustainable Development Committee filled out the questionnaire on behalf of internal and external stakeholders

# A total of **34** questionnaires were collected

(including 4 from senior executives and 30 from stakeholders)

# Degree of financial impact and likelihood of occurrence:

To understand the potential financial impact of each topic on the Company, the relevant units comprehensively reviewed the nature of sustainability risks and opportunities corresponding to each topic, assessed the likelihood of occurrence and the degree of financial impact, and collected objective data (such as training expenses, system installation expenses, investment income, fines, litigation expenses, etc.)

# A total of **19** questionnaires were collected

(each questionnaire includes 9 risk items and 4 opportunity items)

# Step 3

## Impact assessment

In accordance with the spirit of the GRI 3 Standards, the Company assessed 24 positive and negative sustainability topics based on the three evaluation factors of the "degree of impact on external economy, environment, and people", "degree of financial impact", and "likelihood of occurrence". Through this assessment, a triple materiality matrix was developed to identify topics of significance to both internal and external stakeholders

X axis: Degree of impact on external economy, environment, and people Y axis: Degree of potential financial impact Z axis: Likelihood of occurrence

6 material topics14 secondary topics

4 other topics

# Step 4

# Disclosure and reporting

The Sustainable
Development Department
reviewed the reasonableness
of the material topic
matrix and reported it to
the Corporate Sustainable
Development Committee
and Board of Directors to
confirm KGI Life's 6 material
topics in 2024.

Compiled in the Sustainability Report



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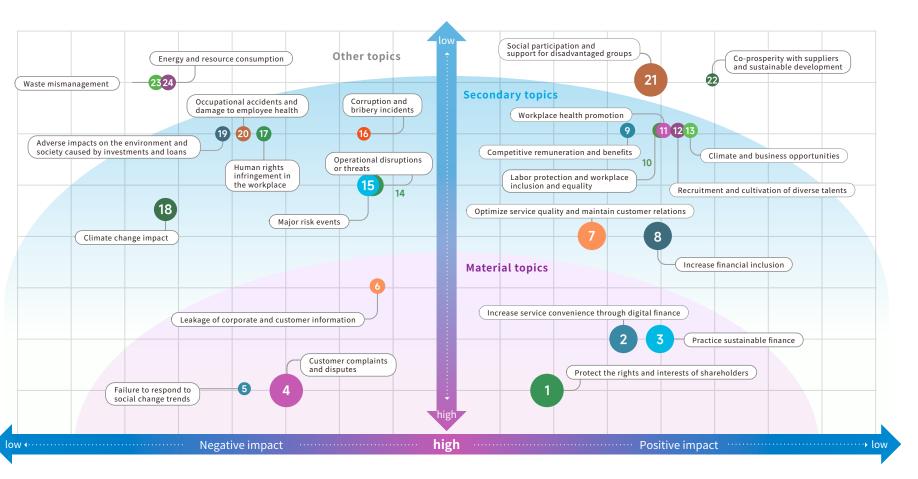
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# Level of Impact on External Economy, Environment, and Communities







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			Material topics (6 items)
	Topic	Aspect	Description
0	Protect the rights and interests of shareholders	Positive	KGI Life continues to maintain high operating performance and profitability to protect the rights and interests of shareholders, employees, and stakeholders.
2	Increase service convenience through digital finance	Positive	KGI Life enhances the convenience and accessibility of the financial environment through digital services, allowing customers to use financial services more conveniently. At the same time, digital financial services and products can reduce the waste of paper or related resources and reduce the impact on the external environment.
3	Practice sustainable finance	Positive	Through investment, KGI Life directs funds toward economic activities that promote human rights, environmental sustainability, low carbon practices, and climate adaptation. This approach reduces environmental impact, minimizes energy and resource consumption, and enhances the overall resilience of the economic system in the face of climate change.
4	Customer complaints and disputes	Negative	If customer complaints and disputes occur due to KGI Life's failure to uphold treating customers fairly or factors such as a complicated claims or complaint mechanism, poor service quality, lack of product transparency, aggressive sales tactics, or discriminatory practices, it could harm the rights and interests of customers and other stakeholders.
5	Failure to respond to social change trends <sup>6</sup>	Negative	If KGI Life ignores social changes (such as aging, declining birth rates, and expanding gap between urban and rural areas) that result in changes in customer needs, and does not make corresponding adjustments of products and services, it may harm the rights and interests of customers, communities, and people due to the lack of suitable products or services.
6	Leakage of corporate and customer information	Negative	If KGI Life causes the leakage of customer personal data or sensitive corporate information due to security vulnerabilities, hacker attacks, human error in operations, or employee failure to comply with personal data privacy protection, the rights and interests of customers, shareholders, and other stakeholders will be compromised.

		S	Secondary topics (14 items)
	Topic	Aspect	Description
7	Optimize service quality and maintain customer relations	Positive	KGI Life treats every customer fairly, establishes transparent claims mechanisms, and simplifies application requirements. We also provide auxiliary services for different groups to ensure that customers' rights and interests are protected.
8	Increase financial inclusion	Positive	KGI Life provides disadvantaged or special groups with favorable or additional services to make it more convenient for them to access and use the Company's services.
9	Competitive remuneration and benefits	Positive	KGI Life offers competitive salaries and a comprehensive benefits system to provide good job and development opportunities, protecting employees' rights and interests.
10	Labor protection and workplace inclusion and equality	Positive	KGI Life continues to improve the workplace, providing employees with a healthy and safe workplace and protecting their health and safety while they work. At the same time, we also provide a friendly and good work environment for women, the disadvantaged, and diverse groups, creating job opportunities.
1	Workplace health promotion	Positive	KGI Life continues to enhance workplace safety, health, and hygiene to provide employees with a healthy and good work environment, ensuring their physical and mental well-being while working.
12	Recruitment and cultivation of diverse talents	Positive	KGI Life provides a variety of recruitment and training programs to encourage employees with different backgrounds and talents to gain opportunities for employment and diversified development in the work environment.
13	Climate and business opportunities	Positive	KGI Life is strengthening its ability to seize opportunities related to climate change by directing funds through investment and financing activities toward low-carbon and climate-adaptive economic initiatives, thereby enhancing the overall resilience of the economic system in the face of climate change.

6 The original "adverse impact of social change events" was renamed "failure to respond to social change trends";
"climate risk impact" was renamed "climate change impact".

14)	Operational disruptions or threats	Negative	If KGI Life is affected by unforeseeable external events, such as natural disasters (e.g., earthquakes), infrastructure failures (e.g., power outages), or political instability (e.g., war and political sanctions), that threaten or disrupt daily operations and business activities, it may result in significant financial impact to the Company and harm the rights and interests of customers and related stakeholders.
15	Major risk events	Negative	If KGI Life encounters emerging external risks (such as those arising from Al or geopolitical tensions), market risks, or mismanagement of internal credit, operational, liquidity, or other risks, leading to situations where business activities exceed the Company's risk appetite or result in idle capital, this may cause significant regulatory violations or operational losses, thereby affecting the rights and interests of customers, shareholders, and other stakeholders.
16	Corruption and bribery incidents	Negative	If KGI Life experiences poor corporate governance performance, employee non- compliance with the code of conduct, or a failure to uphold ethical management, which results in incidents of dishonesty, corruption, fraud, or misconduct, it may negatively impact overall business operations and harm the rights and interests of customers, shareholders, and other stakeholders.
7	Human rights infringement in the workplace	Negative	If KGI Life experiences deficiencies in internal management mechanisms, training, or promotion efforts, which results in violations of workplace human rights (such as sexual harassment, forced labor, or improper discrimination), it may lead to the infringement of employee rights and interests.
18	Climate change impact <sup>6</sup>	Negative	If KGI Life cannot effectively reduce GHG emissions, it may exacerbate the impact of climate change, aggravate the negative external environmental impact, and increase the frequency of climate-related disasters (e.g., sudden rainfall and high temperatures)
19	Adverse impacts on the environment and society caused by investments and loans	Negative	If KGI Life does not fully consider ESG factors in its investment and financing activities and provides funds to companies with poor ESG performance (such as industries with high carbon emissions), the Company's operating activities may create negative impacts on the environment and society.
20	Occupational accidents and damage to employee health	Negative	If KGI Life fails to provide a safe and healthy working environment, resulting in occupational injuries, occupational accidents, overtime work, or forced labor, it may lead to impacts on the health and rights and interests of employees.

			Other topics (4 items)			
	Topic	Aspect	Description			
21	Social participation and support for disadvantaged groups	Positive	KGI Life increases job opportunities, generates revenue, and supports community economic development by engaging in public welfare and charitable activities, as well as collaborating with public welfare organizations, young entrepreneurs, small farmers, and other economically disadvantaged groups.			
22	Co-prosperity with suppliers and sustainable development	Positive	KGI Life enhances suppliers' ESG awareness and management through meetings, lectures, or other engagements, thereby promoting the sustainable development of the overall financial supply chain.			
23	Waste mismanagement	Negative	If KGI Life fails to effectively manage the Company's waste, in lowering efficiency in waste reduction, recycling, and reuse, it may lead to the further increase of external environmental burdens and affecting the living environment of people.			
24	Energy and resource consumption	Negative	If KGI Life fails to effectively manage or introduce energy-saving products, resulting in an increase in energy and resource consumption, it may lead to the further increase of external environmental burdens and affect the living environment of people.			



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			Value chain								
Matarial Tanias and Impact Daundarias				Internal	External						
Material Topics and Impact Boundaries				Direct impacts	Those directly affected due to the business relation with the Company		Those affected due to the indirect relation with the Company				
Material topics	Specific GRI topics/ Self-defined topics	Meaning of material topics to KGI Life	Response measures	KGI Life	Policyholders	Suppliers/ Contractors	Cooperating channels	Investees	Public welfare organizations/ NGOs	Response Chapter	Response page
Protect the rights and interests of shareholders	GRI 201 - Business Performance	Stable operation and growth are our most fundamental commitments to shareholders and policyholders. We provide a wide variety of products, make cautious investments, and strictly manage risks, generating high profits and driving the Company towards innovation and advancement.	Provide transparent financial reporting to safeguard customer rights and interests, maintain sound risk management, and promote innovative insurance products in order to proactively respond to market demands and regulatory changes, ensuring stable corporate growth.	•	•	•	•	•		CH 2	36
Increase service convenience through digital finance	Self-defined topic - Digital finance and innovation	In the digital age, KGI Life integrates innovative digital technologies based on policyholder needs to enhance service quality and deliver new customer experiences. This approach increases business flexibility and scalability, strengthening the Company's overall competitiveness.	Develop the digital finance blueprint, implement digital transformation with respect to employees, technologies, and processes, and maintain competitiveness under the FinTech trend.	•	•	-	•		-	CH 3	73
Practice sustainable finance	Self-defined topic - Promoting sustainable finance	Enhancing long-term corporate value and risk management is a key strategy that helps attract investors with a strong focus on social responsibility, enabling the Company to maintain sustainable competitiveness in an ever-changing market.	Implement responsible investment, eliminate inappropriate investment targets, and establish investment portfolios to create stable returns on investment while exerting the influence of investment.	•	•	-		•	-	CH 3	62
Customer complaints and disputes	GRI 2-25 Procedures for remediating negative impacts GRI 2-26 Mechanisms for seeking advice and raising concerns	KGI Life's ability to communicate with customers and resolve disputes directly impacts its brand image and customer loyalty. For us, the problem-solving process also serves as an opportunity to demonstrate our values and sense of responsibility.	Introduce the ISO 10002 Customer Complaint Quality Management System to transform unhappy customers into positive business opportunities through effective complaint management, and find "opportunities" and "points for improvement" in the process.	•	•	-	•	-	-	CH 5	107
Failure to respond to social change trends	Self-defined topic - Sustainable insurance	With the rapid evolution of social changes and consumer demand, failure to respond to changes in a timely manner may lead to the loss of market opportunities and affect the competitiveness of the Company.	Develop a wide variety of products to meet customer needs and expand diverse and thoughtful services to ensure the Company's long-term strengths.	•	•	-	•	-	-	CH 5	99
Leakage of corporate and customer information	GRI 418 Customer privacy	Loss of customer trust and loyalty may lead to significant legal risks and financial losses.	Establish an Information Security Committee and Personal Data Protection Committee, continue to monitor the feasibility of overall mechanisms, and achieve the goal of no major information security and personal data incidents throughout the year.	•	•	•	•	•		CH 2	58



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# 1.5 Shaping the Corporate Sustainability Culture

KGI Life recognizes that the active participation and awareness of all employees are key to achieving sustainable transition. To this end, we have allocated a dedicated budget and designed a multi-level ESG training program tailored to different roles, including general employees, senior executives, and directors, to ensure that each role can contribute the necessary value and capabilities in the Company's sustainability journey. A total of 64 sustainable training sessions were held in 2024.

For general employees, we help them incorporate the concept of sustainability into their daily duties through the introduction to basic knowledge and case studies. For senior executives, our focus is on strategy-oriented courses that support the planning and execution of forward-looking sustainability transition initiatives. For directors, specialized lectures on emerging trends are arranged, featuring insights from industry experts to ensure that ESG considerations are fully integrated into decision-making processes. Through the comprehensive education and training, all employees of the Company will have the essential knowledge.

35,669 hours



- Human rights policy and DEI-friendly
- · Anti-money laundering and counter terrorism financing
- · Treating Customers Fairly Principles and friendly financial services
- · Occupational health and safety
- Legal compliance education
- · Ethical corporate management
- · Information security

Senior executives (including department supervisor or above)

1,346.44 hours



- · Impact investing
- · Circular economy
- IFRS S1/S2
- Sharing of the diverse cultures of new
- · Internal control measures for AML/CFT
- Fraud prevention education and training
- · Emerging financial supervision for artificial intelligence applications

**203.5** hours



- · Challenges of implementing the TCF Principles
- IFRS 17
- · Development of AI applications in the financial industry
- · Analysis of AML regulations, current status, and practices
- · Ethical corporate management theories and practices
- · Prevention of insider trading
- · Common deficiencies and penalties in the financial industry
- Board of Directors supervision of ESG risks
- · Strengthening labor rights and creating a friendly workplace



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# 1.5.1 Stakeholder SDG engagement

KGI Life took the initiative to organize various engagement activities related to the SDGs and Taiwan's sustainable development policies to foster two-way communication with stakeholders. These activities explore how sustainability principles and the SDGs can be integrated into daily operations and strategic development. By establishing good partnerships with stakeholders, KGI Life hopes to exert our influence and further promote social co-prosperity, realizing sustainable value.

#### Financial knowledge/fraud prevention promotion

Fraud prevention for the elderly and vulnerable groups has become a key component of KGI Life's commitment to treating customers fairly and age-friendly financial services. Recognizing that high-risk individuals may fall victim to scams due to factors such as remote living conditions, limited mobility, or information gaps, KGI Life has partnered with local organizations, public welfare groups, institutions, associations, schools, and police departments to promote anti-fraud awareness campaigns for seniors. We aim to enhance basic insurance knowledge and fraud prevention awareness among financially vulnerable populations, helping to bridge the gap between urban and rural areas. A total of 50 sessions of "financial knowledge/fraud prevention promotion" were held throughout the year, helping 2,439 rural residents and financially disadvantaged elderly people.

#### **Participants**

#### (Stakeholders)

Employees, local organizations, disadvantaged groups, institutions, associations, schools and police departments, and disadvantaged groups (elderly indigenous people, disadvantaged people in remote areas, persons with disabilities, youths, economically disadvantaged individuals, new immigrants, and people living with dementia and their families)

#### Sessions





#### **World Alzheimer's Month**

In collaboration with the Taiwan Alzheimer's Disease Association, KGI Life organized a special exhibition for World Alzheimer's Month, which demonstrated our commitment to creating a dementia-friendly society. Through this event, we aimed to raise public awareness and understanding of dementia.

#### **Participants**

#### (Stakeholders)

Independent directors, employees (including senior executives), and members of Taiwan Alzheimer's Disease Association





### Forum on the rights and interests of persons with disabilities

We collaborated with the Chinese National Association of the Deaf and the Doufu Barrier-Free Life and Transportation Development Association to understand the insurance needs of people with disabilities and help them understand insurance and their insurance rights through exchanges.

#### **Participants**

#### (Stakeholders)

Employees, members of the Chinese National Association of the Deaf, and members of the Doufu Barrier-Free Life and Transportation Development Association

#### Sessions



## **Group supplier conference**

On Earth Day (April 22), the "2024 China Development Financial Holding Group Supplier Conference" was held, with participation from over 100 vendors. The event featured a keynote speech by Unity Sustainability Services Co., Ltd., titled "Challenges and Opportunities for Taiwan's Supply Chain amid the Global Sustainability Trend". The presentation offered in-depth insights into how suppliers can seize emerging trends and achieve successful transition in the era of net-zero and low-carbon transition. Together, the Group and its suppliers are advancing toward the goal of net-zero carbon emissions.

### **Participants**

#### (Stakeholders)

Employees and suppliers

#### Sessions









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#### **Coastal cleanup activities**

Employees, agents, policyholders, and their families were called on to participate in the beach cleanup activities. We invited ecologists to explain the importance of protecting the ocean, work together to clean up beaches, maintain the cleanliness of the ocean, and invest manpower to improve the problem of marine pollution.

#### **Participants**

#### (Stakeholders)

Employees, policyholders, and their families

#### Sessions

# 6





## Mountain cleanup and community environment activities

We launched a mountain cleanup activity and called on employees to participate, jointly protecting the natural environment and experiencing the beauty of the mountains and forests.

## **Participants**

(Stakeholders)

Employees

#### Sessions

6



#### **Blood donation drives**

Employees from six locations across Taiwan rolled up their sleeves to donate blood and show compassion, with a total of 651 donations collected, amounting to 1,150 bags of blood. This initiative turned the slogan "One bag of blood, one life saved" into meaningful action, helping to ease the critical blood shortage faced by local blood banks.

#### **Participants**

#### (Stakeholders)

Employees, the general public, and NGOs

#### Sessions



## **Regional revitalization**

The President of KGI Life led the management team in volunteering at organic farms in remote areas, accompanying 33 students to experience food and agriculture education from land to table. They learned about the relationship between people and the natural environment.

### **Participants** (Stakeholders)

Employees (including senior executives) and schoolchildren in rural areas

#### Sessions





#### Volunteers visited the Zhongliao community in Tamsui to engage in service activities with local elderly residents, assisting in the upkeep of an elevated organic vegetable garden and chicken farm, and removing invasive species to help create a green healing space. The activity also fostered meaningful exchanges on organic living and companionship, cocreating new sustainable value together with the community.

#### **Participants** (Stakeholders)

Employees, teachers and students from nearby universities, and regional revitalization teams

**Participants** 

schools

(Stakeholders)

disadvantaged groups,

institutional associations,

Employees, local institutions,

# Sessions









In line with our core business, we organized the "Local Youth Academy" to leverage the



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Corporate Governance Enhancement





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# 2.1 Business Performance

Sound asset and liability management is the core of KGI Life's operations and has produced fruitful business results over the years. In an environment of ongoing economic uncertainty, and to prepare for the adoption of new financial reporting standards, KGI Life continues to deliver solid financial and business performance through robust governance, prudent investments, product optimization, and the expansion of digital services.

# 2.1.1 Financial Performance Indicators

In 2024, KGI Life's first-year premium income reached NT\$58 billion and total premium income was NT\$174.5 billion. Net income was NT\$22.155 billion, EPS was NT\$4.37, and total assets reached NT\$2.51 trillion at the end of 2024. Total assets grew by 70% and net income more than doubled over the last eight years. Despite the turmoil in the global financial market and the impact of sustainability risks and opportunities brought by climate change and the pandemic, KGI Life delivered an impressive performance in business expansion, profitability and asset quality.

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



Total assets reached NT\$2.51 trillion at the end of 2024



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#### **Key financial performance indicators**

(Total assets as of December 31 of the current year; net income, total premiums, and first-year premiums from January 1 to December 31 of the current year)

Items	2022.12.31	2023.12.31	2024.12.31
Total Assets	2,347,085	2,408,075	2,510,844
Net Income	13,159	10,178	22,155
Total Premiums	179,338	159,553	174,526
First-year Premiums	70,073	52,316	58,004

(Unit: NTD million)

#### **Economic Value Generated and Distributed**

Items	2022	2023	2024
Operating Revenue	239,765	232,723	265,451
Profit and Loss After Tax	13,159	10,178	22,155
EPS¹ (Unit: NTD)	2.59	2.01	4.37

(Unit: NTD million)

#### Economic Value Distributed to Stakeholders

Employee Remuneration and Benefits	3,663	3,836	5,248
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(Unit: NTD million)

#### **Tax Amount**

Items	2022	2023	2024
Income Taxes Paid (Refunded)²	0	0	0
Taxes as a Percentage of Operating Revenue <sup>3</sup>	0%	0%	0%

(Unit: NTD million)

#### **Total Premium Income from Each Type of Insurance**

Type of Insurance	2022	2023	2024
Life Insurance	134,483	124,096	136,585
Accident Insurance	4,029	4,466	4,832
Health Insurance	23,109	24,368	26,422
Annuity Insurance	17,717	6,623	6,687
Total	179,338	159,553	174,526

(Unit: NTD million)



<sup>&</sup>lt;sup>1</sup> EPS is calculated by making retroactive adjustments of capital increases in the past.

<sup>&</sup>lt;sup>2</sup> Considering that the amount of income tax paid (refunded) each year may include income tax for the current year and previous years, the "income tax paid (refunded)" in the three years in this table all refer to the "income tax payable in the current year".

<sup>&</sup>lt;sup>3</sup> Taxes as a percentage of operating revenue = Income tax paid (refunded) / Operating revenue.



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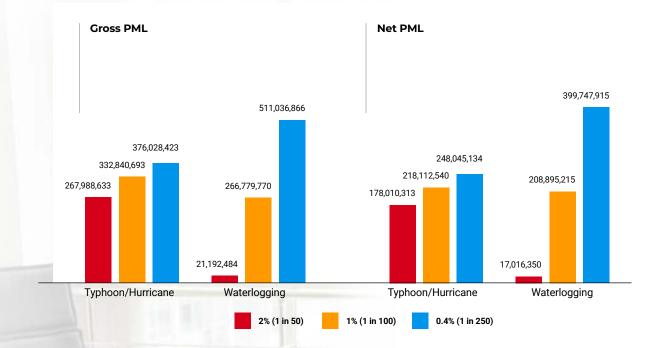
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KGI Life uses demographic data of the Ministry of the Interior for 1958 to 2023 and the report on statistics of natural disaster losses in Taiwan to analyze the probable maximum loss (PML). Statistics of the casualty rate of disasters each year is used as the basis, and the probability (top 2%, 1%, and 0.4%) of disasters occurring in each statistical interval is used for calculation.

The Gross PML is the estimate of claims payout, which is calculated by multiplying the face amount of effective policies at the end of the year and the probabilities of occurrence in the aforementioned disaster scenarios. The Net PML is the estimate of claims payout, which is calculated by multiplying the retained face amount at the end of the year and the probabilities of occurrence in the aforementioned disaster scenarios. Considering the Company's assets and size, the Gross PML and Net PML above have a limited level of impact, which is still within the Company's acceptable scope.





Disaster	2% (1 in 50)	1% (1 in 100)	0.4% (1 in 250)	2% (1 in 50)	1% (1 in 100)	0.4% (1 in 250)
Typhoon/Hurricane	267,988,633	332,840,693	376,028,423	178,010,313	218,112,540	248,045,134
Waterlogging	21,192,484	266,779,770	511,036,866	17,016,350	208,895,215	399,747,915

Unit: NTD



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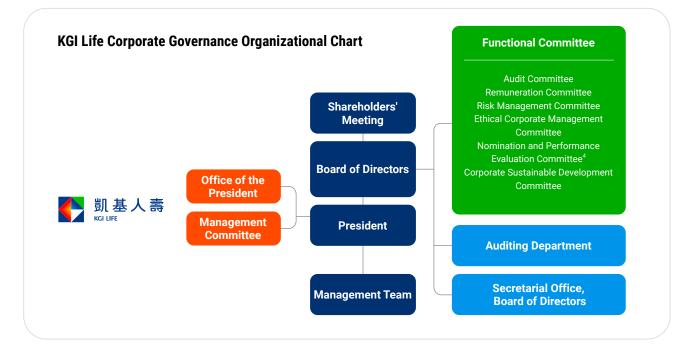
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# 2.2 Comprehensive Governance Framework

KGI Life has a sound corporate governance framework, in which the shareholders' meeting is responsible for acknowledging annual dividend distribution, financial statements, and issuance of new shares for the capitalization of profits. The Board of Directors is responsible for reviewing the Company's business plans, appointment of important managers, and other important business decisions.

The Company upholds the leadership of the Board of Directors and the management team in shaping a corporate culture of high levels of corporate governance, ethical management, and treating customers fairly. All employees are committed to implementing the culture in work and life. We have been recognized by all sectors for our outstanding corporate governance for many years. When KGI Life was a listed company, it participated in the "Corporate Governance System Assessment" organized by the Taiwan Corporate Governance Association and received the highest-level certification for two consecutive years. The Company also ranked in the top 5% in the Taiwan Stock Exchange's Corporate Governance Evaluation for TWSE/TPEx listed companies a total of six times. In the future, we will continue to uphold our strong culture of governance and remain committed to enhancing corporate governance, reinforcing ethical business practices, and embedding the principles of treating customers fairly. KGI Life has set these principles as our highest guiding values and the cornerstones for business development.

KGI Life continues to align itself with the "Corporate Governance 3.0 - Sustainable Development Roadmap" and "Corporate Governance 4.0 - Sustainable Development Action Plans for TWSE- and TPEx-Listed Companies" of the Financial Supervisory Commission, and complies with the "Corporate Governance Best Practice Principles for the Insurance Industry" and the Company's "Corporate Governance Best Practice Principles". To strengthen corporate governance, the Company appointed a Corporate Governance Officer in 2019 to oversee relevant affairs, providing directors with information necessary for fulfilling their duties and maintaining compliance, assisting directors in fulfilling their duties, and improving the performance of the Board of Directors.



In addition, KGI Life has actively strengthened the functions of the Board of Directors by enhancing the structure and operations of its functional committees, including the Audit Committee, Remuneration Committee, Risk Management Committee, Ethical Corporate Management Committee, Nomination and Performance Evaluation Committee<sup>4</sup>, and Corporate Sustainable Development Committee. Board members are appointed to serve on these committees, with the Secretarial Office, Board of Directors, acting as the administrative unit and relevant business departments serving as supporting units, ensuring a professional division of labor to assist the Board in fulfilling its duties.

To foster corporate sustainability, the Company is strengthening education plans for directors, arranging courses on sustainable development, climate change, and green finance, and disclosing information on board diversity and independence. At the same time, we

will further improve the transparency of the audit quality and strengthen the audit functions. We will arrange CPAs to provide AQI information for the Audit Committee to make assessment. The financial statements for each period are discussed and approved by the Audit Committee, and the CPAs communicate key audit items with the corporate governance unit.

KGI Life regularly conducts the annual performance evaluations of the Board of Directors and functional committees, formulates development plans for management (including the Board of Directors), and regularly reports the implementation results to the Board of Directors. Through these proactive measures, we strive to realize corporate sustainability.

<sup>&</sup>lt;sup>4</sup> On October 24, 2024, the 27th meeting of the 23rd Board of Directors of KGI Life discussed and approved the dissolution of the Nomination and Performance Evaluation Committee.



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## 2.2.1 Board of Directors

# Number of Directors and Distribution by Age and Gender



The 23rd Board of Directors of KGI Life was appointed by a single institutional shareholder, KGI Financial Holding Co., Ltd. (hereinafter referred to as "KGIF")<sup>5</sup>. Currently, the 23rd Board of Directors consists of 9 members, of which 4 are independent directors, accounting for 44% of the Board of Directors, and none have served for more than three terms. Among the 9 directors, there are 3 female directors and 6 male directors. Therefore, the ratio of any gender on the Board has reached one-third of the number of directors, with an even distribution of age. The Board of Directors is composed of a diverse group whose fundamental qualifications and values complement and reinforce one another.

All directors of the Company possess extensive knowledge and experience in various industries at home and abroad. They are well-versed in the financial and insurance industries, and each has their own professional knowledge and skills to perform their duties. The Board of Directors as a whole demonstrates strong capabilities in operational judgment, accounting and financial analysis, business management, risk management, and crisis management. The members also possess professional knowledge in finance, insurance, as well as leadership and decision-making abilities, and are well-versed in the operations of international financial markets. As stated above, the Board of Directors of KGI Life complies with the principles of board diversity and equality, and has a wealth of education, practical experience, and professional capabilities, which will help improve the quality of decision-making and strengthen internal supervision mechanisms and corporate performance.

Since 2004, the Company has consistently maintained liability Insurance for directors, supervisors, and key personnel. This insurance provides coverage during their terms of office for legal liabilities they may incur in the course of performing their duties, helping to mitigate and spread risk, and to prevent significant losses to the Company and its shareholders resulting from errors or negligence. The face amount, coverage, and premiums for directors' and supervisors' liability insurance in 2024 were discussed and approved by the 10th meeting of the 23rd Board of Directors on December 15, 2023. Subsequently, to align the arrangement of liability insurance for directors and supervisors across the Group, KGIF referenced practices adopted by peers and incorporated its subsidiaries as insured parties under a unified policy. As a result, starting from September 2, 2024, the Company has been covered under the same director and supervisor liability insurance as KGI Financial Holdings and its other subsidiaries. The insurance coverage for all KGI Life directors remains unchanged. The insurance plan was submitted to the 26th meeting of the 23rd Board of Directors for discussion and approval on September 26, 2024.

<sup>&</sup>lt;sup>5</sup> For positions held by board members in other boards of directors, please refer to "Profile of Directors and Supervisors" in the 2024 Annual Report.



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# 2.2.2 Training and Education for Directors

The Company actively supports all directors in participating in relevant training and education courses offered by designated institutions. In addition, we also plan to enhance education and training on the characteristics of the insurance industry to meet the legal and regulatory requirements6. To meet the Company's needs and help directors stay informed on key industry issues and domestic and international economic trends, a dedicated budget was allocated in 2024 for specialized training. Topics included "Anti Money Laundering and Counter-Terrorism Financing", "Ethical Corporate Management", "Information Security", "IFRS 17", and "TCF Principles and Financial Inclusion". External experts were invited to deliver in-house training sessions to directors and senior management, aiming to enhance their comprehensive competencies required for their roles and to further strengthen the Board's decision-making quality, efficiency, and oversight capabilities.

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# Details of internal training for directors held by external lecturers in 2024

- Amendments to relevant laws and regulations, such as the Money Laundering Control Act, current status and trends of AML at home and abroad, and analysis of AML methods and practices in the insurance industry
- Sharing of the theory and practice of Ethical Corporate Management Best Practice Principles
- Development of AI applications in the financial industry under the analysis of information security governance regulations
- How international insurers applying IFRS 17 communicate information on adopting IFRS 17 to external stakeholders
- Challenges of implementing friendly finance in the insurance industry from the perspective of TCF principles

#### High level of participation

The number of training hours received by every director exceeded the regulatory requirement. In 2024, the 9 directors received 203.5 hours of training in total, completing 100% of the training hours for directors. The Corporate Governance Officer received 17 hours of training.

#### **Continuing education**

The continuing education for all board members covers topics such as green finance and IFRS 17, ESG development trends, information security, climate change, TCF principles, Corporate Governance 3.0 - Sustainable Development Roadmap, ethical corporate management, and anticorruption. The education ensures that the Board remains up to date amid the rapidly evolving domestic and global industries and economic landscape.

Board Directors' Total Training Hours

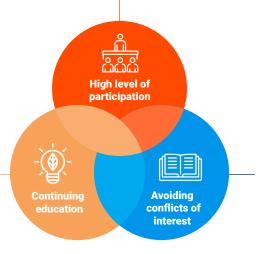
203.5 hours

Board Directors' Training Hours Completion Rate

100%

Corporate Governance
Officer's Total Training Hours

17hours



# Avoiding conflicts of interest

To fulfill the ethical management commitment and avoid conflicts of interest, directors recuse themselves according the Rules of Procedure for Board Meetings and Corporate Governance Best Practice Principles if they or the entity they represent have an interest in any agenda items during the Board meeting. Directors who recuse themselves may not exercise voting rights on behalf of other directors, complying with relevant laws and regulations.

<sup>6</sup> For details on the training of all directors in 2024, please refer to the information disclosure section of KGI Life's official website. 🗷



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# 2.2.3 Board Performance Evaluation

The Board performance evaluation is an important mechanism for a company's self-examination, improvement, and sustainable management. To enhance the functioning of the Board, promote sustainable corporate development, and foster a strong culture of corporate governance, KGI Life has established the "Board Performance Evaluation Guidelines". Each year, KGI Life conducts performance evaluations for the Board of Directors, individual directors (including self-evaluations and peer evaluations), and all functional committees, i.e. the Audit Committee, Remuneration Committee, Risk Management Committee, Ethical Corporate Management Committee, and Corporate Sustainable Development Committee. The results of these evaluations are reported to both the Remuneration Committee and the Board of Directors.

The Board of Directors pays close attention to issues relating to sustainable development and treating customers fairly. Additionally, "Attention to ESG Issues" and "Active Implementation of the Principles for Treating Customers Fairly" were added to the self-evaluation items in 2019. These all fully shows that KGI Life is constantly pushing itself to foster sustainable development and determined to protect policyholders' rights and interests.

Also, in January 2024, the Company revised its "Board Performance Evaluation Guidelines" to include three ESG-related items, which include "the Board's understanding of material ESG issues and developments relevant to the Company's industry", "the Board's ongoing support for corporate sustainability and its guidance on ESG performance to fulfill corporate social responsibilities", and "the Board's regular review of the Company's ESG implementation efforts". These items have been added as the sixth evaluation aspect in the questionnaire under "Engagement in ESG".

To meet the requirement on evaluating the performance of responsible persons in concurrently held positions set forth in

# Six major aspects of the 2024 Board performance evaluation questionnaire:



Article 5 of the Regulations Governing Qualification Requirement and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of Insurance Enterprises, the Company added "Directors do not concurrently hold positions in multiple companies (including directorship and supervisorship). If directors concurrently hold any positions described above, the directors have ensured their effective performance in their concurrent positions, that they do not have any conflicts of interest, and that they do not violate the internal controls of each institution" to the individual director performance self-evaluation items. In response to the annual review and revision conducted based on actual operations during the 30th meeting of the 23rd Board of Directors on December 19, 2024, the Company incorporated major penalties imposed by the competent authorities into the performance evaluation criteria for the Board and individual directors. This update also takes into account the current self-evaluation items used by the parent company, KGIF.

Scope of Ev	Scope of Evaluation		Rating
Board of Di	rectors	99.19	Excellent
Individual	Self-evaluation	99.58	Excellent
Directors	Peer Evaluation	99.17	Excellent
	Audit Committee	100	Excellent
	Remuneration Committee	99.33	Excellent
Functional Committee	Risk Management Committee	99.33	Excellent
	Ethical Corporate Management Committee	99.33	Excellent
	Corporate Sustainable Development Committee	99.50	Excellent

The results of the performance evaluation of the Board of Directors and functional committees for 2024 were submitted to the 33rd meeting of the 23rd Board of Directors on March 27, 2025. The results of each performance evaluation can be provided to the parent company, KGIF as a reference when selecting, nominating, or continuing to appoint the Company's directors. The results of the performance evaluation of individual directors are also used as a reference for formulating their individual remuneration, enabling the Board of Directors to continue improving its operational efficiency. Going forward, the Company will actively cooperate with the competent authorities' corporate governance blueprint, as well as promotion and implementation measures for important issues. This will enhance the effectiveness of Board operations, drive the Company's sustainable development, and create an excellent corporate governance culture.



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# 2.2.4 Remuneration Policy for Directors

Pursuant to Article 24 of the Company's Articles of Incorporation, remuneration of the Company's directors is determined by the Board of Directors based on their participation in the Company's operations, value of their contribution, and their responsibilities, as well as industry standards for remuneration. However, the remuneration of independent directors is a fixed amount decided by the Board of Directors.

The Company has also established the "Director Remuneration Guidelines," which define the structure of directors' remuneration, (including remuneration, compensation, attendance fees, etc.) and the reference factors used to determine director pay. A comprehensive assessment is conducted, taking into account each director's level of participation in the Company's operations, the value of their contributions, the responsibilities they undertake, standard compensation levels in both domestic and international markets, and potential future risks to the Company. The determination process for the remuneration of directors shall be passed by the Remuneration Committee after discussion and then submitted to the Board of Directors for approval.

#### **Functional Committees**

Composition and Over	view of Duties <sup>7</sup>	Number of Independent Directors/ Total Number of Persons	Operating Status in 2024	Items and Communication Status
Audit Committee	<ul> <li>Composed of all independent directors.</li> <li>Supervises and ensures the effective implementation of the Company's internal controls, compliance, and management of the Company's existing and potential risks.</li> </ul>	Independent Directors: Directors: 4 persons Total number of persons: 4 persons	<ul> <li>A total of 14 meetings were held.</li> <li>Proposals related to the review of the annual accounting final reports and statements.</li> <li>Submitted the Company's 2023 financial statements.</li> <li>Submitted the Company's financial statements for Q1 to Q3 of 2024.</li> <li>proposals related to the appointment of certified public accountants.</li> <li>Submitted the Company's 2024 annual appointment and remuneration of certified public accountants.</li> <li>Proposals related to the internal control system.</li> <li>Passed the Company's Sustainability Information Management Guidelines.</li> </ul>	Please refer to 2024 Annual Report (p.32~39, p.64)
Remuneration Committee	<ul> <li>Composed of all independent directors.</li> <li>Responsible for evaluating, establishing, and reviewing the remuneration and performance of the Company's directors and senior executives.</li> </ul>	Independent Directors: 4 persons Total number of persons: 4 persons	<ul> <li>A total of 9 meetings were held.</li> <li>Evaluated and reviewed the annual work performance and remuneration of directors and senior executives, and reviewed the amount allocated for directors' remuneration and employee remuneration.</li> <li>Passed the revision of the Company's Board Performance Evaluation Guidelines and conducted the annual review of evaluation indicators.</li> <li>Passed the year-end bonus system implemented in 2024.</li> <li>Passed the revision of the Performance Bonus Deferred Payment Guidelines.</li> </ul>	Please refer to 2024 Annual Report (p.65~67)
Risk Management Committee	<ul> <li>Composed of 6 members, including 4 independent directors and 2 directors. An independent director with professional backgrounds in insurance and finance served as the convener.</li> <li>Responsible for formulating the Company's risk management policy, establishing qualitative and quantitative management standards, and ensuring the consistency, adequacy, stability, and transparency of risk management mechanisms, in order to implement risk management in routine operations.</li> </ul>	Independent Directors: 4 persons Total number of persons: 6 persons	<ul> <li>A total of 12 meetings were held.</li> <li>Executed the Board of Directors' risk management decisions and periodically examined the development, establishment, and performance of the Company's overall risk management mechanisms.</li> <li>Assisted and supervised departments in carrying out risk management activities.</li> <li>Passed the revision of the Company's Guidelines for Engaging Discretionary Investment Enterprises, Market Risk Management Guidelines, Risk Management Policy, Operational Risk Management Guidelines, Credit Risk Management Guidelines, Liquidity Risk Management Guidelines, Risk Management Committee Charter, Operating Guidelines for Detecting Business Risks, and Climate-related Risk Management Guidelines.</li> </ul>	Please refer to 2024 Annual Report (p.70~75)

<sup>&</sup>lt;sup>7</sup> Statistics on Board composition is updated to 31 December 2024. Please refer to the "Information Disclosure" section of KGI Life's company website for the latest information on directors. 7

Important Agenda



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Composition and Overv	riew of Duties <sup>7</sup>	Number of Independent Directors/ Total Number of Persons	Operating Status in 2024	Items and Communication Status
Ethical Corporate Management Committee	<ul> <li>Composed of 8 members, including 4 independent directors and 4 directors, with the Chairperson serving as the convener.</li> <li>Responsible for the supervision and management related to ethical corporate management to improve the governance framework.</li> </ul>	Independent Directors: 4 persons Total number of persons: 8 persons	<ul> <li>A total of 3 meetings were held.</li> <li>Passed the revision of the Company's Ethical Corporate Management Best Practice Principles, Ethical Corporate Management Operating Procedures and Code of Conduct, Rules for Whistleblowing on Illegal, Immoral, or Unethical Conduct, Ethical Corporate Management Risk Assessment Rules, and Ethical Corporate Management Committee Charter.</li> <li>Submitted the implementation status of ethical corporate management and risk assessment results of the Company in 2023.</li> <li>Submitted the Company's 2025 Ethical Corporate Management Plan.</li> </ul>	Please refer to 2024 Annual Report (p.76~82)
Nomination and Performance Evaluation Committee <sup>9</sup>	<ul> <li>Composed of 4 members, with an independent director serving as the convener.</li> <li>Responsible for reviewing the President selection and succession plan; candidate selection, annual performance, and promotion of vice presidents; and succession plans for the direct reports of the President.</li> </ul>	Independent Directors: 3 persons Total number of persons: 4 persons	<ul> <li>A total of 8 meetings were held.</li> <li>Passed the revision of the Company's Board Performance Evaluation Guidelines.</li> <li>Submitted the annual performance of the Company's vice presidents (inclusive) or above.</li> <li>Submitted the proposal for changing the Company's vice presidents and department-level supervisors (inclusive) or above.</li> <li>Submitted the proposal for appointing vice presidents of the Company.</li> </ul>	Please refer to 2024 Annual Report (p.68~69)
	- Composed of 4 members, including 2 independent directors and 2			

Independent Directors:

Total number of persons:

2 persons

4 persons

9 On October 24, 2024, the 27th meeting of the 23rd Board of Directors discussed and approved the dissolution of the Nomination and Performance Evaluation Committee.

# 2.2.5 Internal Audit

Corporate

Sustainable

Development

Committee

The internal auditing unit directly reports to the Board of Directors and audits in accordance with the annual audit plan approved by the Board, as well as relevant regulations such as the "Regulations Governing Implementation of Internal Control and Auditing Systems of Insurance Enterprises". Each year, the unit performs at least one routine audit covering finance, business, IT, and other management functions and conducts special audits as needed. Key focus areas include the TCF principles for the financial industry, the friendly financial services guidelines for the insurance industry, and sustainability information management. The unit also continuously tracks and follows up on improvements related to examination opinions or deficiencies identified by regulators, external auditors, internal audit department (including audits by KGIF), and self-assessments. Furthermore, communication between independent directors and the chief auditor are disclosed on the Company's website.

directors, with the President serving as the convener.

directions, projects, and activity plans.

- Regularly review the sustainability reports.

activity plans.

Deliberate the annual sustainable development plans, strategic

Track and review the implementation and effectiveness of annual

sustainable development plans, strategic directions, projects, and



# Principles considered in the annual audit plan:

- Key points of financial inspections by the competent authority and main inspected deficiencies of life insurance companies
- Important laws and regulations on internal controls and internal audits
- 3. The nature of the Company's business and management needs

- A total of 4 meetings were held.
- Reported the Company's 2024 Sustainable Development Goal Achievement Status and Future Implementation Plans.
- Reported the Company's 2023 TCFD Report.
- · Reported the Company's 2023 Sustainability Report and the completion of third-party assurance.

**Approval** 

1. The annual audit plan

was approved by the

Audit Committee and

2. Report to the competent

Board of Directors

authority

Reported the Company's 2024 Sustainable Development Achievements and Honors.

Please refer to 2024 Annual Report (p.83~94)

Important Agenda



#### Routine audit

- 2. Speical audit
- Periodically report the implementation status of audits to the Audit Committee and Board of Directors
- The Company's directors review deficiencies in internal control and engage in discussions with internal auditors



- The unit that was audited proposes improvement measures for deficiencies, and the auditing unit periodically follows up on improvements
- The compliance unit and risk management unit are notified of deficiencies found in internal audits
- The AML/CFT officer is notified of deficiencies found in AML/CFT audits



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# 2.3 Five Major Governance Themes

Corporate governance is the cornerstone of KGI Life's corporate culture. The Company's governance structure and actions are comprehensively implemented, resulting in the Company being rated in the Top 5% of the Corporate Governance Evaluation six times by the TWSE. We are also the first company to receive an "Excellent" rating in the CG6012 (2019) Corporate Governance System Assessment for two consecutive terms, which was organized by the Taiwan Corporate Governance Association. After becoming a 100% shareholding subsidiary of KGIF, KGI Life continues to uphold its standards as a former listed company and further deepens its governance measures based on five major governance themes: integrity and governance, risk management, anti-money laundering, information security, and compliance. In the face of various potential emerging challenges in the future, KGI Life will remain responsive to the times. We will continue to refine our governance strategies and advance steadily.



# Compliance



- Establish a standardized review process through the "Regulatory Change Management System" to assist in monitoring and integration
- Convene regular communication and liaison meetings of the second line of defense every six months to establish clear horizontal communication and liaison mechanisms

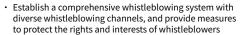
# Five Major Governance Themes Anti-Monay Risk Management

# Information Security



- There were no major information security incidents in 2024
- Selected as a key promoter of the zero trust architecture and share relevant plans and schedule with industry peers
- The relative weight of the information security budget increased year over year

# Integrity and Governance



 There was no unethical conduct as described in the Ethical Corporate Management Best Practice Principles, and there were no violations of ethical corporate management or corruption in 2024

# Anti-Money Laundering (AML)

- The Chief Compliance Officer serves as the AML/CFT officer and oversees related business
- The 2024 comprehensive AML/CFT risk assessment results met the Company's risk limit requirements and risk appetite
- Encourage and subsidize employees to obtain professional certifications at home and abroad

# **Risk Management**



- Incorporate strict risk management into the business goals requiring regular follow-ups, and establish and periodically review the risk management policy, which serves as the highest guiding principle for internal risk management mechanisms
- The risk management organizational structure covers the Board of Directors, Risk Management Committee, Chief Risk Officer, risk management units, and related business and the auditing unit, establishing a comprehensive network
- Continue to pass regular reviews of the ISO 22301:2019
   Management System to ensure that the overall mechanism complies with international standards for business continuity



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# 2.3.1 Integrity and Governance

# **Ethical Corporate Management Policy**

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

In 2024, all directors, senior executives, employees, and agents signed the statement on ethical corporate management.

All employees and agents completed the education and training courses. In addition, to promptly detect internal unethical incidents, KGI Life has established a comprehensive whistleblowing system, offering multiple reporting channels, and safeguarding the rights and interests of whistleblowers.

These protections include confidentiality of identity, data encryption, and assurance that whistleblowers will not face dismissal, demotion, salary reduction, loss of legally or contractually, and customarily entitled benefits, or any other adverse disciplinary actions as a result of their whistleblowing.

There was no unethical conduct as described in the Ethical Corporate Management Best Practice Principles, and there were no violations of ethical corporate management or corruption in 2024. Furthermore, the Company comprehensively reviewed its ethical management system and measures in 2024 to optimize and implement our internal regulations and operating procedures.

Furthermore, to ensure the accountability of supervisors, KGI Life has established accountability mechanisms and will adjust the "Insurance Industry Responsibility Roadmap Self-Regulation System" in coordination with the Life Insurance Association of

the Republic of China in 2025, thereby enhancing management competencies and refining the corporate governance framework.

## **Ethical Corporate Management Committee**

To strengthen the supervision and management functions of the Board of Directors and enhance ethical corporate management, KGI Life established the "Ethical Corporate Management Committee" as a functional committee under the Board of Directors in 2017. The Ethical Corporate Management Committee convened a total of 3 meetings in 2024, with a 100% attendance rate. The committee approved the implementation status of ethical corporate management in 2023, ethical corporate management risk assessment results, the ethical corporate management plan for 2025, and revised the Ethical Corporate Management Best Practice Principles and Ethical Corporate Management Operating Procedures and Code of Conduct during the meetings, optimizing KGI Life's ethical corporate management system.





# **Ethical Corporate Management Training**

KGI Life has established a corporate culture of ethical management through a top-down approach, incorporating public commitment, information communication, and regular training.

To deepen the concepts of ethical corporate management and compliance, regulations related to ethical corporate management have been disclosed on the corporate website. In addition, information related to ethical corporate management is posted on the company website and the intranet. In 2024, all employees and agents received ethical corporate management training (including offline and online courses), totaling 2,352 hours and 7,508 hours of training, respectively. In 2024, in addition to providing reference materials on ethical corporate management-related topics for the Board, the Company also invited external experts to deliver education courses on anti-corruption and whistleblower protection for directors and senior executives.



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# 2.3.2 Risk Management

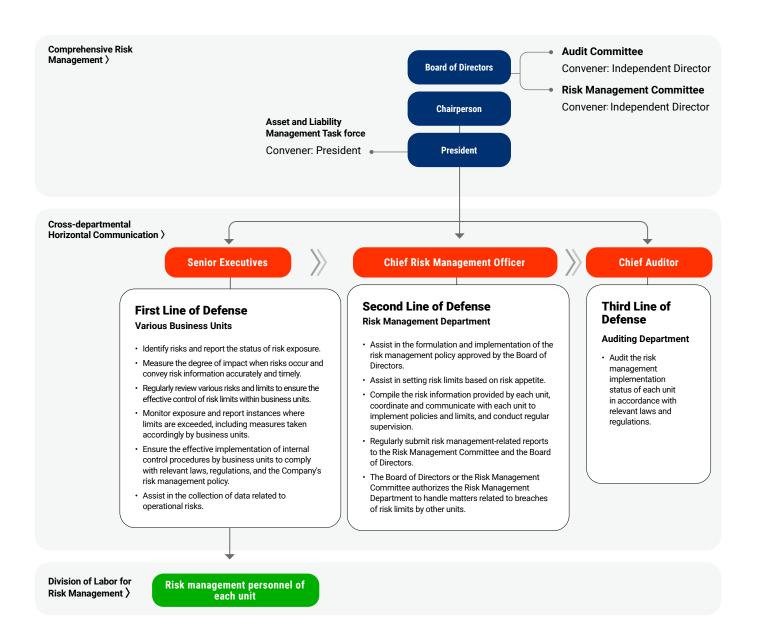
# **Risk Management Policy**

Risk management is a major issue in the operations of the insurance industry. KGI Life has incorporated strict risk management into the business goals requiring regular follow-ups, and has established and periodically reviewed the risk management policy, which serves as the highest guiding principle for internal risk management mechanisms. The policy clearly stipulates overall risk management goals and strategies, organization and duties, capital adequacy assessment, risk appetite and limits, and identifies major risk categories and management processes. In addition to complying with the trend of Enterprise Risk Management (ERM), it is also the basis for establishing regulations, mechanisms, and implementation practices.

# **Risk Management Organization**

The Company has established risk control and supervision units at all levels. The risk management organizational structure comprises the Board of Directors, the Risk Management Committee, the Chief Risk Officer, risk management units, related business units, and the auditing unit, all of which have risk management personnel.

This structure not only creates a comprehensive network of risk management information but also extends risk management needs and results to all business units to ensure compliance with risk management regulations.





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#### Identifying and responding to the main risks

#### Market Risk

In accordance with the Company's market risk management guidelines, market risk control is conducted for financial assets and derivatives.

Various risk analysis methods and tools are employed to identify sources of market risk, define the market risk factors of financial instruments, and design appropriate mechanisms to ensure the effectiveness of market risk management. The Company has established market risk limits and early warning indicators, and regularly conducts warning and limit monitoring to establish procedures for handling excessive risk limits. This enables timely response measures and proper control of exceeded limits.

#### Credit Risk

In accordance with the Company's credit risk management guidelines, the Company manages credit risk limits and management indicators, and sets limits and early warning indicators for countries, sectors, counterparties, and issuers of securities with capital characteristics based on the principle of "tiered management" to monitor the credit ratings and credit status of securities held by the Company and issuers.

At the same time, the Company regularly evaluates the credit risk status of its financial assets and remains vigilant for sudden changes in the credit market or significant shifts in risk, enabling it to adopt immediate response measures.

#### I Insurance Risk

The main risks associated with insurance contracts and financial products featuring discretionary participation underwritten by KGI Life include risks of mortality/morbidity, lapse, expense, and investment return. In the liability adequacy test, all insurance contracts and financial products with discretionary participation features will be included to assess the adequacy of the company's overall insurance liabilities based on actuarial assumptions established using current information as of the assessment date.

If the test result indicates that the on-book insurance liabilities are inadequate, the deficiency will be covered by the additional provision of liabilities in accordance with relevant regulations. The provision will affect the Company's profits and losses in that period. The insurance risks in the various regions where the Company operates do not exhibit significant differences. The Company sets an acceptable accumulated risk limit for each at-risk unit and each risk incident, and transfers insurance risks exceeding the limit through reinsurance.

## I Liquidity Risk

In accordance with the Company's liquidity risk management guidelines, short-term cash flow is assessed and monitored based on the nature of business. A comprehensive liquidity risk management mechanism has been established, taking into account the proportionality between market trading volume and the Company's positions, to prudently manage market liquidity risk.

Investment activities are carried out with risk diversification in mind, maintaining diversification across asset classes, maturities, regions, currencies, and instruments. Additionally, a contingency funding plan is in place to ensure operational resilience in the event of prolonged liquidity stress.

#### **Asset-liability Matching Risk**

The risk that the Company may face when assets and liabilities change inconsistently are identified in accordance with the Company's risk management guidelines, and the degree of impact (quantitative or qualitative) is measured when risks occur.

The Company convenes regular meetings to propose comparative analyses and responses on related indicators, such as asset and liability allocation strategies and asset and liability duration. Relevant units and management are notified of abnormalities.

#### **Operational Risk**

The three management tools for operational risks, namely Risk Control Self-Assessment (RCSA), Key Risk Indicators (KRI), and Loss Data Collection (LDC), are used to effectively identify, measure, and manage overall operational risks.

Each department conducts RCSA to identify operational risks and review corresponding control measures. The self-assessment ensures the effectiveness of internal controls. KRIs are also established to monitor changes and issue early warnings, enabling timely development of action plans to mitigate losses.

The Company has established guidelines for managing loss events due to operational risks. Responsible units are required to report operational risk loss events in accordance with the guidelines and to continuously monitor and follow up on corrective actions, aiming to minimize the impact of such events on the Company.

#### I Climate Change Risk

The Company has incorporated climate change risk into the Risk Management Policy and, in accordance with the "Insurance Industry Risk Management Best Practice Principles" and the "Guidelines for Climate-Related Financial Disclosures for the Insurance Industry", established its Climate-related Risk Management Guidelines. Each year, relevant business units identify the likelihood and potential impact of climate change risks, and assess the financial impact these risks may have on the Company.

The Company establishes climate risk appetite indicators and targets based on the identified climate change risks and regularly monitors them. If a climate risk appetite is found to be missing the set climate risk appetite targets, improvement measures will be taken based on the cause of the occurrence, and submitted to the Company's Risk Management Committee and Board of Directors.

The Company refers to international standards and external data annually and uses scenario analysis to assess the potential impact of physical risks and transition risks on investments and business locations, ensuring that climate-related risks are effectively controlled or mitigated. The Company discloses its management of climate-related risks and opportunities in the Sustainability Report, based on the four core pillars of governance, strategy, risk management, and metrics and targets.



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#### **Emerging Risk Management**

The Company evaluates the external emerging risks faced by its main operations each year and assesses the possible impact on operations and business and then formulates response or mitigation measures based on these risks.

Emerging Risk Identification Procedures

The Company identifies emerging risks based on the World Economic Forum's Global Risks Report and related reports and articles published by major institutions. These risks are then reviewed and assessed internally within the Group to determine the most critical emerging risk items, followed by the Company's established emerging risk identification procedures. The Company's emerging risk identification procedures include the four steps described on the right. The key emerging risks identified this year are "transformation risks of Al technology", "social polarization risks", and "geopolitical risks".

1 Initiate Risk Identification

The parent company, KGIF, has initiated an emerging risk identification and assessment process, drawing on insights from external experts and reports from domestic and international research institutions. As part of this process, it provides a list of risk factors and an emerging risk assessment form.

2 Conduct Risk Assessment

Based on the identified risk items, the Company reviews potential emerging risk scenarios that may affect our operations, assesses the likelihood of occurrence, and evaluates the potential impact on business operations.

Formulate Response Measures

Risk mitigation actions and response measures are formulated based on the risk assessment results to reduce the impact of emerging risks and discover potential business opportunities.

4 Report Risks

The Company reports the identified emerging risk types, potential operational impacts, and response measures internally to the parent company, KGIF, summarizing the emerging risks faced by the Group.

## Emerging Risk Identification Results

Category I

**Technology** 

Items |

Transformation Risks of AI technology

#### **Risk Description**

- Rampant claims fraud (2025-2029): Generative Als (such as Deepfake and ChatGPT) have been gradually adopted by cybercriminals, including for identity theft, voice and image manipulation, and medical diagnosis letter forgery.
- Risks of artificial intelligence use Accuracy, abuse, and excessive reliance (2025-2032): The core of large-scale generative AI language models lies in the quality of the data. If model training uses inaccurate data, it may lead to incorrect results.
- 3. New cybersecurity risks caused by AI technology changes (2025-2030): These risks present new information security challenges, such as hackers utilizing AI to refine network attack strategies, making attacks faster, more successful, and more difficult for information security teams to defend against. Additionally, emerging deepfake fraud techniques, driven by advances in AI, are making it increasingly difficult to distinguish between real and fake content using facial and voice recognition. This has led to a greater spread of misinformation and disinformation.
- 4. Regulatory risks and algorithmic bias (2025-2028): These risks will prompt heightened scrutiny of the algorithms used in Al models across companies to identify potential algorithmic bias. Such bias could lead to users being charged excessively high premiums or result in unfair claims practices based on socioeconomic status, ultimately causing discrimination against disadvantaged groups.

#### **Operational Impact**

- Increased claim payouts and higher loss rates resulting from Al insurance fraud reduce employees' productivity in handling routine cases and impact internal operations. It affects the sales of specific products and pricing rates, and high-net-worth elderly customers are often targeted by Al insurance fraud groups, resulting in the Company's business losses.
- During the initial training of the model, the manpower and equipment costs of training will increase.
- 3. Al technology advancements have increased the speed of attacks and improved their success rate, affecting the availability of the Company's network and equipment, which will, in turn, increase the Company's operating costs. It affects customers' confidence in the Company's digital services and information security protection capabilities, damages our business reputation, leads to personal data leakage or system service interruption, and results in customers' claims for compensation and penalties imposed by regulators.
- 4. Increased regulatory risks require the hiring of additional personnel to support AI system compliance, leading to higher operating costs. Failure to comply with regulatory mechanisms and compliance requirements may result in certain types of insurance policies being unavailable.

#### Mitigation and Response Measures/Opportunities

- The Company continues to optimize its claims risk model early warning system (SAS) and regularly conducts RCSA and KRI measurements to reduce the risk of claims fraud.
- 2. The Company strengthens personnel training, improves the know-how of Al technologies and laws and regulations, implements effective Al governance regulations, and ensures the accuracy, reasonableness, and security of the data required for training models. The advancement of Al technology can improve the skills and knowledge of personnel, accelerate digital transformation, and enhance the Company's brand image.
- 3. The Company opts to implement Al-driven cybersecurity defense mechanisms to counter Al-based attacks. Traditional security measures are no longer sufficient to address the evolving threat landscape, necessitating more adaptive and proactive cybersecurity strategies and defenses.
- 4. Enhancing AI algorithms to ensure compliance and prevent bias and discrimination requires cross-disciplinary collaboration. In particular, it requires the involvement of AI training engineers, information security personnel, industry experts, and personnel familiar with relevant laws and regulations.



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Category I

# Society

Items |
Social
Polarization Risks

#### **Risk Description**

With Al, green energy, and high-tech industries absorbing large amounts of capital and talent, job opportunities in low-skilled labor markets are decreasing. As a result, high-risk groups face reduced affordability of insurance premiums, leading to market contraction (2025-2030):

- 1. Accelerating global aging and unequal wealth distribution are contributing to a decline in premium affordability.
- 2. High-risk individuals (the elderly, people with chronic diseases, low income groups) are experiencing a rapid decline in premium coverage, resulting in more surrendered cases of commercial insurance, an increase in reverse selections, and a decrease in market size, which, in turn, affects the operations and long-term profitability of insurance companies.

#### **Operational Impact**

- The reduction in premium affordability for high-risk groups will not only affect the market's size but also impact financial stability, underwriting risks, product strategies, and the regulatory environment.
- 2. The increase in the rate of insurance surrender among low to middle-income customers results in a decrease in premium income.
- 3. The insurance application rate of new insurance policies decreased, leading to slow business growth.
- Long-term insurance products are difficult to sell, which impacts the Company's long-term profitability.

#### Mitigation and Response Measures/Opportunities

- 1. Adjust product strategies and strengthen risk management to enhance financial stability, digital transformations, response strategies, and collaboration with the government.
- 2. Develop microinsurance and flexible payment models, leverage technology to enhance underwriting and claims efficiency, collaborate with the government to develop supplementary social insurance programs, expand into overseas markets and emerging industries, and offer personalized insurance products and health management services.

Category I

# **Economy**

Items |

# Geopolitical Risks

#### **Risk Description**

- 1. Geopolitical risks (2025-2028): As the trade war escalates, and with the re-election of Donald Trump, the U.S. may adopt more aggressive tariff measures and reshoring policies for its manufacturing sector. The impact could extend across China, Mexico, Canada, and various Asian countries, prompting companies to shift from globalization to regionalized strategies. The escalating competition between the U.S. and China in areas such as trade and technology has introduced greater uncertainty in cross-strait relations. Emerging threats from China, including information security infiltration, hacking, telecommunications system breaches, and disinformation warfare, are increasingly impacting social stability and endangering personal safety. In particular, enhanced protection measures are essential to ensure the safety of personnel stationed overseas.
- 2. Geoeconomic conflict (economic sanctions, tariffs, investment reviews, etc.) (2025-2027): U.S. tariffs and investment reviews on China have caused China's economic growth to stagnate, affecting capital market performance and even leading to economic recession.
- 3. Escalation of armed conflicts (2025-2027): The U.S. and China may further conduct military drills near Taiwan to demonstrate their capabilities and exert deterrent effects. Military exercises or conflicts may cause damage to hardware, networks, and other communication equipment, which affects operations.
- 4. Supply chain transfer pressure (2025-2028): Due to the U.S.-China trade conflict, Taiwanese companies have shifted their production bases from China to Southeast Asia, India, or the U.S., resulting in equipment relocation and increased capital expenditures, which affect short-term financial performance.

#### **Operational Impact**

- 1. Strengthening various protection mechanisms will increase the cost incurred by hiring and overseas locations.
- 2. Trump's imposition of tariffs on China may affect capital outflow from China and China's capital markets (share and bond performance), which in turn will affect the Company's performance of reinvestment in CCB
- 3. Armed conflicts may disrupt the Company's operations.
- 4. The cost of establishing plants and transferring production will exert pressure on a company's gross profit margin, affecting its financial performance in the short term. Taiwan's supply chain transition will increase operating costs for Taiwanese companies, resulting in short-term stock price and financial pressure, which will affect the Company's investment returns.

#### Mitigation and Response Measures/Opportunities

- 1. Formulate various care measures, including employee legal assistance and personal care, education and promotion, personal safety protection, medical assistance, and business travel risk management. These are submitted to the Board of Directors for regular review. Realtime management can minimize geopolitical risks, which will help the overall overseas strategic investment portfolio (including mergers and acquisitions).
- 2. Continue to monitor market developments in China, track the financial performance of CCB Life every month, and monitor the important operational decisions of the Board of Directors and shareholders of CCB Life to ensure alignment to the Company's overseas investment strategy and to formulate action plans. Continue to monitor other overseas markets and select opportunities for strategic investment assessments to diversify geopolitical risks and seize growth opportunities in other insurance markets.
- 3. Regularly review Business Impact Analyses (BIAs) and Business Continuity Plans (BCPs) in line with the Company's internal processes to ensure that, in the event of a major emergency causing operational disruption, critical business functions can be resumed within a predetermined timeframe. This helps to minimize operational downtime and losses, keeping them within acceptable limits.
- 4. Select companies that have already undergone supply chain transfers and possess relatively strong market leadership and pricing capabilities.



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#### **Risk Management Technology and Automation**

The Company has established a market risk management system that generates values at risk, stress testing, and backtesting results. Through automated processes, the system updates data and supports multidimensional analysis, thereby reducing the risk associated with manual operations. It is integrated with an internal automated reporting and data visualization platform that offers users customizable and real-time reporting function. Users can select the required data within the system, which then instantly generates charts, thereby enhancing the quality and efficiency of data analysis. Labor costs reduced through technology can be converted into freed manpower, increasing the output and added value of research and analysis.

## **Business Continuity Management**

To ensure the safety of personnel, protect customer rights and interests, maintain business reputation, and secure assets, the Company is committed to minimizing harm and maintaining uninterrupted operations in the event of a risk incident. In 2021, the Company implemented a business continuity management mechanism to systematically address catastrophic risks by establishing relevant management procedures and response plans. This initiative aims to enhance organizational resilience. Through ongoing reinforcement and improvement of the mechanism, the Company aims to raise employee awareness and ensure effective execution of response measures, thereby maintaining service to policyholders at an acceptable minimum service level.

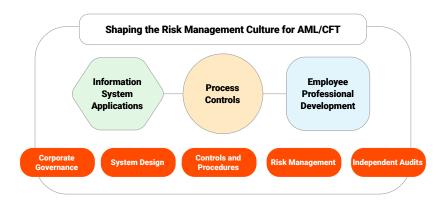
The Company's business continuity management system obtained ISO 22301:2019 management system certification in 2022 and has continued to pass regular reviews of this certification in 2023 and 2024, ensuring that the Company's overall mechanisms comply with international standards for business continuity through external verification agencies.

At the same time, the Company held evacuation drills, off-site office drills, information system disaster recovery drills, and four business continuity education and training sessions in 2024, in order to help employees learn how to handle disasters in their daily lives, understand the response procedures in the event of catastrophes, and ensure the safety of employees and business recovery after a disaster to reduce the impact. Through the aforementioned mechanisms, the Company achieves the goal of providing uninterrupted services to policyholders, handling claims, and executing new contracts, thereby fulfilling our commitment to stable and sustainable operations.

# 2.3.3 Anti-Money Laundering (AML)

#### **AML/CFT Policy**

KGI Life periodically examines its internal AML/CFT regulations and operations, and reviews monitoring patterns and reporting standards as appropriate, to improve the quality of suspicious transaction reports (STRs), better prevent crimes, and avoid defensive reporting. In 2024, the Company revised the "Guidelines on AML, CFT, and PF", the "Detailed Guidelines on AML, CFT, and PF", and the "Guidelines on Information Sharing for AML/CFT", in alignment with regulatory requirements and practical operational needs.



# **AML/CFT Organizational Structure**

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

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



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Furthermore, the Company has established a dedicated AML/CFT unit to oversee related operations. Each business unit is assigned a supervisory officer, who is a senior staff member or a supervisor at the section level or above, to oversee the implementation of AML/CFT mechanisms within their respective units, ensuring the effective functioning of the first line of defense.

## **AML/CFT Education and Training**

KGI Life continues to raise the AML/CFT awareness of directors, senior managers, employees, and agents. The Company periodically organizes training sessions and communicates or discusses changes in laws and operations, questions regarding practices, and case studies. More than 20 training sessions were held in 2024, with a total of 17,377 participants.

We launched the annual fee and re-certification fee subsidy program for employees who already have the CAMS certificate. The Company encourages and subsidizes employees in business units involved in AML operations to obtain professional certifications in Taiwan and overseas. In 2024, 140 people in the Company obtained new certifications, and this number has continued to grow over the past five years.



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

100%



Over 840 people have obtained certifications company-wide

**840**<sub>peop</sub>



#### **Board of Directors**

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

In 2024, the Company invited a partner from PwC Legal to deliver a lecture on "Recent Amendments to the Money Laundering Control Act and Related Regulations, Current Domestic and International AML Trends, and Practical Analysis of Money Laundering Methods in the Insurance Industry". The session covered topics such as recent developments in AML and anti-fraud legislation, key areas of regulatory focus for life insurers regarding AML/CFT, case analyses of money laundering involving the insurance sector, and international sanctions-related issues.



#### **Employees and Agents**

A suitable number of basic training hours is provided through online courses and post-class tests to convey AML/CFT laws and key concepts. The training completion rate of employees and agents reached 100%.



# Dedicated Officer, Dedicated Personnel, and Business Unit Supervisors

These people are required to take courses and complete tests on related topics in accordance with regulatory requirements. KGI Life organizes offline courses in collaboration with external professional training institutions and has organized two on-the-job courses for AML/CFT personnel, teaching them financial crime prevention and AML practices in the financial industry. 94 participants completed the courses, receiving over 900 hours of training with a 100% completion rate.



#### **Customers and External Personnel**

- Effective implementation of AML/CFT requires the Company's active
  efforts and hinges on the awareness and understanding of customers and
  external parties. KGI Life actively promotes AML awareness and concepts
  to customers and external stakeholders through various communication
  channels.
- 2. Established the "AML section" on the Company's official website.
- 3. Facebook fan page posts.
- Provide links to related websites, promotional materials, and letters from the competent authorities for the public's reference.
- Put up posters at the counters of the customer service center and agencies.
- Front-line employees provide answers to any questions customers might have regarding AML/CFT.



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#### Continued Improvement of the AML/CFT Process

KGI Life's comprehensive risk assessment methodology for money laundering and terrorism financing references relevant domestic and international risk management reports and trends, and establishes inherent risk indicators and control effectiveness indicators in a replicable, measurable, and comparable manner. The methodology also strengthens the logical basis for assessing residual risks. The indicators serve as the basis for monitoring changes in risk trends, enabling the Company to understand its overall risk exposure and the correlation with national risk assessments. We also formulate risk limits and risk appetite based on the Company's clientele, products, and transaction policies to continuously monitor the Company's risks of money laundering and terrorism financing, building a complete risk profile.

The results of the 2024 comprehensive AML/CFT risk assessment were found to be in line with KGI Life's risk limit requirements and risk appetite. In accordance with the improvement initiatives outlined in the "Comprehensive ML/TF Risk Assessment Report and Prevention Plan", the Company implemented Robotic Process Automation (RPA) to browse and extract relevant watchlist-related online news, assisting reviewers in conducting checks and retaining records. Additionally, an "AML One Team" was established, dedicated to performing name screening and other operations for the sales and service units, enabling specialized division of labor and further strengthening the Company's AML/CFT framework.

In addition to the forms listed in the appendix of the "AML/CFT Warning Templates for the Life Insurance Industry", KGI Life also establishes indicators for suspected money laundering, terrorism financing, or proliferation financing transactions with reference to the Company's internal AML, CFT, and PF risk assessment or daily transaction information, and uses the system to automatically issue relevant warnings for transaction monitoring. We also regularly review the monitoring status of each indicator and provide various awareness campaigns in a timely manner. At the same time, the Company also uses digital methods such as biometric identification and MID mobile identification to strengthen customer identity verification and due diligence. The Company also enhances our review and monitoring processes by automatically transferring data of customers identified as high-risk based on the Company's internal criteria into the relevant database through the transaction processing system. The Company also continues to strengthen AML/CFT awareness among directors, senior executives, employees, and agents by regularly organizing education and training sessions that cover the latest domestic and international AML/CFT regulations and standards, as well as AML/CFT risk trends. In addition, we provide customized education and training for specific units, empowering personnel with professional AML functions tailored to their business activities. Furthermore, the Company also encourages employees to obtain domestic and international professional certifications. As of the end of December 2024, a total of 841 persons had obtained the aforementioned certifications.

To enhance audits, relevant units have been requested to include matters such as name verification, system model verification of transaction monitoring mechanisms, and the provision of correct and complete data output, among other matters, in their compliance self-assessment.







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# 2.3.4 Information Security

## **Information Security Policy**

Based on the information security policy, KGI Life has established an Information Security Management System to advance our information security practices. The system ensures the confidentiality, integrity, and availability of information assets, as well as the compliance of information operations and services. In response to the expansion and diversity of the insurance business, we made information security internal controls and related regulations applicable to all units of the Company in 2021. As such, the units not only play the role of the user, but also serve as the responsible unit and maintenance unit, which further enhances the Company's overall information security management.

#### **Information Security Organization**

To ensure the security of its information assets, KGI Life has implemented a management system based on international information security management frameworks, establishing a robust and stable information security structure. The Company has continuously maintained the validity of the ISO 27001 Information Security Management System certification. An "Information Security Committee", composed of senior executives, has been established to directly oversee the operation of the information security management system, ensure the effectiveness of related controls, and support continuous improvement efforts. Necessary resources are provided to strengthen management practices, and in 2024, the semi-annual Information Security Committee meetings were held as scheduled in June and December. In 2018, KGI Life established the "Information Security Department" as the Company's dedicated unit for information security, and appointed a Chief Information Security Officer at the vice president level to oversee the department. The Information Security Department serves as the second line of defense in the internal control framework. It is responsible for overseeing and assisting the first line of defense. Additionally, each department has designated information security personnel to serve as the internal contact for information security matters. These personnel support asset inventory, business continuity planning, and security training, thereby enhancing the protection of customer rights and interests.

As information security and information management are closely related operations, KGI Life regularly holds meetings to communicate and coordinate information security control measures and information business execution, ensuring that relevant information operations are properly planned for effective information security management. A total of nine meetings were held in 2024.

## Information Security Measures and Actions

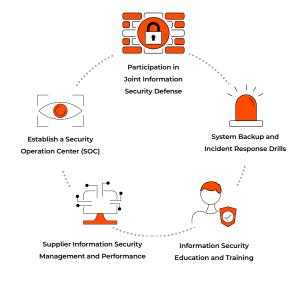
KGI Life increases the relative weight of the information security budget each year to continue improving information security management and overall information security maturity. We also continue to recruit experienced personnel internally and externally. The Information Security Department has 13 dedicated personnel, and there are 49 information security personnel company-wide serving as the contact for each unit. Over the past four years, the budget allocated for information security, including software and hardware licensing fees, personnel training expenses, and related costs, has grown year over year. In 2024, the

Year	Budget	Internal manpower required for implementation	External manpower required for implementation
2022	111,652,000	12	93
2023	123,231,733	12	77
2024	89,100,017	13	49
	(Unit: NTD)	(Unit: Number of persons)	(Unit: Number of persons)

information security budget accounted for more than 13% of the total IT budget, demonstrating the Company's strong commitment to information security.

In 2024, KGI Life engaged external professional consultants to assess its information security maturity using the "Cybersecurity Assessment Tool" (CAT) developed by the Federal Financial Institutions Examination Council (FFIEC). The assessment results showed that the Company achieved an "advanced" maturity level across all five aspects, exceeding the industry average for life insurance companies. Compared to the past two years, there has been a significant improvement, reflecting the Company's strong commitment to and ongoing investment in information security.

The Company continues to improve information security protection equipment and management measures in various aspects. In addition, to fulfill our corporate social responsibilities and reduce the impact of information security incidents, the Company has continued to purchase information security insurance since 2018. This enables us to reassess the Company's overall information security status and gather feedback from the insurer's professional information security consultants, thereby continuing to align with international information security standards.





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# Participation in Joint Information Security Defense

KGI Life actively participates in the internal and external joint defense of information security. Externally, in 2017, we applied to join the Financial Information Sharing and Analysis Center (F-ISAC) promoted by the Financial Supervisory Commission (FSC) and became one of the first official members. We continue to share de-identified detection and blocking information of KGI Life's information security equipment for integrated analysis by F-ISAC. Following the signing of the Memorandum of Cooperation on Information Security Intelligence Sharing between the Life Insurance Association and the Investigation Bureau under the Ministry of Justice, the Company has also begun providing relevant information security intelligence to the Bureau, thereby contributing to the enhancement of joint defense efforts within the financial sector. In 2023, KGI Life performed outstandingly in the F-ISAC's information security intelligence sharing in 2024 (top three in the industry). In April 2024, we received a letter from the FSC commending the Company's outstanding performance in information sharing, which demonstrates the competent authority's recognition of the Company's information security monitoring and joint defense operations.

Internally, the Company attaches great importance to information security intelligence sharing within the KGIF Group. A real-time information-sharing channel has been established to facilitate monthly exchange with KGIF and its bank, securities, and securities investment trust enterprise subsidiaries. These exchange cover areas such as cybersecurity risk control, technological developments, and governance. KGI Life also proactively shares its overall cybersecurity implementation status to strengthen horizontal collaboration and joint defense capabilities across the Group.

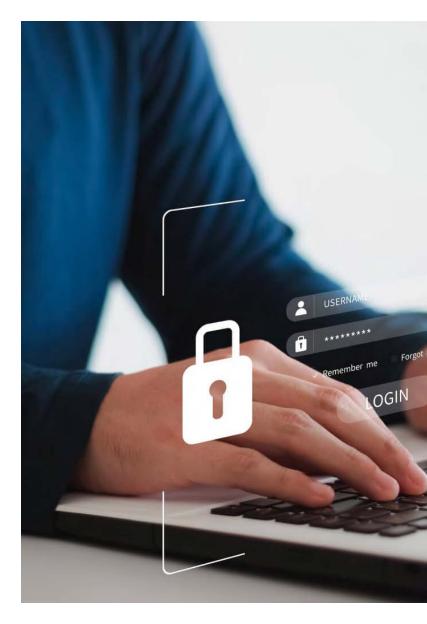
#### Establish a Security Operation Center (SOC)

KGI Life established the Security Operation Center (SOC) to monitor, detect, and discover information security incidents 24/7, enhancing our information security incident monitoring capabilities. KGI Life integrated the SOC with the information security log, incident management, and analysis system to conduct multi-dimensional association analysis. Information security analysts perform analyses and provide recommendations to achieve precise reporting and early warnings of information security incidents. In 2022, the Company also joined the Financial Security Operations Center (F-SOC), integrating with the intelligence-sharing platform and strengthening the joint defense monitoring system to enhance real-time monitoring. The Company also actively participates in F-ISAC intelligence sharing.

In 2023, we began introducing professional third-party vendors to monitor the Company's digital assets and systems exposed to the Internet around the clock. With the insightful professional knowledge of these vendors, we increased the Company's information security monitoring intensity from the outside in, thereby reducing the Company's information security risks. Various measures facilitate the real-time reporting of information security incidents, significantly improve the effectiveness of follow-up tracking and response, and ensure the proper handling of information security incidents, thereby reducing the degree of harm.

# System Backup and Incident Response Drills

In response to ever-changing external attack methods and to minimize the impact of emergencies or unexpected incidents that may disrupt information systems, KGI Life regularly conducts disaster recovery drills for core IT systems, IT system security assessments, external website penetration testing, and companywide social engineering exercises. These measures are implemented to ensure the security of the Company's IT infrastructure and to protect sensitive data and personal information of customers. A total of 88 systems were included in the scope of the drills in 2024, with more than 206 employees participating in the drills. Repeated





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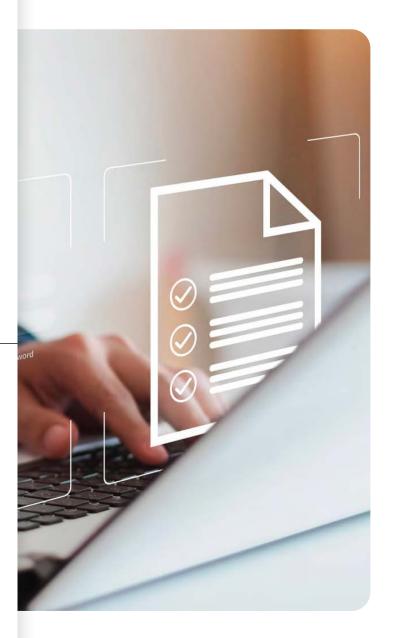
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Distributed Denial of Service (DDoS) attacks were launched by hacker groups against government agencies and critical public service websites, resulting in service disruptions. In light of this, KGI Life participated in a live DDoS attack simulation organized by the F-ISAC in 2024. The exercise tested the Company's resilience against various types of DDoS attacks, including HTTP-based, bandwidth exhaustion, and resource depletion attacks. Through this exercise, KGI Life assessed the tolerance of its internal and external service websites and critical servers under DDoS conditions, while also validating the effectiveness of its DDoS defense mechanisms.

# Supplier Information Security Management and Performance

To ensure that the information security standards of third-party partners align with those of the Company, KGI Life conducts information security assessments on vendors and their personnel engaged. In addition to requiring compliance with the Company's relevant information security policies, KGI Life has established the "Guidelines for Outsourced Information System Operations Management" to regulate each stage of outsourcing, including planning, tendering, contracting, execution, acceptance, warranty, and audit. These measures are in place to safeguard the interests of both the Company and our customers.

Additionally, the Company conducts regular service evaluations on our partners. Since 2021, we have introduced Attack Surface Management (ASM) services. Through professional third-party mechanisms, we assess the information security maturity of suppliers' external systems and incorporate them into evaluation items to encourage suppliers to prioritize information security. Furthermore, KGI Life regularly supervises and reviews suppliers each year, which includes information security reviews to verify the overall service capabilities and quality of suppliers. The results are used as the basis for subsequent supplier selection.

## Information Security Education and Training

Dedicated information security personnel at KGI Life are required to complete at least 15 hours of professional information security training each year. In addition, information security coordinators in each department must participate in a minimum of six hours of information security awareness and operational training annually. For general employees, the Information Security Department plans three hours of information security training annually, provides online information security training for new hires, and periodically conducts company-wide email-based security awareness campaigns. These initiatives aim to continuously enhance the overall information security awareness of all employees. In 2024, the training completion rate among employees reached 100%.

Furthermore, in 2024, together with the Information Security
Division of KGIF, KGI Life co-organized events for the Cybersecurity
Month, marking the first time a financial group in Taiwan promoted
the Cybersecurity Month. We also arranged information security
companies to conduct six information security-related courses for
all employees. Through interactive discussions, we aimed to help all
employees understand the way information security drives business
growth.



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According to the list of information security certificates announced by the Executive Yuan, KGI Life employees, including the Chief Information Security Officer, hold a total of 68 information security certificates. With approximately NT\$2.51 trillion in total assets as of 2024, the information security certificate holding ratio is 2.7%<sup>10</sup>. The Company continues to encourage employees to undergo professional training and obtain certifications to create the most professional information security team.

The Company's information security-related training programs recorded a total of 2,838 participants, with approximately 8,700 training hours completed. Moving forward, the Company will continue to offer diverse information security training programs to further enhance employees' awareness and capabilities in information security.

# Implementation of the Zero Trust Framework

In December 2022, the FSC released the "Financial Information Security Action Plan 2.0", which identified "promoting zero trust network deployment and strengthening connection authentication and access control" as one of its key focus areas. On July 15, 2024, the FSC further issued the "Reference Guidelines for the Implementation of Zero Trust Framework in the Financial Industry", providing financial institutions with essential guidance for adopting a zero trust framework.

**Zero Trust Network** 



Never trust, always verify

According to the requirements of the FSC, all financial institutions are required to select high-risk areas, introduce a zero trust framework, and complete the planning for implementing zero trust by December 2024. Since KGI Life was selected as a key subject for promotion, we are responsible for sharing relevant plans and implementation progress with financial institutions.

The Company has adopted a risk and impact assessment methodology centered on high-risk areas as the foundation for implementing the zero trust framework. It has conducted a comprehensive review of access paths to corporate resources (including identity, devices, networks, applications, and data) and developed a strategic framework for implementation. This approach aims to reduce the external attack surface and enhance defense in depth from the outside in, while expanding protection coverage from the inside out.

The goal is to progressively meet the maturity requirements for each pillar of the zero trust framework as set by the regulators, thereby strengthening the Company's information security governance and ensuring the delivery

of innovative, secure, convenient, and stable financial and insurance services to customers. KGI Life formulated a zero trust network implementation plan in 2024 and submitted it to the Board of Directors for approval to ensure the smooth operation of the mechanism.

# Information Security Incident Reporting and Handling **Mechanisms**

In response to the increasingly severe information security landscape, there is also a wide range of sources of intelligence. The FSC is promoting the Financial Information Security Action Plan. To leverage the integrated resources and mutual support within KGIF, the Company has established an internal cross-functional "Information Security Incident Handling Team" and has joined the "Computer Information Security Incident Response Team" formed by the KGIF. This structure enables timely awareness and coordinated response to information security incidents across group entities, helping to minimize the impact and damage caused by such incidents. In addition, major information security incidents often affect more than one institution. The Company has joined the Financial Information Sharing and Analysis Center (F-ISAC) to utilize joint defense mechanisms among institutions, thereby strengthening risk management, enhancing horizontal reporting and response across







financial institutions, and supporting operation and collaboration, with the aim of achieving ioint defense synergy. There were no major information security incidents in 2024.

In 2024, the Company also organized red teaming and participated in major financial information security incident contingency scenario drills organized by the competent

authority to identify deficiencies in the Company's information security defense mechanisms and review the completeness of the information security incident response procedures. The Company received a certificate of appreciation from the competent authority for its proactive response in major financial information security incident drills and for sharing its experience with peers in the financial industry.



<sup>10</sup> The denominator was measured in NT\$ billion. 68 (certificates)/2,510 (total assets) \* 100% = 2.7%.



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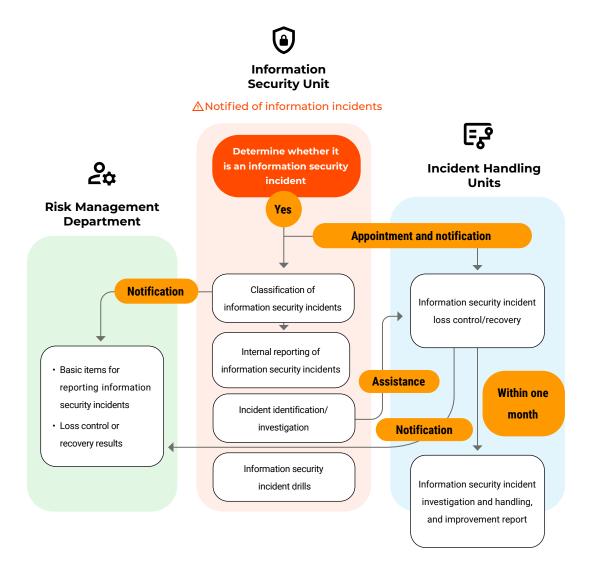
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# Information Security Incident Reporting, Handling, and Response Process



# Personal Data Protection and Management System

KGI Life has continuously strengthened the mechanisms for protecting customer personal data and safeguarding customer rights and interests. Since 2017, the Company has adopted the Personal Information Management System (PIMS) in accordance with the BS 10012:2017 standard, embedding personal data protection into our organizational culture. Since 2020, KGI Life has expanded the scope of verification to cover all units and established an assessment mechanism for the applicability of the EU General Data Protection Regulation (GDPR). The Company also engages external verification bodies to conduct annual audits. In 2024, KGI Life successfully passed the recertification audit for BS 10012, demonstrating the Company's ongoing commitment to continuously enhancing the personal data management system.

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

In addition, the Company has established a "Personal Data Protection Task Force" to assess whether personal data management, management procedures, and security control mechanisms are being implemented as planned. Personnel qualified as the lead auditor of the personal data management system shall assist in the internal audits of personal data protection.

The Company has established procedures for responding to and reporting personal data breaches, enabling us to respond to and properly handle such incidents in a timely manner. We have also established a Personal Information Incident Emergency Response Team, which follows reporting procedures and response measures according to the duties of each member and the levels of each incident to minimize losses. After the incident is handled, corrective and preventive measures are reviewed and discussed. At the same time, we refer to external case studies annually, plan drill scenarios, and enhance emergency response capabilities through simulated drills.



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In addition, if a personal data breaches involves a customer, the Company will inform the customer of the facts and the response measures taken by the Company in accordance with the relevant regulations of the Personal Data Act, and provide a consultation service hotline to offer subsequent consultation and assistance to customers. The Company has established a system for exercising the rights and addressing the complaints of the parties involved. When customers exercise their related rights and file complaints, we will properly handle and respond to them within the time limit required by law.

The Company did not have any customer personal information leakage incidents in 2024. In addition, although penalties related to personal data protection were imposed in 2024, the Company has actively completed all necessary corrective actions and implemented control measures to prevent similar incidents. At the same time, in response to the personal data leakage of the Company's partner, Taiming Assurance Broker Co., Ltd., in May 2024, the Company immediately activated the handling process, took immediate protective measures, and reminded customers to be vigilant against suspicious calls or text messages to protect their rights and interests.



# Personal Data Protection Education and Training

Since the introduction of the BS 10012 Personal Information Management System, the Company has enhanced the operational efficiency of personal information security maintenance mechanisms through continuous review and optimization as well as integrated necessary resources for the personal information management.

In 2024, a total of 12 physical and digital education and training sessions related to personal information protection were held. The contents covered the provisions of the Personal Data Protection Act, penalties for personal data breaches, and common practices, enhancing awareness among employees regarding personal information protection management. A total of 3,458 people completed the training.

# 2.3.5 Compliance

# **Compliance Risk Management System**

KGI Life formulates an annual compliance plan for the following year, which is implemented upon approval by the Board of Directors. In accordance with the plan, the Company submits quarterly compliance reports to the Board and the Audit Committee, outlining specific measures taken for each area of compliance. The Company

has established a "Compliance Risk Management and Supervision Framework" and conducts an annual compliance risk assessment in accordance with the "Guidelines for Compliance Risk Assessment Procedures and Methods". The assessment evaluates the inherent risks, effectiveness of controls, and residual risks across all departments.

For departments identified as having high inherent risks, the Company further reviews their control measures and operational procedures to strengthen the effectiveness of these controls. The related content is submitted to the Board of Directors for approval and subsequently reported to the competent authority for filing. In 2024, in addition to revising the aforementioned internal regulations based on past practical implementation experience, the Company also consolidated questions in the control effectiveness questionnaire according to consultants' recommendations to appropriately highlight control effectiveness. In addition, the Company utilizes a "Regulatory Change Management System" to support monitoring and integration, establishing a standardized review process. This enables tracking of each department's progress and implementation status regarding internal policy and system adjustments in response to regulatory changes. The system also assists in reviewing updates to internal regulations across relevant departments (including, but not limited to, those at the Board level), ensuring that all operational procedures and management policies are updated in a timely manner to remain compliant with applicable laws and regulations.

The Company holds regular communication and liaison meetings with the second line of defense every six months. In addition to the second line of defense units, including the Compliance Department, Risk Management Department, and Information Security Department, the members of the meetings also include the Corporate Governance Officer and the Auditing Department. Each unit on the second line of defense engages in exchanges regarding internal controls, compliance operations, and deficiencies identified through internal or external audits related to compliance. This collaborative approach helps establish a clear horizontal communication and coordination mechanism. To ensure that all lines of defense within the Company understand corporate governance, relevant units on the first line of defense are also invited to attend meetings on specific issues. Starting in 2024, we also highlighted the issue of misappropriation of insurance premiums and increased the awareness of preventing misappropriation through analyzing penalties borne by the peers and real cases from the FOI.

Furthermore, through early participation in the planning of new products and services, we are able to provide complete and timely compliance opinions, rapidly responding to and effectively managing compliance risks. The Company regularly conducts compliance tests, tracks improvements, and provides relevant education and training to departments with high inherent risks and related major regulatory issues on an annual basis. Additionally, we have established a management mechanism for penalties within the industry. Through self-examination and sampling, we reduce the risk of similar deficiencies.



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## Compliance with the Regulations Governing the Implementation of the Common Standard on Reporting and Due Diligence for Financial Institutions

Pursuant to the "Regulations Governing the Implementation of the Common Standard on Reporting and Due Diligence for Financial Institutions" due diligence must be carried out for all new accounts starting in 2019, and reporting must be completed between June 1 and 30 of the following year. KGI Life completed the first report in June 2020, and completed due diligence for existing accounts and the accounts of relatively low net worth individuals before the end of the same year. The same annual reporting has been completed as expected every year since.

## **Compliance Education and Training**

To further strengthen our commitment to sustainable operations, the Company conducts targeted training and awareness programs for different groups on a range of topics, including emerging financial supervision related to Al applications, employee confidentiality obligations, the TCF principles, ethical corporate management (including anti-corruption), financial consumer protection, personal data protection, interested party transactions, the Foreign Account Tax Compliance Act (FATCA), the "Regulations Governing the Implementation of the Common Standard on Reporting and Due Diligence for Financial Institutions", analysis of industry penalty cases, and summaries of newly revised laws and self-regulatory standards. These programs are supported by post-training assessments to reinforce the effectiveness of learning.

In addition, to strengthen the compliance awareness of agents and prevent violations of ethical corporate management, anti-corruption, and code of conduct, the Company requires agents to comply with laws and regulations when soliciting business and providing services.

## **Compliance Self-assessment**

According to the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises", each department is required to conduct a compliance self-assessment every six months. This process helps identify operational deficiencies and encourages corrective actions to ensure compliance. A compliance self-assessment was conducted in each half of 2024, and departments that discovered deficiencies completed improvements according to improvement programs (including improvement plans and improvement periods).

#### **Penalties and Improvement Measures**

In response to penalties imposed by the FSC on the peers, KGI Life collects relevant information and distributes it to responsible units for reviewing internal control measures and policies. This practice helps the Company stay aligned with the FSC's latest regulatory stance, prevent similar violations, and ensure that all aspects of business solicitation, products, and after-sales services comply with the latest government regulations. In addition, the Company currently manages industry penalty cases using a risk-based approach. Higher-risk items are evaluated, and relevant departments conduct self-reviews supplemented by sampling to identify whether similar deficiencies exist internally. This facilitates corrective action to prevent future penalties. Based on the findings, the Company further evaluates whether such items should be incorporated into future compliance inspection plans to enhance overall compliance.

Furthermore, relevant penalty information is compiled quarterly and reported to the Board of Directors, enabling the Board to understand the focus of the FSC's supervision. The Board can then review, evaluate, and adjust relevant compliance operations to achieve continuous improvements and optimization. Furthermore, internal education and training sessions are organized to raise the awareness of relevant personnel regarding compliance and reduce associated risks.

Disciplinary actions imposed by the competent authority on KGI Life in 2024  $\ensuremath{^{7}}$ 



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# 3.1 Realizing the Value of Sustainable Investment

As a life insurance company with vast assets, KGI Life upholds the spirit of mutual prosperity throughout the value chain and continues to utilize effective investment strategies, aiming to achieve the vision of a sustainable ecosystem through the power of capital flows. Through the implementation of responsible investment and policy-based exclusion of inappropriate investment targets, we established investment goals for sustainable development and relevant investment portfolios. KGI Life responds to international development trends and government policies as we continue to move towards sustainable investment. While exerting our influence in investment, we also create stable investment returns and realize the value of sustainable investment.

# 3.1.1 Responsible Investment Policy

In order to implement responsible investment, KGI Life has formulated the Responsible Investment Policy in accordance with the Taiwan Stock Exchange Corporation's Stewardship Principles for Institutional Investors and the UN Principles for Responsible Investment (PRI). The Policy adopted important environmental, social, and governance indicators for investment to fulfill our corporate social responsibilities and attain the goal of sustainable development.

The scope of responsible investment includes domestic and overseas listed and unlisted stocks, corporate bonds, financial bonds, government bonds, and fund management institutions. The Company considers ESG and other sustainability factors in assessing investment targets, making investment decisions, and managing investments, and implements stewardship actions to enhance investment value and promote the sound development of the Company's investment business. Furthermore, we established investment criteria to exclude companies that are involved in environmental pollution, social controversies, or poor corporate governance when evaluating potential investment targets, excluding them from direct investments. In accordance with appropriate procedures, we assess and manage climate-related risks associated with our investment targets. For investment targets exposed to higher climate-related risks, we follow the Company's Climate-related Risk Management Guidelines, establishing additional review mechanisms.

We continue to monitor, analyze, and evaluate information on investment targets after making investments. If any investment target is involved in a matter listed in the exclusion criteria, we shall immediately examine and evaluate if the investment target has made any improvements or plans, and explain the response measures taken by KGI Life in the evaluation report, such as changing the investment strategy or lowering the investment limit. In 2024, the Company did not encounter any incidents listed in the exclusion criteria for investment targets, and the investment portfolio met the requirements of the Responsible Investment Policy.



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#### **Negative List**

#### 1. Environmental

- Tropical forest lumbering industry
- Tobacco industry
- Polychlorinated biphenyls
- Nuclear weapons

#### 2. Social

With concrete evidence indicating involvement in:

- Illegal gambling
- Pornography
- Drugs
- Money laundering
- Terrorism financing activities
- · Slave labor
- Employment of child labor
- Industries involved in human rights infringement

#### 3. Corporate Governance

There is evidence that the execution of the Board of Directors' duties violates laws, the Articles of Incorporation, and resolutions of the shareholders' meeting, resulting in a material impact on the rights and interests of shareholders or investors.

# 3.1.2 Responsible Investment Process

KGI Life developed the Responsible Investment Policy with reference to the UN's Principles for Responsible Investment (PRI). ESG factors are integrated into the investment analysis and decision-making processes based on the nature of each asset type. Investment decisions take ESG considerations into account, and tools such as MSCI and Bloomberg databases are used to assess the ESG performance and financial metrics of potential investments. Based on these assessments, the Company decides whether to invest or reduce exposure. In 2024, 100% of individual stock investment reports included ESG evaluation items.

In addition to continuously monitoring, analyzing, and evaluating the companies after investment, we periodically review trends in operations or the industry chain of investees and report investment performance to the highest-level supervisor. Responsible investment results are also disclosed in the Sustainability Report. At the same time, we regularly evaluate ESG issues and major negative news related to the investment targets, and issue investment reports accordingly. If the investee or investment target violates regulations related to specific issues, damages the Company's ESG policy, or poses a risk to the Company's long-term value, we shall actively seek to understand the facts, details and current handling status of the incident. The responsible unit will assess the materiality of the incident and whether it requires active engagement and communication.

For various green and sustainability bonds, the Company conducts rigorous reviews of their capital utilization reports to ensure alignment with its green investment policy and to verify that the funds are being allocated toward initiatives that support environmental or social sustainability. In addition, based on the carbon emissions data of investment targets published by the MSCI database, the Company regularly calculates the total carbon emissions and carbon intensity of our investment portfolio for internal evaluation and management. This enables the Company to gradually adjust and reduce the portfolio's carbon footprint in order to meet the Group's carbon reduction targets.

#### Active Investment in Listed Equity, Fixed Income Securities, and Private Equity:

ESG is incorporated as an important factor for investment evaluation and management. The Corporate Sustainable Development Committee under the Board of Directors established the Responsible Finance Task Force, responsible for planning the sustainable development plans and supervising, implementing, executing, and reducing investment and financing in high carbon-emission industries. The task force also enhances green investment and financing and searches for green investment opportunities.

#### Passive Investment (Funds and ETFs):

In accordance with the Responsible Investment Policy, for foreign funds and ETFs, whether the fund management institution or its group is a signatory to the PRI will be reviewed as part of the screening criteria. If the assets are domestic funds and ETFs, we will examine whether the fund management institution or its group has ESG policies or related implementation methods.

#### Real Estate Investments:

The Company has established the Real Estate Investment Operations Manual and the Real Estate Investment and Management Procedures, which clearly require that Environmental (E), Social (S), and Governance (G) factors be thoroughly considered when evaluating real estate investments. This includes assessing whether the property has obtained domestic or international green building certifications, low-carbon building labels, or energy efficiency ratings. Environmental risks (including climate-related temperature rise, soil liquefaction, and geological sensitivity) are also taken into account to evaluate whether ESG is integrated in the investment target. In addition, when leasing real estate to third parties, the Company conducts ESG screening of potential tenants. This includes excluding high-pollution and high-energy-consumption industries from an environmental (E) perspective, as well as controversial industries from a social (S) perspective. These measures ensure alignment with KGI Financial Holding's sustainable finance commitments, effective management of investment risks, and fulfillment of the Company's corporate social responsibilities.



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#### **Responsible Investment Flowchart**

#### Step 1 >

#### **Negatives List Screening**

Establish a negative list and check whether the investment target meets the requirements in the first step. If any matters related to negative factors listed in the Responsible Investment Policy are found, the target will be excluded.

#### Step 2 >

#### Selection of Investment Targets

Responsible investment targets:
Based on the three key aspects
of social, environmental, and
corporate governance factors,
the Company evaluates the
products, business activities, and
positive practices of investment
targets. This process is used to
identify and select targets that
demonstrate strong corporate
social responsibility.

#### Step 3 >

#### Highly Sensitive (High Carbon) Industries Screening

As part of the investment evaluation process, a high carbon-emission industry list has been established to identify whether a potential investment belongs to a high pollution (high carbon emission) sector.

This assessment includes evaluating the potential impact of regulatory restrictions. It also covers whether the investment target is involved in major incidents of environmental pollution or inappropriate waste disposal.

#### Step 4 >

#### ESG Assessment Mechanisms

The Company refers to lists and indexes of outstanding corporate social responsibility performers compiled by well-known or credible domestic institutions or government agencies as part of our investment evaluation process.

climate risk have implemented or are preparing transition plans. If an investment target is related to industries such as coal mining, coal-fired power generation, or thermal power generation, and has been subject to major environmental sanctions by environmental authorities within the past year, the Company must review whether the target has adopted corrective actions or established improvement plans. Such findings shall be clearly noted in the investment evaluation report.

For domestic and overseas fund management institutions, we not only evaluate whether their investment policies comply with the Company's Responsible Investment Policy, but also consider whether an overseas fund management institution and its group are signatories to the Principles for Responsible Investment (PRI). When evaluating investments in green bonds, the Company refers to the investment target's ESG reports or other relevant information and reviews the published green bond capital management plans, control mechanisms, and expected environmental benefits. This ensures alignment with the Company's intended goals and serves as a basis for adjusting investment decisions. We also use the ESG checklist and investment evaluation report to screen investment targets with sustainable value.

mechanisms, and expected environmental benefits. This ensures alignment with the Company's intended goals and serves as a basis for adjusting investment decisions. We also use the ESG checklist and investment evaluation report to screen investment targets with sustainable value.

In addition to continuously monitoring, analyzing, and evaluating companies' relevant information, we regularly review the reports on the use of funds for each green and sustainable bond to ensure that the funds are used to support the sustainable development of the environment and society. Additionally, the total carbon emissions and carbon emission intensity of domestic and overseas bonds in

the investment portfolio are calculated monthly based on the carbon

each month. We conduct internal assessments and management,

investment portfolio to meet the environmental protection goals.

gradually adjusting and reducing the carbon emissions of our

emissions of the investment targets as reported in the MSCI database

#### Step 5 >

#### Investment Decisions

Before making any investment, the Company conducts AML and CTF checks on the names and associated countries or regions of investment and transaction counterparties. We review whether the target companies have effectively implemented AML and CFT measures.

#### Step 6 >

#### Post-investment Management

The Company regularly conducts carbon emission inventories of our investment portfolio, monitors the carbon emissions of the portfolio, and discloses the results in our monthly strategic report. In the event of major negative ESG news, the Company will actively investigate or issue an assessment report.

#### **Step 7** >

#### **ESG Engagement and Communication**

The Company has a 100% attendance rate at the shareholders' meetings of domestic investee companies. If there are significant ESG risks, we will not approve proposals, or we will carry out engagement and communication.

Service providers are also subject to the negatives list and their ESG policies are evaluated. For private equity funds, whether the fund management company is a signatory to the PRI is also part of the selection criteria.

# **Investment Evaluation Principles**

In addition to selecting investment targets based on the investment exclusion criteria specified in the Responsible Investment Policy, the Company also comprehensively evaluates the industry's development, profitability, and sustainable practices of investment targets to enhance the value of its investment assets. We are also actively developing climate risk and carbon emission management mechanisms. If the main business involves negative issues such as environmental pollution, social controversies, and poor corporate governance, direct investment shall not be considered. Lists and indexes of excellent sustainable development performers selected

by well-known or credible domestic and foreign institutions or government agencies are also used as reference.

An investment evaluation report that references the investment target's ESG report and other information must be prepared before making an investment. The report examines various ESG aspects, including environmental protection, labor-management relations, corporate governance, climate action, and other sustainability initiatives. To assess the climate transition risk of investment targets, carbon emissions are used as a key criterion for evaluation. The Company follows the high climate risk industry list established by the Group to further examine whether investment targets with high



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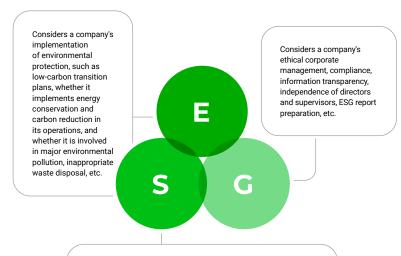
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# Integrating ESG Factors into Investment Decisions

KGI Life selects investment targets based on macroeconomic analysis, industry research, and investment reports, and then makes informed investment decisions within the established investment limit. To manage the sustainability risks of our investment portfolio, KGI Life has established an ESG screening mechanism. Using the ESG checklist, the Company integrates ESG factors into our investment analysis reports to evaluate the sustainability performance of each investment target. When investing in listed equities and bonds, KGI Life considers both the financial and ESG performance of the investment targets. The Company leverages external resources, including Taiwan's ESG IR platform and international databases such as MSCI ESG and Bloomberg, to assess aspects such as financed carbon emissions and ESG ratings. In addition to evaluating the carbon emissions of investment portfolios, relevant negative and controversial news, as well as whether the target is listed as excellent sustainable development performers, are considered during assessments.

To effectively assess and manage the climate risks of investees, the Company plans to incorporate climate risk factors into the inspection and review of the investment process. We will strengthen the review mechanism for investment targets that involve higher climate-related risks, and periodically evaluate the changes in climate-related risks of these targets to serve as the basis for adjusting investment positions.

#### **Investment Evaluation Factors**



Consider whether a company has established human rights policies, labor health management, talent cultivation, workplace safety, and measures to prevent sexual harassment, and has not experienced any major information security incidents, while also supporting community development and charity activities.

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

For private equity funds, in addition to evaluating their ESG policies, the Company also considers whether the fund management institution is a signatory to the PRI as a key screening requirement for the assessment.

# 3.1.3 Investment Strategies

# Proactively Invest in the Six Strategic Industries in Response to Government Policies

Following the Five Plus Two Industry Innovation Plan, KGI Life continued to actively invest in and support natural gas power plants, green energy, and information security companies, in line with the government's policy on Investments in Six Core Strategic Industries. The balance of direct and indirect investments in the six core strategic industries reached NT\$150.6 billion in 2024.

# Balance and Percentage of Investments in Six Core Strategic Industries

Six Core Strategic Industries	Investment Balance	Percentage of Investment Balance
1. Information and Digital Industry	334	22
2. Cybersecurity Industry	20	1
3. Medical Technology & Precision Health Industry	10	1
4. Green and Renewable Energy Industry	1,095	73
5. National Defense and Strategic Industries	1	0
6. Strategic Stockpile Industries	45	3
Total	1,506	100
(Unit: I	NT\$100 million)	(Unit: %)



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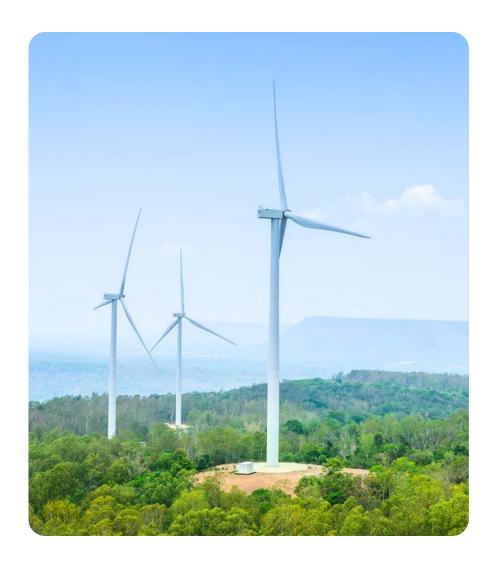
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# **3.2 Moving Towards the Net Zero Vision**

# 3.2.1 Three Major Climate Actions

We understand that climate change has become a global risk. As an asset owner, KGI Life aims to collaborate with investees and jointly make an impact on climate actions through funding. After discussions in cross-departmental meetings, investment departments propose potential climate actions based on analyses of carbon emissions from our asset portfolio. These actions include adjusting positions and investment targets, and attending shareholders' meetings, investor conferences, forums, and workshops. After considering feasibility, we selected three climate actions, "investment in renewable power plants", "investment in green and sustainable financial assets", and "high carbon-emission industry engagement", as our climate action goals at the current stage.



#### **Investment in Renewable Power Plants**

To realize the value of corporate sustainability and support the development of Taiwan's renewable energy industry, the investment departments of KGI Life carefully evaluates the eligibility, risks, and opportunities of investment targets. As of 2024, KGI Life has invested approximately NT\$1.65 billion in renewable power plants (a 9.5% increase compared to that of the previous year). The total avoided carbon emissions generated by the renewable energy companies invested in during 2024 amounted to approximately 338,000 metric tons of  $CO_{2e}$ . Based on KGI Life's proportional capital contribution, the Company is estimated to have avoided approximately 86,000 metric tons of  $CO_{2e}$ . The estimated power generated by the Company's held positions totaled approximately 203,362 MWh. As of 2024, the Company's investment in renewable power plants is expected to reach a total installed capacity of 1,142 MW, a 47.5% increase from that of the previous year.

KGI Life is actively investing in the renewable energy industry. In addition to increasing the investment proportion, KGI Life will continue to seek out investment opportunities with development potential and genuine environmental benefits. At the same time, when the Company invests in renewable energy sites, the sites must undergo an environmental assessment to ensure it avoids locations with environmental issues, thereby minimizing damage to the natural ecology.



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# Investment in Green and Sustainable Financial Assets

KGI Life actively invests in benchmark domestic and foreign green bonds, sustainability-related funds, and ETFs, with the expectation that these funds will be allocated to renewable energy, energy efficiency improvements, green transportation, sustainable water resource management, and green building initiatives. As of 2024, KGI Life's green and sustainable investment amount was approximately NT\$44.8 billion, representing a 45.7% increase from 2022. Investment items included green bonds, sustainability bonds, renewable energy, sustainable thematic funds, and green energy technology.

As of the end of 2024, the amount invested in green bonds and sustainability bonds was approximately NT\$31.4 billion, an increase of approximately 11% compared to that of 2022. It is estimated to have a greenhouse gas reduction effect of 333,000 metric tons per year.

Furthermore, KGI supports the government's Green Finance Action Plan 3.0, which aims to promote the development of green financial products. The Company has invested approximately NT\$2.3 billion in green bonds approved by the Taiwan Stock Exchange and the Taipei Exchange, as well as around NT\$9.06 billion in ESG ETFs and other financial products. KGI Life supports the development of Taiwan's ESG framework and realizes the spirit of sustainable investment through its financial actions.

#### Investment in Renewable Power Plants and Green/Sustainable Financial Assets

Action Plan	Implementation Results in 2024
Invest in the Solar Power Industry	Investment balance was approximately NT\$1.65 billion in the solar power industry.
Invest in Energy Storage Equipment and Green Energy	Investment balance by the end of 2024 was approximately NT\$446 million in energy storage equipment.
Green Bonds and Sustainability Bonds	Investment balance by the end of 2024 was approximately NT\$31.4 billion.
Sustainable Thematic Funds	Investment balance by the end of 2024 was approximately NT\$2.24 billion.
ESG ETFs	Investment balance by the end of 2024 was approximately NT\$9.06 billion.

## **High Carbon Emission Industry Engagement**

Investees that Participate in Climate Engagement and Interaction:

- Up to 100% have established human rights policies or commitments, improved gender equality, or promoted measures to prevent sexual harassment.
- · Up to 88% issued sustainability reports.
- Up to 81% established a corporate sustainable development committee.
- Up to 69% disclosed Scope 1, 2, and 3 carbon emissions.
- Up to 31% disclosed only Scope 1 and 2 carbon emissions.

- · Up to 85% set energy conservation and carbon reduction targets.
- 19% have joined the SBTi.
- · 23% have plans joining the SBTi.
- Up to 92% have energy conservation or low-carbon transition plans.
- · Up to 85% are concerned about issues such as biodiversity and ecology.
- 69% joined the Carbon Disclosure Project (CDP).
- 58% joined climate-related financial risk disclosures (TCFD Reports).



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After identifying high carbon emission positions<sup>1</sup>, KGI Life issued 174 questionnaires in 2024 to investee companies that either had high carbon emissions or had not yet signed on to the Science Based Targets initiative (SBTi). The goal is to promote climate action in partnership with investees by encouraging them, through the questionnaire, to proactively inventory and manage their GHG emissions, set reduction targets, implement mitigation measures, and track their progress. We understand the carbon emissions, current carbon reduction measures, climate actions, biodiversity issues, and future carbon reduction goals of investees across different scales and industries, based on analysis results. We continue to track their carbon emissions and other climate actions to verify if investees are able to achieve their annual goals.

<sup>1</sup> In 2024, the identified high carbon-emission industries include agriculture, animal husbandry, oil and natural gas mining, sand, gravel, and other mining activities, petroleum and coal products manufacturing, chemical materials and fertilizer manufacturing, plastics manufacturing, non-metallic mineral products manufacturing, basic metal manufacturing, semiconductor manufacturing (excluding IC design companies), electricity and gas supply (excluding renewable power projects), automotive freight transport, and aviation transport industry.



# 3.2.2 Responding to the National Net Zero Policy

To achieve the national goal of net-zero emissions by 2050, the FSC and the National Development Council have successively issued the Reference Guidelines for the Recognition of Sustainable Economic Activities and the 12 Key Strategies Action Plans. The policy spirit aligns with KGI Life's vision to drive the sustainable development of industries and facilitate an orderly carbon reduction transition through funding.

As of the end of 2024, following a review of the investment portfolio, none of the general economic activities classified under the Reference Guidelines for the Recognition of Sustainable Economic Activities were subject to major penalties for causing harm to the six environmental objectives or social protections. The investment balance of supporting economic activities has reached NT\$2.098 billion, and there have been no major penalties for endangering the six major environmental objectives or social protections. In addition, the investment balance in the 12 Key Strategies industries was NT\$4.398 billion.

The following is the distribution of domestic corporate bond investment assets that may be recognized as general economic activities in the "Reference Guidelines for the Recognition of Sustainable Economic Activities" screened out by KGI Life through the industry statistical classification of the Directorate General of Budget, Accounting and Statistics (DGBAS):

DGBAS Code	Investment Balance (NT\$ in millions)
C1810, C1841	3,049
C2331	7,000
C2611	8,706
H4910	1,000
	C1810, C1841 C2331 C2611

The following is the distribution of domestic enterprises that may be recognized as supporting economic activities in the "Reference Guidelines for the Recognition of Sustainable Economic Activities":

Supporting Economic Activities	DGBAS Code	Investment Balance (NT\$ in millions)
Renewable Power Generation, Facilities, and Related Equipment	D3510	1,893
Energy Storage Facilities and Related Equipment	C2890	205



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# Investment of domestic industries under the 12 Key Strategies

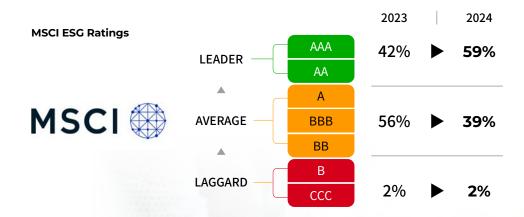
	Balance as of the end of 2024
Industry	(NT\$ in millions)
Wind/Solar Photovoltaic Power	1,893
Hydrogen Energy	None
Power Systems and Energy Storage	205
Innovative Energy	None
Energy Saving	None
Carbon Capture	None
Carbon-free and Electric Vehicles	None
Resource Recycling and Zero Waste	None
Green Finance (Green Bonds and Sustainability Bonds)	2,300

(unit/NTD)

Palanco as of the and of

## **Sustainability Performance of Investment Portfolio**

As of 2024, KGI Life reviewed the ESG ratings of investments in listed equities, corporate bonds, and financial bonds. The Company utilized the MSCI ESG Manager database to assess the ESG ratings of our investment portfolio. In 2024, investee companies with available ESG ratings accounted for 89% of the total assets reviewed. Among these, the proportion of investments rated as ESG Leaders increased to 59%, a 17% rise compared to that of the previous year. The Company regularly engages with investee companies, tracks their ESG progress and monitors the ESG performance of investment targets regularly. In the future, we will continue to engage with companies rated as Average and Laggard to improve the ESG ratings of our investment portfolio.





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# 3.2.3 Stewardship Principles for Institutional Investors

KGI Life actively promotes the stewardship of institutional investors. By referring to the Stewardship Principles for Institutional Investors, we signed the KGI Life Stewardship Principles on June 21, 2018. In 2023, we established the Stewardship Policy to fulfill our role as an institutional investor. By attending shareholders' meetings, exercising voting rights, and engaging in dialogue the relevant directors or managers of investees, we gain a deeper understanding of and communicate the risks faced by and strategies of investee companies in the industry. We are committed to achieving a certain level of consensus with investees on long-term value creation and participating in their corporate governance in hopes of influencing them as an institutional investor, fulfilling our stewardship.

KGI Life actively exercises ownership rights and participates in the shareholders' meetings of all domestic investee companies within the scope permitted by law. Except for some motions that require abstentions due to regulatory requirements, the voting rate at shareholders' meetings of domestic listed/non-listed companies reached 100%. Furthermore, KGI Life also participated in the Investment Research Working Group of the Life Insurance Association of the Republic of China, to promote the PRI. We further encouraged investors to accept and implement the PRI. 100% of overseas funds and overseas ETF issuers, as well as 89% of overseas private fund management institutions held by KGI Life are signatories to the PRI, demonstrating KGI Life's commitment to the PRI.

#### Six Principles of PRI

Principle 1: Incorporate ESG issues into investment analysis and decision-making processes.	<ul> <li>Formulated the Responsible Investment Policy to incorporate ESG factors into the investment evaluation process.</li> <li>Evaluated investment targets based on the ESG investment checklist before investing, and conducted regular post-investment management evaluations.</li> <li>Thematic investments (green bonds, sustainability bonds, renewable energy, sustainable thematic funds, green energy technology, etc.)</li> <li>Regularly conducted a carbon inventory of investment positions in accordance with the Company's list of high carbon-emission industries.</li> <li>If an investee company faces a major sanction, KGI Life will issue a research report to evaluate the case and continue to track the company's situation.</li> </ul>
Principle 2: Actively exercise ownership and integrate ESG issues into ownership policies and practices.	<ul> <li>100% participation rate in shareholders' meetings of domestic listed investee companies and 100% voting rate in the proposals of shareholders' meetings.</li> <li>Unlisted investee companies were included in both the investment evaluation reports and post-investment management processes. The Company maintained a 100% participation rate in shareholders' meetings and a 100% voting rate (excluding director and supervisor election proposals, where abstention is required under the Insurance Act; all other proposals were voted on).</li> </ul>
Principle 3: Require the appropriate ESG disclosure by investee institutions.	<ul> <li>Investment evaluation reports referenced the ESG report, ESG ratings, or other relevant information about the investment target.</li> </ul>
Principle 4: Promote the acceptance and implementation of PRI in the investment industry.	<ul> <li>100% of overseas funds and overseas ETF issuers, as well as 89% of overseas private fund management institutions held were signatories to the PRI. Additionally, a PRI threshold was set for foreign private fund investment, and the ESG performance of the investment portfolio was reviewed annually in accordance with the ESG checklist.</li> </ul>
Principle 5: Establish cooperation mechanisms to strengthen the effectiveness of PRI implementation.	<ul> <li>Encouraged foreign private fund companies to sign the PRI.</li> <li>Participated in the Life Insurance Association of the Republic of China and discussed investment practices of life insurance companies with the industry.</li> <li>Participated in ESG forums organized by external institutions and cooperated with competent authorities to discuss sustainability-related issues.</li> <li>Invited external institutions to share their experience in sustainable finance and ESG data analysis.</li> </ul>
Principle 6: Individual reports on activities and progress towards PRI implementation.	<ul> <li>Regularly reported the carbon inventory results of our investment portfolio and the proportion of investments in high carbon industries to the Responsible Finance Task Force.</li> <li>Regularly reviewed the increase in green investments.</li> <li>Demonstrated the implementation results of responsible investment and stewardship to stakeholders through the Sustainability Report and the Stewardship Report for institutional Investors.</li> </ul>



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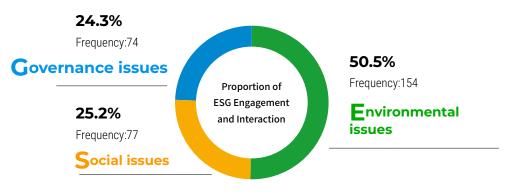
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Proportion of ESG engagement and interaction with domestic and overseas investee companies in 2024



Interactions with Investee Companies in Taiwan and Proportion of Visits in 2024

Visits		We visited a total of 92 domestic listed investee companies, with an average of 3 visits per company.					
Shareholders' Meeting	Listed Companies	We attended the shareholders' meetings of 95 domestic listed investee companies in person, achieving a 100% attendance rate. A total of 489 proposals were voted on, with 489 votes cast in accordance with the types of proposals reported in the shareholder meetings.					
	Unlisted Companies	We attended the shareholders' meetings of 22 domestic unlisted investee companies in person, achieving a 100% attendance rate. A total of 87 proposals were voted on, with 87 votes cast in accordance with the types of proposals reported in the shareholder meetings.					

**Engagement Cases in 2024** 

Engagement Topics/Objectives

Reason/Purpose of Engagement

Sharing and Exchanging Climate Risk Management Experience The Company distributed the 2024 engagement questionnaires, and for the first time, questionnaires were sent to investee companies that had not yet joined the SBTi. Following the distribution, the Company was invited by Insurance Group Y to share our ESG-related policies and climate risk management practices, including practical experience in Scope 3 carbon inventory.

Engagement Time

**Engagement Method** 

Individual Engagement

Description of and Recommendations on the ESG Status of Engaged Companies Engagement Results or Follow-up Actions

2024/9

- Insurance Company Y is a long-term investee of the Company and has not yet joined the SBTi.
- During this exchange, in addition to gaining a preliminary
  understanding of Insurance Group Y's sustainability governance
  framework and the challenges it faced in carbon inventory, the
  Company shared how it met carbon emissions requirements. This
  included approaches to data collection and estimation of emissions,
  which have supported the Company in becoming a signatory to the
  SBTi. We hope that this practical experience sharing will serve as a
  reference for Insurance Company Y, enabling it to join the SBTi in the
  future and move closer to achieving the goal of net zero emissions.

• The impact of the engagement on the Company:

During this exchange, the Company actively expressed our wish for Insurance Company Y to join the SBTi. Insurance Group Y also stated that it would do its best to promote related operations.

The impact of the engagement on the Company's future investment decisions:

The Company will fulfill its role as a shareholder and institutional investor by maintaining open communication channels to share its Scope 3 management mechanisms and related experiences. Through this engagement, the Company aims to encourage investee companies to progress toward net zero emissions targets.



Environmental
Social & Governance



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## KGI Life (Listed + Unlisted)

Voting at the 2024 Shareholders' Meeting		Total Number of Proposals		In Favor		Opposed		Abstained		
ESG	G Aspect	Type of Proposal	Number of Proposals	%	Number of Proposals	%	Number of Proposals	%	Number of Proposals	%
		Related to business reports and financial reports	112		112		-		-	
		Earnings distribution or loss make-up	106	_	106				-	_
	Operational and Financial Performance	Amendments to articles of incorporation or operating procedures	79	78 3 6	78		1	100%	-	32.0%
		Contract signing/change of operating address, or administrative fee collection method	3		3		-		-	
		Election of directors or supervisors	56		6		-		50	
	Corporate Governance and Board Organization	Discharge of directors or supervisors	-		-		-		-	
Governance		Lifting the non-competition restrictions on directors	63		59		-		4	
(G)		Director remuneration	-	78.4% - 20 20 2 4 1 5	-	97.8%	-		-	
	Business Strategies and Capital Structure	Company dissolution, merger, acquisition, share conversion or division	-		-		-		-	
		Capital increase	20		20		-		-	_
		Cash distribution of capital reserve	2		2		-		-	_
		Private securities	4		4		-		-	_
		Capital reduction or cash reduction	1		1	_	-		-	
		Long-term fundraising projects	5			-	_	-	_	
		Share release by subsidiaries	1	_	1		-		-	_
Social (S)	Labor Rights and Interests	Issuance of new restricted stock or share subscription warrants for employees	9	- 1.6%	9	- 2.2%	-		-	
		Transfer of treasury stocks to employees at a price lower than the actual average repurchase price	-	1.0%	-	Z.Z /o				
Environmental	Climate change		-	0%	-	-	-	-	-	-
(E)	Environmental pollution		-	0%	-	-	-	-	-	-
Others		Extemporary motions	115	20%	-		-		115	68.0%
		Subtotal of Proposals	576	100%	406	70.5%	1	0.2%	169	29.3%

Statement of compliance with the Stewardship Principles for Institutional Investors, Stewardship Report, disclosure of voting status at shareholders' meetings, and annual engagement records. 🗷



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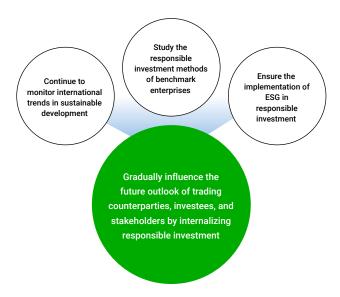
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## Dedicated Responsible Investment Personnel and Training on ESG Issues

The investment unit has appointed dedicated personnel for responsible investment management and provides ESG education and training, as well as sustainability talent training, for relevant departments. We provide training on domestic and international sustainable finance development trends, regulatory frameworks, and climate change risk management to ensure that ESG values are integrated into investment practices. In 2024, a total of 30 people attended 76 hours of internal and external ESG training courses, 20 hours of workshops, forums, and lectures, and 6 hours of seminars. In 2024, 102 training hours were completed, and approximately NT\$13.907 million was invested in training and hiring ESG investment professionals (including project collaborating personnel with related expertise).

## **Duties of Dedicated Responsible Investment Personnel**



## 3.3 Digital Finance Innovation and Development

## 3.3.1 Digital Finance Strategy Blueprint

As FinTech flourishes globally, KGI Life is actively building digital and data infrastructure in response to the digital development trend in insurance services. Through "artificial intelligence", "data driven", "cloud services", and "agile culture", we have implemented three major strategies: "innovative business applications", "smart operational risk management", and "digital service experience". Through comprehensive digital innovation strategies, we continue to promote the digital transformation using emerging technologies, expand application scenarios to enhance customer experience, reduce operating time and labor costs associated with customer services, and utilize innovative technologies to deliver heartwarming services. We are committed to becoming the most recommended and trustworthy life insurance company in Taiwan.

#### **Digital Strategy Blueprint Becoming the Most Recommended and Trustworthy Life** Insurance Company in Taiwan through Digital Innovation Vision **Smart Operational Risk Management Digital Service Experience** Innovative Business Applications Integrate digital marketing tools and AI Automate and incorporate smart functions Create a comprehensive digital experience Strategies services to reshape our business journey to meet customers' diverse and real-time in operating procedures to improve service and optimize customer experience. quality and efficiency, eliminate operational needs in a convenient way and improve disruptions, and enhance service resilience. customer experience. Artificial Intelligence (AI) Data Driven (Data) Cloud Service (Cloud) Agile Culture (Agile) Data development Agile Culture Al Applications ○ Cloud Services **Core Values** Assessment Data collection, cleaning, Data storage/backup, virtual Practical training courses and implementation, and integration, sharing, servers, SaaS, computing coaching to cultivate internal scenario application management, and resources, and sharing/ scrum masters, honing the team's governance collaboration models practical agile capabilities



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## **Artificial Intelligence**

To promote the use of AI in compliance with regulatory requirements, the Company has established the AI Application Governance Guidelines and, in accordance with the Organizational Guidelines for the AI Governance Committee, formed the AI Governance Committee. This serves as the current framework for managing AI application scenarios and actively advancing AI governance mechanisms to ensure that the use of AI technologies complies with applicable laws and regulations.

We continue to enhance our Al capabilities and expand application scenarios, leveraging intelligent algorithms to optimize resource utilization, reduce carbon emissions, and improve operational efficiency, thereby enhancing the customer service experience. At the same time, the Company has established internal Al governance regulations and the Al Governance Committee to strengthen the management of technology-related risks. These measures ensure the secure and compliant use of Al technologies, safeguard customer's rights and interests, and support the delivery of sustainable and innovative financial solutions.



## Al Assistant for Agents - "Afu"

"Afu" is a smart assistant tailor-made by KGI Life for agents. It helps agents obtain the information they need for various policy sales services, including product information, forms, sales support, and frequently asked questions (FAQs). It also connects different agent tools and systems through the system API, providing agents with more comprehensive sales support. It enhances the ability of agents to provide thoughtful and timely services, improves customer satisfaction, and reduces the waiting time for agents to make phone consultations. Afu has become the most trusted, dependable, and caring AI assistant for agents.

In 2024, we continued to expand Afu's functionalities and completed system architecture optimization to enhance service flexibility and responsiveness. It now offers a wide range of services for agents, including underwriting and claims progress inquiries, policyholder birthday reminders, e-card creation, access to illness questionnaires, policy management, customer information updates, and the reissuance of documents. These services help shift agent support tasks, previously limited to phone calls, to Afu, thereby enhancing agent professionalism and delivering a superior customer experience. Afu's outstanding performance won the "Best Product" award at the 21st National Brand Yushan Award.

## Audio Recording and Playback Bots for the Elderly

To protect the rights and interests of elderly customers and provide a more convenient and efficient insurance application experience, the Company obtained regulatory approval to pilot an audio recording and playback system for the elderly. By integrating a standardized recording template platform and using a robot to read out required questions, the system reduces the time agents spend on manual data entry and minimizes reading errors. This streamlines the policy review process, reduces repetitive follow-up confirmation, and enhances the overall user experience for policyholders. Through human-machine collaboration, we can reduce the human error rate and improve operational efficiency, ensuring the accuracy of information received by the elderly. We can also reinvent models of digital operations, allowing elderly customers who are not familiar with new technologies to enjoy the service experience brought about by digital technology innovation. Through digital power with a warm touch, we provide caring service and support to the elderly, further enhancing customer satisfaction and achieving our goal of offering friendly financial services. After the service is activated, it is expected to reduce the preparation time for elderly audio recordings for digital application by 80%. At the same time, it will reduce the re-recording rate of agents due to errors by 30%. The applicable scope shall be adjusted in accordance with the regulations of the competent authority on a rolling basis.



#### KGI "i-Life" APP

KGI Life launched "convenient self-service", "immediate access to history", and "lifestyle of abundance and health" at the start of 2022, creating an experience that includes policy services, health management, promotions for policyholders, and reminder notifications through the KGI "i-Life" APP, which provided customers with convenient and easy digital insurance services.

The KGI "i-Life" APP offers users insurance and lifestyle concierge services, serving as an integrated platform that connects insurance, health, medical care, daily life, and technology. It provides a convenient one-stop insurance self-service experience, featuring a friendly financial service section, an accessible browsing interface, and voice authentication services. The KGI "i-Life" APP has obtained the app accessibility certification from the Taipei Parents' Association of the Visually Impaired, making KGI Life the first insurance company in Taiwan to receive this professional certification and embodying the policy of friendly financial services.

As of the end of 2024, the cumulative number of use of KGI "i-Life" APP exceeded 5 million. KGI Life continues to integrate over a hundred features into its app, including policy inquiry and change, online premium payments, claims applications and inquiry, policy loans, health management, customer benefits, and appointment scheduling for in-person services. As a result, the average processing time for policy changes conducted through the KGI "i-Life" APP has been reduced from 4 days to just 1 day. Through cross-sector collaboration, KGI Life integrates health management and lifestyle information into our customer services. Customers who need medical treatment or physical checkup can use the consulting services and exclusive checkup packages of cooperative hospitals. This extends the scope of services from traditional insurance policy support to health and lifestyle care, enhancing both the breadth and depth of customer services. Service optimization is also carried out in line with regulatory requirements and by integrating new technologies to meet user expectations.



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## **Agile Culture**

In response to the rapidly evolving industry landscape, continuous innovation in technology and business models, and the growing importance of digital user experiences, KGI Life established the "Agile Academy" to embed an agile culture into the Company's DNA. Through hands-on training and coaching support, the Academy develops internal scrum masters. The goal is to enable faster response to change, accelerate software delivery, enhance team productivity, optimize collaboration, improve software quality, and increase customer satisfaction.

In 2024, KGI Life's agile culture experienced rapid growth. The number of teams, talent cultivation, and training hours all reached record highs, effectively improving project development efficiency and accelerating product delivery. In terms of talent development, we continue to cultivate new agile talent each year. As of the end of 2024, we had successfully trained a total of 242 individuals, including 19 product owners (POs) and 20 scrum masters (SMs), which provided KGI Life with stronger agile professional support.

In terms of team operations and internal training, the number of concurrently operating agile teams increased from 8 in 2023 to 10 in 2024, representing an annual growth rate of 25%. Total internal training hours grew by 103%, increasing from 724 hours to 1,471 hours. Since 2023, five internal agile instructors have been trained, delivering over 20 specialized courses, and teaching hours increased by 43%, reaching 77 hours in 2024.

Key Indicators	2023	2024	Annual Growth Rate
Number of agile teams	8 agile teams	10 agile teams	25%
Number of talent participating in agile teams for at least three months	Added 76 new people, including 6 POs and 9 SMs, 187 in total.	Added 55 new people, including 4 POs and 3 SMs, 242 in total.	29%
Teaching hours by internal lecturers	54 hours	77 hours	43%
Number of participants in internal training	285 people	452 people	59%
Total hours of internal training	724 hours	1,471 hours	103%

### **Data Driven**

To offer customers personalized products and services, we used big data to gain comprehensive insights into customer profiles and satisfy their needs. At the same time, big data analytics was used to identify high-performing insurance agents, ensuring customers receive more comprehensive and long-term service.

#### Big Data Platform

Compiled the data of the Company's various systems, identified important and critical customer information, established a data dictionary, developed data relationships, and completed a data monitoring mechanism.

#### Customer Analysis Data Mart

To provide customers with better services, we established a comprehensive customer analysis data mart, which regularly updates basic data, attributes, behaviors, and transaction records retained by customers. We compiled, analyzed, and labeled this data to gain a comprehensive understanding of customer needs and optimize the customer journey.

#### List of Target Customers for Protection Products

With customer protection as a priority, we utilized big data analysis and machine learning models to identify a list of target customers for protection product promotion, enabling agents to prioritize their visits. We promoted this initiative for dementia insurance and long-term life insurance respectively.

#### Aptitude Testing for Potential Prediction

To provide customers with a high-quality experience, the Company developed an aptitude assessment questionnaire and utilized data analysis to understand personality traits, thereby identifying high-potential insurance professionals. This enabled the design of appropriate development programs to support their training, growth, and retention. In turn, the initiative fostered stable, long-term relationships with customers and delivered a more comprehensive and exceptional service experience.



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### **Cloud Services**

#### Cloud Data Analysis Platform

KGI Life uses data-driven strategies and a comprehensive application ecosystem to flexibly expand various analysis scenarios. At the same time, it combines machine learning technology to improve operational efficiency and accuracy, reducing initial costs and maintenance manpower and allowing KGI Life to continue leading the development of digital transformation.





## 3.3.2 Innovative Digital Applications

We are exploring new technologies and existing operating procedures to identify opportunities for improvement and optimization. We actively form strategic alliances within the industry and across different sectors to create a better customer experience.

## **MID Scenario Application**

To establish a seamless identity verification mechanism and streamline administrative procedures, KGI Life has introduced a digital identity verification (Mobile ID) platform. Customers can directly register or upgrade to a member status with the authority to



make changes through MID to confirm that customers submit membership applications on their own devices. This effectively enhanced the convenience of membership registration and the proportion of digital policy change, strengthened the identity verification mechanism, and reduced manual administrative review costs.

In addition, when submitting new policy applications or policy service change requests, as well as during routine reviews of customer contact information, the Company used MID verification to confirm the accuracy of mobile phone numbers, particularly in cases where the same number is found for both the agent and the policyholder, or among multiple policyholders. This process verifies whether the mobile number on record was registered by the customer and detects any anomalies. It enhances the accuracy of customer data, reduces the operational costs associated with manual review or phonebased identity verification, ensures compliance with regulatory requirements for maintaining accurate customer information, protects customer's rights and interests, and lowers the risk of potential complaints. Since its launch and through the end of 2024, over a thousand cases have been processed using the MID-enhanced verification mechanism in place of traditional phone-based risk management, accounting for 10% of all cases. This reflects the Company's ongoing efforts to strengthen digital risk management and enhance the overall customer experience.

## **Implementation of General Short Codes**

To help customers easily identify the source of text messages and prevent fraud, KGI Life partnered with an external IT provider to become one of the first in the industry to implement a dedicated short code, "68889". This code is used for SMS messages containing URLs related to transactions, identity verification, and important notifications, such as electronic authorization services, member password resets, policy change (additional) payment reminders, and electronic policy download or pickup alerts. We also proactively promoted the security and credibility of our services through press releases, corporate websites, and social media. Policyholders could easily identify official information and click on SMS links with confidence, which effectively guaranteed the authenticity of the information, enhanced customers' trust in corporate information, helped customers identify the source of SMS, prevented unscrupulous persons from defrauding in the name of KGI Life, and protected the financial security of policyholders.





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## 4.1 Climate Governance and Strategies

With control over capital flows, the financial industry plays a leading role in the global net-zero movement, ahead of most other sectors. The progress of the 29th United Nations Climate Change Conference (COP 29) was limited. The recent withdrawal of major U.S. banks from the Net-Zero Banking Alliance (NZBA) has showed that climate actions are facing growing challenges. Record-breaking global temperatures continue to remind us of the escalating threats posed by climate change, underscoring the urgent need for governments and businesses to enhance their climate resilience. Climate finance emerged as a key topic at COP 29, reaffirming the critical role of the financial industry in driving global sustainability transition.

KGI Life continues to strengthen climate governance and exert influence in the value chain through the power of capital flows. On the one hand, we adopt carbon reduction actions to mitigate the environmental impact of our business activities. On the other hand, we also plan relevant adaptation actions to enhance our climate resilience. At the same time, to enhance the transparency of climate-related financial information and align with international sustainability trends, the adoption of the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) ensures that disclosures of climate-related risks and opportunities meet global standards. This further strengthens the integration of corporate climate governance and financial risk management, supporting the Company's stable development and meeting stakeholders' expectations for KGI Life's corporate sustainability.

## 4.1.1 Climate Governance Framework

To effectively manage climate-related risks and opportunities, KGI Life has incorporated climate change risks into our Risk Management Policy. In accordance with the Insurance Industry Risk Management Best Practice Principles and the Guidelines for Climate-Related Financial Disclosures for the Insurance Industry, the Company has established the Climate-Related Risk Management Guidelines to clearly define our climate risk management procedures. The Company's Board of Directors and senior management ensure that identified climate-related risks and opportunities are taken into account when formulating risk appetite, strategies, and business plans. They also continuously oversee the management and disclosure of climate-related risks. Furthermore, the Company has established the Corporate Sustainable Development Committee and the Risk Management Committee under the Board of Directors.



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#### 1. Board of Directors

As the highest authority for establishing an effective risk management mechanism and overseeing climate-related risk management, the Board is responsible for approving and supervising the climate risk management framework, policies, risk appetite indicators, and targets. It holds final accountability for climate-related risk management.

## 2. Corporate Sustainable Development Committee

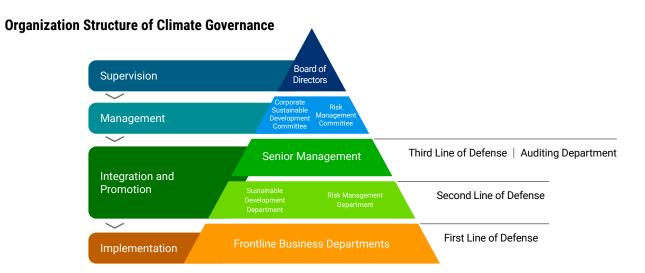
The Committee regularly reviews the implementation of climate-related risk management and ensures that senior management receives adequate training to effectively manage climate-related risks.

#### 3. Risk Management Committee

The Committee reviews the Company's climate-related risk management guidelines, procedures, and processes, and ensures that climate-related risks are incorporated into the risk appetite through qualitative or quantitative indicators and targets.

## 4. Senior Management (the Direct Reports of the President)

Senior management establishes the management framework and processes for climate-related risks, ensures the implementation of necessary measures for identified climate risks, and regularly reports the status of climate risk management to the Corporate Sustainable Development Committee.



#### 5. The Three Lines of Defense of Internal Control

KGI Life manages climate-related risks in accordance with the "Insurance Industry Guidelines for Internal Control Three Lines of Defense". The first line of defense comprises the front-line business units. The second line is jointly implemented by the Risk Management Department and the Sustainable Development Department. The third line of defense involves internal audits. The management process is as follows:

## Risk and Opportunity Identification

The first line of defense identifies the financial impacts of climate-related risks and opportunities on finance, business, products, and investments. These impacts are taken into consideration when formulating annual business objectives and strategies for business, products, and investments. The management of climate-related risks may also be incorporated into performance evaluation indicators.

#### · Risk and Opportunity Assessment

The first line of defense analyzes the likelihood of occurrence and potential impact of climate-related risks and opportunities to understand their impacts on the Company. Their impacts are assessed through qualitative or quantitative methods, and climate-related risks are prioritized based on their respective materiality.

## Risk Monitoring

The second line of defense shall assist the first line in setting climate risk appetite indicators and targets based on identified climate-related risks. These are deliberated by the Risk Management Committee and submitted to the Board of Directors for approval. Monitoring is conducted at least every six months, depending on the nature of each indicator. The climate-related indicators and target achievement from the first line of defense are consolidated and reported to the Risk Management Committee and the Board, with the third line of defense responsible for audit and evaluation.

#### · Risk Response

When the Risk Management Department identifies any failure to meet the established climate risk appetite indicators and targets during semi-annual monitoring, it shall notify and coordinate with the responsible units to discuss the root causes and improvement measures. It shall also report the findings to the Risk Management Committee and the Board of Directors. The responsible units shall implement response measures approved by the department head to mitigate, transfer, bear, or control the relevant risks.



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## 4.1.2 Climate Risk Identification and Assessment

In accordance with KGI Life's Climate-Related Risk Management Guidelines, each unit on the first line of defense identifies, assesses, controls, and mitigates various climate-related risks arising from their respective business scopes and functions. They are also responsible for designing and implementing effective internal control procedures tailored to specific risks. According to the definition in the Climate-Related Risk Management Guidelines, climate risks can be divided into physical risks and transition risks. The former refers to direct or indirect losses resulting from specific natural disasters caused by climate change or long-term shifts in climate patterns, while the latter refers to potential changes in the Company's operating costs arising from the transition to a low-carbon economy, driven by policy and regulatory changes, low-carbon technologies, and shifts in societal preferences.

## **Climate Risk Identification**

KGI Life follows the TCFD climate risk management framework, investigating relevant departments through questionnaires and assessing the potential financial impact of different types of climate-related risks on investment portfolios, life insurance products, business activities, and suppliers. We then link these risks to traditional financial risks to identify KGI Life's climate risks.

#### 1. Climate-related Risks of Investment Portfolios

KGI Life assesses the possible increased operating costs of investees due to changes in climate-related regulations, the imposition of carbon fees, or emerging or mature low-carbon technologies. Alternatively, changes in market demand and growing public awareness may lead to decreased revenue for investees, thereby affecting their profitability and reducing the Company's investment returns.

Additionally, for real estate investments located in high climate risk areas (e.g., areas prone to flooding), the value of the assets may be reduced due to climate-related disasters, potentially leading to an increase in asset impairment losses or a decrease in revenue for the Company upon future disposal.

#### 2. Climate-related Risks of Life Insurance Products

For life insurance products, the timeframe and scope of impacts from physical risks remain highly uncertain internationally and are therefore still considered potential risks with uncertainty. In the future, the Company will continue to monitor regulatory developments and market changes to assess whether extreme weather events driven by climate change will pose threats to policyholders' personal safety or health. This may result in higher medical or life insurance claim payouts, and consequently, increased claims costs for the Company.

## 3. Climate-related Risks in Operating Activities

According to the evaluations of KGI Life, the Company's operations may also face climate-related regulatory risks. With the development of domestic carbon fee policies, the operating costs at the Company's operating locations may increase accordingly.

In addition, if offices are located in areas with high climate risks, extreme weather events may cause the Company's operations to be suspended, or operating locations and equipment to be damaged, which would lead to increased operating costs and repair costs.

## 4. Supplier Climate-related Risks

Climate-related risks faced by suppliers primarily are physical risks. If a supplier's headquarters, facilities, or production sites are located in high climate risk areas, climate disasters may cause damage and affect their supply capabilities, potentially resulting in additional procurement losses for the Company.

## Climate Risk Assessment

To analyze physical and transition climate risks, the Company uses international standards to set climate scenarios to measure the impact of climate risks on the Company's business. Through scenario analysis, the Company assesses potential climate-related impacts on investments, operations, and suppliers under various climate scenarios to ensure effective control or mitigation of climate risks.

This year's assessment indicated that the financial impacts of both physical and transition risks on KGI Life are not significant. However, the Company will proactively use the results of the scenario analysis to develop response measures, formulate future strategic directions, and plan carbon reduction targets.

### · Physical Risk Assessment

In assessing physical climate risks, KGI Life utilizes the Integrated Platform for Physical Climate Risk Information developed by the Joint Credit Information Center (JCIC), adopting flood hazard and vulnerability as key indicators. Based on the IPCC Sixth Assessment Report's climate scenarios SSP1-2.6 and SSP5-8.5, the Company analyzes the risk levels.

Scenario

Low Emission Scenario SSP1-2.6

Description

Assuming that the world tries to attain sustainability goals but progresses slowly, the corresponding temperature rise will be around 2°C at the end of the century.

Scenario Description

## **Extremely High Emission Scenario SSP5-8.5**

Assuming emissions under minimal climate policies, the corresponding temperature rise will exceed  $4^{\circ}\text{C}$  at the end of the century.



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## I. Investment Properties

#### Assessment Description |

To assess the impact of climate disasters on KGI Life's investment properties, the Company analyzed 42 investment properties based on administrative district, floor level, building type, and adaptation measures to determine their vulnerability and hazard levels. Climate risk sensitivity was classified into five levels, with Level 5 representing the highest risk.

Climate Scenario	SSP	1-2.6	SSP	5-8.5
Risk Level	Percentage of Balance	Percentage of Cases	Percentage of Balance	Percentage of Cases
5	0.00%	0.00%	0.00%	0.00%
4	0.00%	0.00%	0.00%	0.00%
3	5.93%	26.19%	5.93%	26.19%
2	26.58%	21.43%	26.58%	21.43%
1	67.49%	52.38%	67.49%	52.38%
Total	100.00%	100.00%	100.00%	100.00%

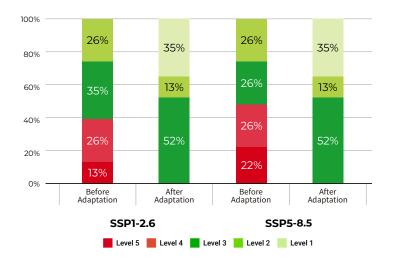
#### Assessment Result |

The 2024 physical risk analysis of investment properties, after incorporating adaptation measures, showed identical results under both SSP1-2.6 and SSP5-8.5 scenarios, with no investment properties classified as having Level 5 climate risk sensitivity. The potential value loss of investment properties approximates 0.19% of the total value of investment properties, indicating a minimal overall financial impact.

## II. Self-owned Properties

#### Assessment Description |

To assess the impact of climate disasters on KGI Life's self-owned properties, the Company analyzed 38 self-owned properties used as operating locations based on administrative district, floor level, building type, and adaptation measures to determine their vulnerability and hazard levels. Climate risk sensitivity was classified into five levels, with Level 5 representing the highest risk.



#### Assessment Result |

The 2024 physical risk analysis of operating locations showed that, prior to adaptation, 39% and 48% of the sites were classified as having higher climate sensitivity (Levels 4 and 5) under the SSP1-2.6 and SSP5-8.5 scenarios, respectively. After considering the floor on which the sites are located and implementing adaptation measures such as disaster prevention management mechanisms and business continuity plans, no operating locations were classified as having high climate sensitivity.

## III. Suppliers

#### Assessment Description |

To assess the impact of climate disasters on KGI Life's suppliers, the Company analyzed locations of leased data center suppliers under contract, (including those of backup data centers and cloud service provider data centers) based on administrative district, floor level, building type, and adaptation measures to determine their vulnerability and hazard levels. Climate risk sensitivity was classified into five levels, with Level 5 representing the highest risk.

#### Assessment Result |

In 2024, KGI Life had only one leased data center supplier. Prior to adaptation, its climate sensitivity was classified as Level 5 under the SSP1-2.6 scenario and Level 4 under the SSP5-8.5 scenario. After considering the floor on which the site is located and adaptation measures taken such as disaster prevention management mechanisms, their climate sensitivities under both scenarios have decreased to Level 1. In the event of climate disasters, the additional procurement losses borne by the Company would account for 2% of the total procurement amount.



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#### · Transition Risk Assessment

Regarding transition risks, KGI Life adopts the standard climate scenarios provided by the Network for Greening the Financial System (NGFS), which is composed of central banks and financial supervisory authorities from major countries worldwide. The scenarios "Orderly – Net Zero 2050" and "Disorderly – Delayed Transition" were selected for scenario analysis to assess the quantitative impacts of carbon pricing on the credit risk of long-term corporate bond investments and the market risk of long-term equity investments.

## Orderly (Net Zero 2050)

Countries adopt proactive climate policies to achieve net-zero emissions by 2050, gradually strengthening carbon pricing/taxes and other measures. Global warming is expected to be limited to below 1.5°C, resulting in higher transition risks.

## Disorderly (Delayed Transition)

Carbon emissions peak by 2030, followed by accelerated reductions supported by stronger policies to limit global warming to 2°C. Carbon reduction technologies are more difficult to obtain, resulting in higher physical and transition risks than in the orderly scenario.



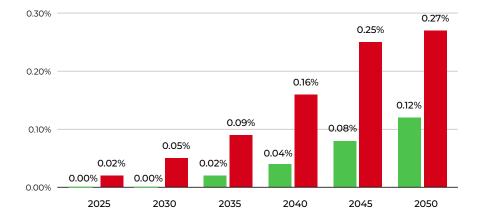
Under the disorderly scenario, no additional expected losses are projected for the Company before 2030. By 2050, the expected climate-related loss is estimated to account for 0.12% of total assets held. Under the orderly scenario, the expected climate-related loss accounts for 0.05% of total assets held in 2030 and increases to 0.27% by 2050. From an industry-specific perspective, under both scenarios, the cement industry, power and gas supply industry, and financial industry were identified by the Company as the top three sectors

with the highest expected losses. Among them, the cement industry and the power and gas supply industry are classified as high climate sensitivity sectors. Although the financial industry is not characterized by high carbon-emissions, it shows higher expected losses due to the Company's relatively large investments in these sectors. According to the assessment, the aforementioned industries will have higher climate transition risks in the future and serve as a reference for the Company's future risk management.

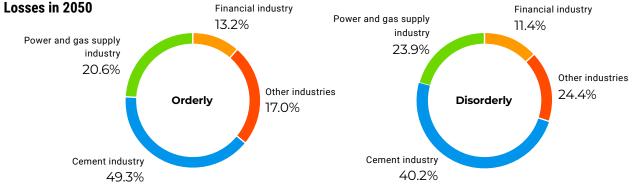


Orderly (Net Zero 2050)

Disorderly (Delayed Transition)



## Percentage of Industry





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## 4.1.3 Establishment of Climate Risk Materiality and Response Measures

This year, climate-related risks for KGI Life were identified through a questionnaire survey conducted across relevant departments. The impacts of these risks were assessed over different timeframes (short, medium, and long-term) based on materiality. The materiality assessment ranks each risk factor based on the highest risk level identified across different timeframes. Risks with higher impact and greater likelihood of occurrence are deemed more material, with the top four classified as material climate-related risks. In addition, if the risk is deemed as extremely high according to the risk matrix after identification, it is considered a material climate-related risk.

KGI Life develops climate risk management strategies and actions to address impacts across various dimensions, and regularly monitors the implementation and changes of climate risk management to ensure effective control of climate risks.

## **Category** | Transition Risk

Туре	Description of Material Climate Risks	Existing Risk	Impact	Financial Impact or Effect	Response Measures
Policies and Regulations	To comply with domestic climate-related regulations, and carbon fee and energy policies, as well as to meet stakeholder expectations, the Company has increased green power procurement and replaced equipment as part of our low-carbon transition plan, resulting in higher operating expenses.	Operational Risk	Operation	Short-term/low Medium-term/ moderate Long-term/moderate	<ol> <li>Formulate carbon emission reduction plans for office and agency operations.</li> <li>Replace outdated and inefficient equipment and shorten the operating hours of energy-consuming devices. New systems will prioritize the use of virtual servers and energy-efficient equipment to reduce CO2 emissions.</li> <li>Expand the implementation of initiatives related to carbon reduction and environmental sustainability.</li> <li>Continue to purchase green power.</li> </ol>
	Increasing domestic and international climate-related regulatory initiatives, along with rising carbon fees, carbon taxes, and carbon trading prices, have raised sustainability requirements for businesses. This leads to higher operating costs for investee companies, impacting their profitability and resulting in reduced investment returns for the Company.	Market Risk Credit Risk	Investment	Short-term/low Medium-term/low Long-term/low	<ol> <li>Use ESG and higher climate risk checklists for pre-investment assessment, and identify whether it meets the Group's definition for high carbon-emission industries.</li> <li>Comply with the parent company's "Sustainable Finance Commitment" to gradually reduce investment and financing positions in coal-related industries, unconventional crude oil/natural gas-related industries, and other high carbon-emission industries.</li> <li>Establish climate risk appetite indicators and targets in accordance with the Company's climate risk appetite management mechanism and the Group's high carbon industry screening criteria, with regular monitoring of these indicators.</li> <li>Calculate the total investment amount and total carbon emissions of each sector within the investment portfolio based on the Group's high carbon industry screening criteria to analyze high carbon-emission industries. The investment proportion of each sector is comprehensively considered as a basis for subsequent portfolio adjustments.</li> </ol>



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## Category | Physical Risk

Туре	Description of Material Climate Risks	Corresponding Existing Risk	Impact	Financial Impact or Effect	Response Measures
Long-term	Ongoing changes in climate patterns, such as long-term temperature rise, sea level rise, and uneven distribution of typhoons and rainfall, may lead to an increased frequency and intensity of extreme weather events. These could negatively impact operations, disrupt supply chains, or impair asset values, while also increasing electricity and water consumption, thereby raising operational, IT maintenance, and cleaning costs.	Operational Risk	Supply Chain	Short-term/low Medium-term/low Long-term/low	<ol> <li>To avoid supply disruptions, the manufacturers plan to set up production sites in different regions or countries, resulting in a low probability of supply chain disruptions.</li> <li>Engage with suppliers and encourage them to establish a risk management system based on the identified climate change risks to effectively manage and mitigate the potential impact of climate change risks.</li> <li>Maintain and adjust business continuity management mechanisms when necessary, conduct regular drills on Business Continuity Management (BCM), and establish a database of qualified suppliers.</li> </ol>
Immediate	With the increasing frequency and severity of extreme weather events such as typhoons, droughts, and heavy rainfall, investment properties and investee companies may experience operational disruptions, potentially leading to reduced asset values in the investment portfolio and a decline in profitability.	Market Risk Credit Risk	Investment	Short-term/low Medium-term/low Long-term/low	<ol> <li>Use the ESG and higher climate risk checklists, or consider the climate of the location of potential investees and potential extreme climate risks, to conduct pre-investment assessments.</li> <li>Before assessing the acquisition of investment properties, physical risks should be assessed and response measures developed as part of the investment evaluation report.</li> <li>Establish climate risk appetite indicators and targets in accordance with the Company's climate risk appetite management mechanism, and perform regular monitoring.</li> <li>Check the availability of adaptation measures, such as flood barriers, sandbags, water pumps, and emergency evacuation plans, for investment properties located in high climate risk areas based on the annual TCFD analysis results.</li> </ol>



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## 4.1.4 Climate Metrics and Targets

Effective climate-related metrics and targets can guide climate risk management and support the advancement of net-zero strategies. Based on the business plans of each department, KGI Life systematically sets short-, medium-, and long-term climate risk management targets and regularly tracks performance to meet the objectives and expectations of internal and external stakeholders regarding climate management.

KGI Life evaluates climate-related risks and explores climate-related opportunities, and formulates specific strategies and implementation plans accordingly. Through target setting and annual metrics tracking, we aim to effectively mitigate the impact of climate change on our investments and operations.

## ▼ Key Metrics and Targets are Summarized in the Table Below

## Climate-related Risks and Opportunities | Transition Risk

Strategy	Metrics	Short-term Targets	Medium-term Targets Long-term Targets	
Engagement with investees	Engage listed companies and encourage them to establish and follow net-zero or transition policies	31.84% of the investment portfolio value in the listed equity and bond portfolio establish SBTs     100% attendance rate in shareholders' meetings and exercising voting rights	<ul> <li>49.7% of the investment value in the listed equity and bond portfolio establish SBTs by 2029</li> <li>100% attendance rate in shareholders' meetings and exercising voting rights</li> </ul>	
Reduce exposure to high carbon industries	<ul> <li>Percentage of investment and financing in high carbon industries is less than 24.5%</li> <li>Implement decarbonization commitments and pathways</li> </ul>	<ul> <li>Percentage of investment and financing in high carbon industries is less than 24.5%</li> <li>Gradually cease investments in coal and unconventional crude oil/natural gas-related industries according to the schedule outlined in the parent com "Sustainable Finance Commitment"</li> </ul>		
Carbon reductions in the investment portfolio	SBTs reduction targets	A 28.54% reduction in GHG emissions per MWh of electricity generated from electricity generation projects invested or financed compared to the baseline year (2022)	A 63% decrease in GHG emissions per MWh of electricity generated from electricity generation projects invested and financed compared to the base year (2022)	⁄ear
Emissions reduction in operations	Reduce emissions from offices and agencies based on SBTs	<ul> <li>Continue to conduct ISO 14064-1 verification for offices/agencies with a coverage rate of 100%</li> <li>Continue to obtain ISO 14001 Environmental Management System external verification for the headquarters and Dunbei building</li> <li>Reduce emissions from offices and agencies</li> <li>Headquarters achieved carbon neutrality and is expected to be verified by a third-party by Q3 2025</li> <li>Using 2022 as the base year, reduce 42% of Scope 1 and Scope 2 emissions by 2030</li> </ul>		

## Climate-related Risks and Opportunities | Physical Risk

Strategy	Metrics	Short-term Targets	Medium-term Targets	Long-term Targets
Climate risk exposure management for real estate investments	100% inclusion of physical risk assessment items for new real estate investment targets     Continue to decrease the percentage of high-risk cases after adaptation	Mandatory 100% inclusion of physical risk assessment items for new real estate investment targets     Ensure the proportion of high-risk cases after adaptation is below 5%	Mandatory 100% inclusion of physical risk assessment items for new real estate investment targets     Ensure the proportion of high-risk cases after adaptation is below 4%	<ul> <li>Mandatory 100% inclusion of physical risk assessment items for new real estate investment targets</li> <li>Ensure the proportion of high- risk cases after adaptation is below 3%</li> </ul>
Sustainable Supply Chain Management	ESG due diligence for suppliers	Complete the human rights risks and ESG due diligence survey for     Share sustainable management related issues with suppliers	major suppliers	

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## Climate-related Risks and Opportunities | Physical Risk

Strategy	Metrics	Short-term Targets	Medium-term Targets	Long-term Targets
IFRS S2/TCFD	<ul> <li>Prepare for the implementation of IFRS Sustainability Disclosure Standards</li> <li>Continue to improve the methodology for climate risk scenario analysis</li> </ul>	Introduce the principle of dual materiality and continuously optimize the disclosure of sustainability information  Strengthen climate-related opportunity identification and corresponding management strategies  Optimize scenario analysis tools to assess the financial impact of transition risks	Complete preparations for implementing IFF disclosure requirements and publish climate Continue to improve the methodology for cli	e-related information accordingly

## Climate-related Risks and Opportunities | Climate-related Opportunities

Strategy	Metrics	Short-term Targets	Medium-term Targets	Long-term Targets
Low-carbon transition	Increase green or sustainable investment positions     Digital insurance services	A15% increase in green or sustainable investment positions compared to the end of 2022  Electronic insurance policy usage rate: 2% growth compared to 2024  Promote paperless administrative processes, including E-notices/electronic notifications, with a 5% annual growth rate in paper savings	sustainable investment positions c  • Electronic insurance policy usage re	ate: an annual growth rate of 2% processes, including E-notices/electronic

## **4.2 Optimizing Green Operations and Carbon Management**

KGI Life actively seeks opportunities to reduce carbon emissions throughout the service lifecycle. In 2022, the Company implemented ISO 14067 to conduct a carbon footprint inventory of insurance services, analyzing and calculating emission hotspots at each stage of the service process to establish a baseline for operational carbon reduction. Based on the inventory and verification by the British Standards Institution (BSI), the carbon footprint of each KGI Life insurance policy is 2.619 kilograms. This result was certified with a carbon label issued by the Ministry of Environment in 2023, which stays valid through 2027.

The carbon label is printed on both the front and back covers of the Company's insurance policies to transparently share carbon emission information with customers and further raise awareness of sustainable consumption. We also encourage consumers to opt for mobile insurance applications and electronic policies, thereby contributing to carbon reduction and environmental protection together.

We are also actively introducing green energy, promoting remote insurance services using facial recognition technologies, and digitizing our service processes in line with our commitment to reducing carbon emissions from our service processes.

## 4.2.1 Electronic Services

Environmental awareness and the advancement of digital technologies are transforming the nature of financial products and services. To simplify manual processes and provide more eco-friendly and convenient green services for policyholders, KGI Life promotes the use of digital marketing tools, E-forms and platform services, and internal electronic processes. These efforts aim to reduce paper usage, mailing, and transportation-related greenhouse gas emissions, encouraging policyholders to jointly protect the planet. In 2024, the electronic services saved a total of 10.187 million sheets of paper, avoiding approximately 183 tons of carbon emissions.

#### v Electronic services reduce paper use and create new digital experiences

Digital Marketing Tools	Group Insurance Online Service Platform	Mobile Application APP
e-Forms and	e-Notification  Electronic Insurance Policy	E-Services & App  Mobile policeholder services (iPOS)
Platform Services	e-Notices	Mobile claims and claims alliance chain
e-Management	Electronic Official Document System	Electronic Procurement System



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## 1. Digital Marketing Tools

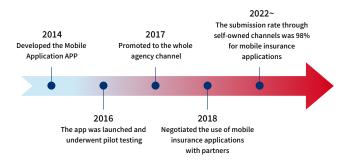
### - Group Insurance Online Service Platform -

KGI Life is promoting a group insurance online service platform, replacing paper-based procedures with digital services and workflows. Policyholders can apply online for employee application or surrender, and insured individuals can also access their policy information online. The application rate for the group insurance online service system among project-based policyholder companies has reached 85%. The system is continuously optimized with a user-centric approach to further enhance the online application and surrender usage rate among policyholder companies.

## - Mobile App -

KGI Life promotes the use of Mobile Application App services to reduce paper consumption in the application process. Customers can verify their information online through the app, minimizing errors or omissions that may require follow-ups, thereby improving the accuracy of submissions. This also reduces the costs associated with printing, delivery, scanning, filing, and storage, reducing energy consumption and carbon emissions.

As of the end of 2024, a total of 62 banks and insurance agents and brokers have officially adopted mobile insurance application. Throughout the year, 162,000 policies were submitted via this way, resulting in an annual reduction of approximately 972,000 sheets of paper used for application forms. KGI Life will continue to promote energy conservation and carbon reduction, providing customers with immediate, fast, and convenient digital services.



### 2. E-Forms and Platform Services

#### - E-Notification -

In line with the use of mobile insurance applications, we have gradually developed a digitalized new contract processing workflow since 2019, enabling agents and policyholders to respond to inquiries directly via mobile devices, thereby enhancing the efficiency of inquiry handling. In 2024, the case response rate of mobile handling was approximately 74%, resulting in an average reduction of 3 to 5 days for processing per case.

#### - Electronic Policies -

When applying for a new policy, policyholders can request an electronic policy. After verification by a third-party certification authority, the policy is stored on an easily accessible device, allowing policyholders to quickly retrieve and view their policy at any time. This ensures their rights and interests while reducing the risk of policy loss. Starting in 2023, we added electronic insurance contract clauses and provided QR codes for policyholders to download policy terms and services to increase policyholders' acceptance.

Year	2022	2023	2024
Number of e-policies (sheet)	66,147	64,508	91,254
Percentage of the number of e-policies to the number of new policies for the year (%)	26.06%	30.95%	42.99%

#### - E-Notices -

Email is used in place of paper policies, notification letters, and documents to reduce printing and mailing. Electronic files are also available for immediate download and access on the company website for policyholders. In 2024, a total of 6,359,100 e-newsletters were sent to enable policyholders to obtain information in an efficient and environmentally friendly manner. In addition, we continue to promote paperless administrative processes, including E-notices, which have reduced paper consumption by nearly 5,679,442 sheets, representing a 7.5% increase compared to 2023.

## - E-Services & App (KGI "i-Life" APP) -

The KGI "i-Life" APP was officially launched in 2022. Upon successful download and registration, policyholders can conveniently access commonly used services such as policy inquiries, policy changes, investment target switches, and partial surrender anytime, anywhere. This effectively eliminates the inconvenience of completing paper forms, saving nearly 537,315 sheets of paper.

## - Mobile Policyholder Services (iPOS) -

To comprehensively enhance policyholder services, KGI Life launched the iPOS Mobile Policyholder Services in 2024, streamlining the application process for policyholders while reducing paper usage. Since its launch in November 2024, the service has saved nearly 18,400 sheets of paper. In addition to contributing to carbon reduction targets, it enables service personnel to conduct preliminary reviews through the platform at the time of submission, allowing immediate verification of change requests and reducing the need for secondary inquiries, thereby accelerating service delivery.

#### - Mobile Claims and Claims Alliance Chain -

To provide more convenient, fast, and quality claims services, KGI Life joined the Claims Alliance Chain in 2020 and launched mobile claims services the following year. This service enables policyholders to submit claims quickly while reducing GHG emissions associated with paper printing and mailing. In 2024, a total of 146,466 sheets of paper was saved. Additionally, case reviewers can expedite processing through preliminary checks on the platform, ensuring a smooth and reassuring experience for policyholders.

## 3. E-Management

## - Electronic official document system and electronic procurement system -

In the past, official document processing and procurement procedures relied on traditional manual and paper-based operations. In recent years, KGI Life has actively promoted digital management, leveraging electronic systems to enhance administrative efficiency and timeliness, improve work quality, and reduce workload. Since the implementation of electronic official documents and procurement systems, over 100,000 sheets of paper have been saved in 2024, contributing to energy conservation, carbon reduction, and environmental protection.



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## **4.2.2 Environmental Management**

KGI Life has established six Task Forces under the Corporate Sustainable Development Committee. The Environmental Sustainability Task Force comprises seven managers who serve as committee members. Its primary mission is to set concrete goals and actions focused on environmental protection and carbon reduction. The Task Force actively promotes a sustainable living environment and follows the Group's operational strategies and objectives by developing climate mitigation and adaptation plans.

In addition to reducing emissions from its operations, KGI Life has completed carbon emission inventory and certification, continued to integrate the ISO 14001 Environmental Management System, implemented water consumption management mechanisms, consistently promoted water conservation, and reviewed water-related equipment and piping.

## **Green Real Estate**

KGI Life's headquarters incorporates environmental friendliness, energy conservation, and carbon reduction into its site planning and interior equipment design, growing plants, conserving water and energy, and obtaining a gold-level green building label.

- In 2024, internal regulations were revised to require that while making real estate investments, the Company should consider whether the target properties possess green building or other energy efficiency certifications, thereby fulfilling corporate responsibilities.
- Continued support for the purchase of green buildings: To
  minimize our environmental impact, we have made plans to
  acquire green building labels, launched the Datong Building
  Urban Renewal Project, introduced a gold-level green building
  and earthquake resistant label design, and obtained the
  Green Building Candidate Certificate in October 2022. The
  construction is expected to be completed in 2026.

#### ▼ KGI Life Buildings with a Green Building Label



## **Environmental Protection Promotion**

In 2024, in addition to actively participating in various environmental initiatives and widely promoting energy-saving and eco-friendly concepts, KGI Life supported these efforts through its official Facebook and Instagram accounts, publishing 43 posts related to sustainability, environment, low-carbon living, plastic reduction, energy conservation, green procurement, Earth Day, World Oceans Day, and Lights-Off Day. These posts generated a total of 2.43 million views and 32,000 interactions, including likes, comments, and shares.

## **Water Resource Management**

KGI Life discloses the annual water consumption of the headquarters and branches and implements water-saving measures, including reducing water supply volumes and installing water-saving devices. These efforts align with the UN Sustainable Development Goals (SDGs) and promote universal access to safe and clean water supplies.

At the same time, we continue to conduct regular maintenance and repair and awareness campaigns to promote water-saving habits among employees, while steadily acquiring water-saving labeled equipment for both offices and agencies. By the end of 2024, the Company completed an inventory of the equipment, including toilets, faucets, and urinals, totaling 970 units, of which 498 were water-saving labeled, accounting for 51% of the total number.

#### ▼ Usage of Water Resources in the Past 3 Years

Year	2022	2023	2024
Water Consumption (m³)	48,525	50,366	56,773
Revenue (NT\$ million)	239,766	232,723	265,451
Water Consumption Intensity (m³/NT\$ million)	0.20	0.22	0.21
Scope of Inventory		kplaces, includ uarters and bra	



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## **Waste Management**

The waste generated by KGI Life is all non-hazardous, consisting of general waste and recyclable waste. We continue to implement waste management at our headquarters and branches to promote recycle and reuse of resources. The average recycling rate for 10 workplaces was 73.02% in 2024.

### **▼** Waste Recycling in the Past Years

Year	2022	2023	2024
Total waste (kg)	180,324	229,830	389,578
Recycling rate (%)	47.57%	55%	73.02%
Scope of Inventory		orkplaces, includi	•

## 4.2.3 Energy Consumption Management

Using 2022 as the base year for workplace energy-saving reviews, KGI Life continued to assess replacement plans for outdated equipment at both offices and agencies in 2024, adjusting the upgrade schedules for LED lighting and air conditioning systems. We review old energy-consuming equipment in office buildings through regular maintenance and repairs to reduce energy consumption. The Company also promotes the reduction of indoor lighting and encourages employees to turn off lights and close doors to cultivate energy-saving habits. Furthermore, we review the efficiency of space use by agencies. In 2024, KGI Life invested over NT\$18 million to upgrade aging, energy-intensive air conditioning units and facilities in our owned properties.

## 2024 Statistics of Air Conditioning Upgrade, Maintenance, and Repair Expenses in Taiwan

Category	Expenses (NT\$)	Percentage (%)
Upgrade	12,213,623	65.3%
Maintenance	3,651,421	19.5%
Repair	2,827,755	15.1%
Total	18,692,799	100%

In 2024, the KGI Life headquarters continued to implement the ISO 50001 Energy Management System, enhancing energy control mechanisms and improving equipment uptime and downtime management. This effort promoted energy conservation, carbon reduction management, and efficient energy use, and enabled the building to pass third-party verification.

#### ▼ Energy Consumption in the Past Five Years

Summary	2020	2021	2022	2023	2024
Non-renewable Energy (kWh)	12,220,468	13,163,506	13,124,069	12,782,626	11,437,507
Renewable Energy (kWh)	0	48,452	145,858	1,012,902	2,498,256 <sup>1</sup>
Total Energy Consumption (GJ)	43,993.7	47,563.1	47,771.7	46,181	50,168.7
Revenue (NT\$ Million)	323,248	300,244	239,766	232,723	265,451
Energy Intensity (kWh/NT\$ Million)	37.81	44.00	55.34	55	52.49
Scope of Inventory	9 workplaces, including the headquarters/branches.		10 workplaces, including the new headquarters and branches.	Covers all company locations (52 locations in Taiwan and 1 overseas location).	

<sup>&</sup>lt;sup>1</sup> Renewable energy consumption includes 2,289,732 kWh of wheeling of green energy at KGI Life's headquarters, 166,075 kWh of surplus green power, and 42,449 kWh of green power generated for self-use.



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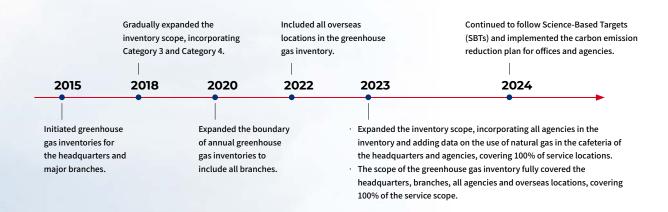
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## **Renewable Energy Certificates**

The solar panels installed at KGI Life's headquarters operate under a 100% self-generation and self-consumption model, with commercial operation beginning in June 2020. By the end of 2024, the system had generated a total of 178,000 kWh of green power and obtained 142 certificates from the National Renewable Energy Certification Center. In 2024, power generation reached 42,000 kWh, substantially supporting the development of renewable energy.

To achieve net-zero operation by 2040, we have initiated the green power procurement for the headquarters and shared the cost with tenants who participated in green power procurement to achieve green operations and manage carbon emissions. Since the transition to green power in December 2022, KGI Life has used 2.289 million kWh of green power as of the end of 2024.

## 4.2.4 Greenhouse Gas Management



Since the launch of ISO 14064-1 Greenhouse Gas Inventory in 2015, KGI Life has passed third-party verification every year, and inventory and verification covered all domestic and overseas operating locations. In 2024, total Category 1 and Category 2 greenhouse gas emissions amounted to 6,300.6712 tons  $CO_2e$ , representing an 8.59% reduction compared to the previous year. The emission intensity in 2024 was 0.02373 tons  $CO_2e/NT$ \$ million, a 19.9% decrease from the prior year.



## ▼ Category 1 and Category 2 GHG emissions ¹

Category	2023	2024
Category 1: Direct GHG emissions and removal <sup>2</sup>	565.423	732.433
Category 2: Indirect GHG emissions from imported energy	6,327.4813	5,568.2382
Emission intensity (tons CO2e/NT\$ million) <sup>3</sup>	0.0296	0.0237

(Unit: tons CO2e)

- <sup>1</sup> The organizational boundary was defined using the "Operational Control Approach", and the GHG emissions factors are based on the Ministry of Environment's Greenhouse Gas Emission Factor Management Table, version 6.0.4.
- $^2$  The greenhouse gases calculated under Category 1 include seven major types. KGI Life emits only four of these, CO $_2$ , CH $_4$ , N $_2$ O, and HFCS, while emissions of the remaining types are zero.
- <sup>3</sup> The denominator of emission intensity is KGI Life's 2024 revenue.



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#### ▼ Category 3 to Category 5 GHG emissions

Category of GHG Emissions		2023	2024
	3.1 Emissions from upstream transportation	0.4392	0.4084
Category 3: Indirect GHG emissions from	3.2 Emissions from downstream transportation	0.0741	0.1151
transportation	3.5 Emissions from business travel	43.3142	45.6387
Catagory 4: Indirect	4.1 Emissions from purchased goods	1,366.5014	1,374.7391
Category 4: Indirect GHG emissions from products used by the organization	4.3 Emissions from the disposal of solid and liquid waste	246.5494	107.7003
	(4.5) Emissions from the use of services not described in the above subcategories	0.0685	0.0683
Category 5: Indirect GHG emissions from the use of	5.2 Emissions from downstream leased assets	251,496.09	285,849.69
the organization's products <sup>1</sup>	5.4 Emissions from investments <sup>2,3</sup>	3.21 million	3.539 million

(Unit: tons CO2e)

<sup>&</sup>lt;sup>3</sup> In 2024, sovereign bonds, including the LULUCF position, were covered for the first time.

Scope	Scope 1	Scope 2	Scope 3
Category	Category 1	Category 2	Categories 3, 4, and 5
Percentage	0.02%	0.15%	99.83%

## **Carbon Inventory of Investment Portfolio**

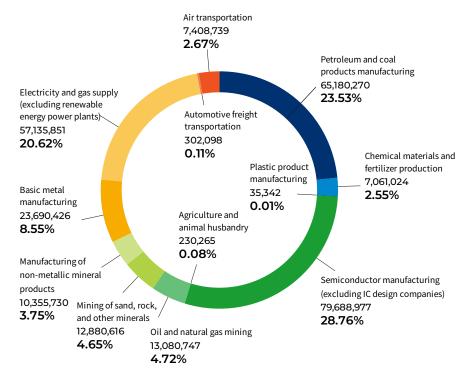
We began conducting the carbon inventory of its investment portfolio in 2023 to understand the carbon exposure of our current investment portfolio and used it as the basis for making decisions for low-carbon investment transition. KGI Life estimates the carbon emissions of the six categories of investment assets every six months in accordance with "The Global GHG Accounting and Reporting Standard for the Financial Industry" of the Partnership for Carbon Accounting Financials (PCAF).

KGI Life uses the group's screening criteria for high carbon-emission industries, and uses the industry classification standard of the Directorate-General of Budget, Accounting and Statistics to calculate

the total amount invested, total carbon emissions, and carbon emission ratio of each industry in the investment portfolio, in order to analyze high carbon-emission industries in the investment position, and comprehensively consider the percentage of investments in each industry, which is used as the basis for subsequent position adjustments.

This year marks the first inclusion of sovereign bond positions (including LULUCF) in the carbon inventory. As of the end of 2024, the total carbon emissions associated with the investment balance approximated 3.539 million tons. The proportion of investments in high carbon-emission industries stood at 16.7%, continuing to meet the target of below 24.5% of the total investment portfolio. After taking inventory of carbon emissions from the investment portfolio, KGI Life can verify the investment limit in key emission contributors and high carbon-emission industries. We will continue to evaluate the constituent industries and companies in our investment portfolio and gradually guide the investment portfolio toward low-carbon industries, aiming to achieve net-zero emissions from our asset portfolio by 2045, a goal of the Group.

#### v Distribution of the Investment Balance in High Carbon-emission Industries



Total 277,050,085 (NT\$ Thousand)

<sup>&</sup>lt;sup>1</sup> Category 5 (including 5.2 and 5.4) GHG emissions are self-estimated but not verified by a third party.

<sup>&</sup>lt;sup>2</sup> KGI Financial Holding joined the Partnership for Carbon Accounting Financials (PCAF) in June 2023, and KGI Life has also followed PCAF methodologies to complete carbon footprint assessments for equity and bond investments, commercial real estate loans, and power generation project financing.



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## **Internal Carbon Pricing Mechanism**

To achieve the Group's goal of net-zero emissions across the total portfolio by 2045, KGI Life follows the internal carbon pricing mechanism of its parent company, KGI Financial Holdings. Shadow pricing is adopted as an internal reference, which is divided into carbon pricing for operations and investments and financing. In terms of operations, the focus is on enhancing energy efficiency and planning financial strategies such as renewable energy adoption and carbon offsets, aiming to reduce emissions across the operational value chain. For investment and financing, we are encouraged to consider climate factors in risk assessment and decision-making through cost-benefit analysis and stress testing, thereby identifying and seizing low-carbon opportunities and promoting low-carbon investments.

The internal carbon price for KGI Life's operations is set at NT\$3,990 per ton, based on the 2023 green electricity price differential established by the Group. This price is used to calculate the implicit cost of Scope 1 and Scope 2 emissions for 2024. Emissions are managed systemically to support the evaluation and planning of low-carbon transition actions across capital expenditure, operations, procurement, and risk management. This mechanism is implemented throughout all operating locations of the Company through emission reductions and performance linkage.

For investment and financing positions, carbon pricing is based on future carbon price projections provided by the Network for Greening the Financial System (NGFS), which comprises central banks and financial supervisory authorities from major countries. The REMIND-MAgPIE model is used to estimate the carbon prices per ton, which is adjusted annually based on the year and inflation. Carbon prices serve as a reference for managing risks for investment and financing (Scope 3). We plan to conduct engagement with high-emission industries.

## 4.3 Sustainable Supply Chain Management

KGI Life is committed to promoting supplier sustainability and has established the "Supplier Sustainable Management Guidelines", requiring suppliers to comply with relevant laws and regulations concerning labor rights and interests, human rights, occupational health and safety, environmental protection, and ethical corporate management and code of ethics, with the aim of fostering balanced and sustainable economic, social, and environmental development. In 2024, the local procurement ratio reached 97.98%, resulting in reduced unnecessary transportation routes, a lower carbon footprint, and support for local suppliers, in line with the concepts of corporate sustainability.

In 2024, KGI Life conducted 17 supplier selection processes in accordance with procurement guidelines, adhering to the principles of fairness, impartiality, and transparency. Preference was given to suppliers with strong sustainability performance who actively managed the quality, delivery timelines, and pricing of their supplies. Selected suppliers were required to sign the Supplier Sustainable Development Commitment. If matters related to labor safety and health regulations are involved, the supplier shall comply with KGI Life's Guidelines for Contractor Safety, Health, and Environmental Management.



## 4.3.1 Sustainable Supplier Management

Supplier ESG due diligence is a part of corporate sustainability risk assessment. KGI Life conducts annual supplier evaluations and, beginning in 2024, has implemented the "Supplier Human Rights Risk and ESG Due Diligence Survey". This initiative assesses the level of supplier commitment to corporate sustainability through a questionnaire developed in accordance with the "Supplier Sustainable Management Guidelines". The questionnaire comprehensively reviews suppliers' sustainability-related policies and practices to promote balanced and sustainable development across environmental, social, and governance dimensions.



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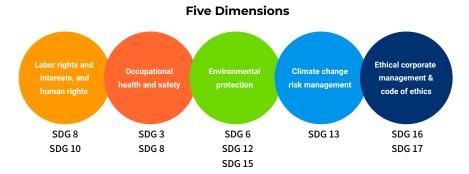
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In 2024, in response to environmental protection issues, "energy conservation and carbon reduction" and "natural resources" were added to the "Supplier Human Rights Risk and ESG Due Diligence Survey" for key suppliers. We selected 17 key suppliers for evaluation, an increase of four compared to 2023. The average score of the evaluation was 4.54, with six suppliers rated Grade A (4.6 to 5.0) and 11 rated Grade B (4.0 to 4.5). These results reflect KGI Life's commitment to partnering with suppliers that prioritize ESG development. We actively implement supplier management policies and engage the supply chain in addressing the challenges of corporate sustainability.

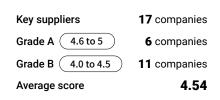
"Supplier Human Rights Risk and ESG Due Diligence Survey" for KGI Life's key suppliers



## Screening criteria

- Cumulative transaction amounts of NT\$10 million and above
- Continuous transactions for five consecutive years

#### 2024 Evaluation results



<sup>\*</sup>The evaluation result is based on a 5-point scale.

To foster a culture of corporate sustainability and raise awareness on sustainability trends and knowledge, KGI Life, together with KGI Financial Holding, held the "2024 KGI Financial Holding Group Supplier Conference" on April 22, in celebration of the International Earth Day. Over one hundred suppliers attended the event. Through a keynote seminar titled "Challenges and Opportunities for Taiwan's Supply Chain Amid the Global Sustainability Wave", KGI Financial Holding shared its achievements in corporate sustainability, exert its corporate influence, and collaborated with suppliers in building a sustainable supply chain.

## **Performance Reviews for Service Providers**

To effectively monitor the qualifications, service quality, timeliness, and level of cooperation of service providers, KGI Life conducts performance reviews for all service providers at least once annually. The results of these reviews are incorporated into the criteria for supplier selection and contract renewal. In 2024, two briefing sessions were held for all units outsourcing services, along with multiple outsourcing review and committee meetings. All relevant units completed their periodic reviews and compliance corrections by the end of July. KGI Life will renew contracts with suppliers who have received excellent evaluation results and passed the review.

## **Hazard Alerts for Construction Contractors**

The "Contractor Safety, Health, and Environmental Management Regulations" were established to strengthen the management of occupational safety, health, and working environments by contractors, thereby enhancing the safety of all operations. To date, there have been no occupational disasters among contractors for construction projects.

Vendors are selected in a fair and open manner for construction projects, with priority given to those listed in the Company's "Annual Qualified Contractor Database" to participate in project bidding. The Real Estate Department updates at least 10% of qualified companies each year to ensure construction quality and competitive prices. In 2024, a total of 70 qualified vendors were in the construction maintenance category, including 14 newly qualified suppliers.

#### Personal Data Protection

To ensure that personal data involved in procurement is collected, processed, and used in an ethical manner while respecting the rights and interests of data subjects, all suppliers entrusted with projects involving the collection, processing, or use of personal data are required to sign the "Supplier Personal Data Protection Ability Evaluation Form" to confirm their ability to safeguard personal data. In 2024, a total of 26 suppliers signed the form, covering 100% of suppliers.



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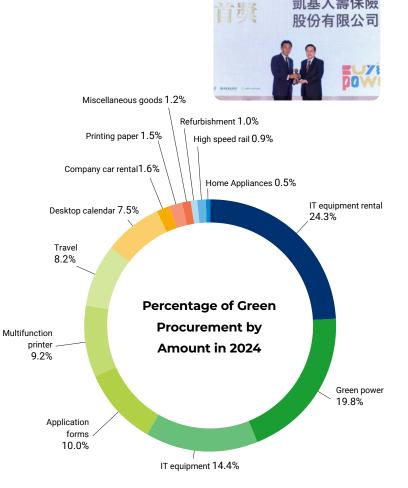
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## 4.3.2 Green Procurement

KGI Life supports the UN SDGs by leveraging our influence on the value chain to actively promote and support low-carbon sustainable products and suppliers through concrete actions. Priority is given to suppliers with strong ESG performance during supplier selection. KGI Life procures products with energy-saving and environmental labels (such as computers and monitors bearing the Energy Star label), Forest Stewardship Council (FSC) certified products, and green travel itineraries recognized by the Ministry of Environment. The Company was recognized for the third time for its excellence in promoting green procurement and green consumption by the Ministry of Environment, Executive Yuan. In 2024, the concept of circular economy was expanded to include the procurement of IT products, office supplies and equipment, home appliances, and daily necessities. The amount of green procurement reached NT\$70.754 million, embodying the spirit of leasing instead of purchasing, and realizing the concept and culture of green procurement.



#### ▼ The Total Amount of Green Procurement

- Procured green power at the headquarters in response to KGI Financial Holding's sustainability goal of achieving net-zero emissions by 2045 for the total portfolio.
- 2. Prioritized the purchase of hybrid or electric vehicles for company vehicles.
- 1. Adopted a "green travel" approach for employee trips, with itineraries planned around environmental protection and low-carbon principles to minimize resource consumption from transportation, lodging, and other travel-related activities.
- 2. Continued to procure green power for the headquarters.

2022 /NT\$59.86 million

2023 /NT\$54.92 million

- 1. Prioritized the purchase or leasing of products or services with environmental protection labels.
- 2. Adhered to the concept of circular economy and increased the leasing of IT products, office equipment, home appliances, and daily necessities to replace purchasing.
- 3. Continued to increase green power procurement for the headquarters.

2024 /NT\$70.754 million

## 4.3.3 Buying Power

KGI Life has long supported social enterprises through various initiatives and, in 2024, once again received the top award in the "2024 Buying Power Social Innovation Product and Service Procurement Program" organized by the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs. Since the program's inception in 2017, KGI Life has been recognized for eight consecutive years and has won the top award three times. KGI Life leverages its influence in the value chain by cooperating with 12 qualified social innovation organizations in 2024, an increase of two compared to 2023. The total procurement amount reached NT\$71.718 million, reflecting a 108% growth and demonstrating the Company's strong commitment to promoting shared social prosperity.

## Realize a Circular Economy

KGI Life operates its employee cafeteria based on four major concepts—"reducing waste", "cherishing food", "loving the environment", and "eating locally". We built the first employee cafeteria in the life insurance industry to be certified by the Ministry of Environment, Executive Yuan, serving as a benchmark and pioneer in the industry for green dining. In 2024, KGI Life launched a cafeteria waste reuse program in collaboration with "Monster Biotech", utilizing the black soldier fly to convert leftovers and organic waste into fertilizer for growing vegetables and fruits and protein-rich animal feed—an UN-recognized practice. The initiative aims to create a circular economy model by replacing traditional food waste disposal methods such as pig feeding and incineration, effectively reducing carbon emissions and environmental pollution. These efforts also comply with the UN SDG 12, Responsible Consumption and Production.

Starting with its own operations, KGI Life promotes green procurement and procurement process optimization, further extending efforts to include ESG data verification, annual evaluations, human rights risk assessments, and due diligence for suppliers, as well as annual recognition of outstanding suppliers. Through continuous improvement in sustainable supplier management, the Company collaborates closely with our suppliers to foster a sustainable ecosystem.



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Achieving Financial Inclusion





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## 5.1 Treating Customers Fairly

Based on over 60 years of solid experience and a culture of integrity and governance, KGI Life has remained committed to a customer-centric philosophy. Guided by the core value of "Fairness, Empathy, and Treating Customers as We Would Ourselves", the Company is dedicated to understanding and fulfilling customer needs while safeguarding policyholder rights and well-being. Through stable management and continuous improvements in insurance services, KGI Life strives to extend the reach of our protection, contributing to a more secure society.

To enhance friendly finance and protect customer rights, KGI Life revised the "Treating Customers Fairly Principles Policy", "Strategy for Treating Customers Fairly", and "Guidelines for Implementing the Principles of Treating Customers Fairly" in 2024. The amendments incorporate measures for fraud prevention and improved accessibility for indigenous people and new immigrants. We also continued to provide education and training on treating customers fairly and the Convention on the Rights of Persons with Disabilities (CRPD) for directors, responsible persons, senior executives, and all employees. The Board of Directors and all employees have completed the training, with a coverage rate of 100%. This top-down approach has helped embed a culture of fairness and empathy, realizing inclusive finance.

KGI Life Management Framework for Treating Customers Fairly

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

#### Respond to Domestic and Foreign Regulations/ **Trends**

- · Principles of Treating Customers Fairly in the Financial Services Industry
- · Friendly Financial Service Guidelines for the Insurance Industry
- · UK Financial Conduct Authority's FG21/1 Guidance for Firms on the Fair Treatment of Vulnerable Customers
- G20/CRPD High-Level Principles on Financial Consumer Protection
- Effective Approaches for Implementing the G20/OECD High Level Principles on Financial **Consumer Protection** 
  - ... and other related regulations

#### Establish Internal Regulations

- · Treating Customers Fairly **Principles Policy**
- · Strategy for Treating **Customers Fairly**
- · Guidelines for Implementing the Principles of Treating **Customers Fairly**

#### Implementation by Dedicated Organization

- Committee

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

### Implementation of Three Core Aspects

- Digital acceleration, carbon reduction, and sustainability
- Equity and care, value spillover
- Customer rights protection, ethical corporate management

## **Goal Setting and Continuous Optimization**

- · Set metrics for treating customers fairly
- Set goals
- · Regularly track achievement status



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We firmly believe that a happy life for our customers encompasses more than just wealth, health, and a sense of security. It also includes family happiness, the pursuit of dreams, and active social participation. In addition to continuously supervising and deepening our existing practices for treating customers fairly, KGI Life proactively responds to financial consumer protection regulations and regulatory policies. We remain aligned with international trends and best practices for treating customers fairly, actively enhancing all aspects of our services to safeguard consumer rights and optimize the customer experience. By delivering services with warmth and care, we stand alongside people from all walks of life to promote financial inclusivity, ensuring the accessibility of suitable financial services for individuals from different backgrounds. Through these efforts, we broaden the reach and impact of friendly finance, fulfilling our commitment to the wellbeing and happiness of every customer.



## **5.1.1 Treating Customers Fairly Committee**

KGI Life has embraced customer-centric transformations and innovations to deliver sustainable financial solutions. In 2019, the Company established the Treating Customers Fairly Committee, which is composed of board members and senior executives, to regularly oversee the implementation and provide advice.

In recent years, to prevent fraud and protect customers, we have implemented measures in response to the Executive Yuan's "Next-generation anti-fraud strategy guidelines, version 1.5". In 2024, the Treating Customers Fairly Committee established the "Fraud Prevention Group", increasing the number of action groups from five to six to strengthen the Committee's functionality. The Committee convenes guarterly meetings, during which each group reports its progress. The meeting minutes are then submitted to the Board of Directors for discussion and advice. Since its establishment, 23 meetings have been held. Independent directors have also participated in five committee meetings to provide guidance. The Committee has established 10 key indicators for treating customers fairly. In 2024, anti-fraud measures were also incorporated into the list of indicators. Quarterly reviews are conducted to assess progress, and responsible units are required to propose corrective and optimization plans based on the progress, ensuring the effective execution of treating customers fairly principles across the Company. Agenda items reported to the Board of Directors in 2024 include guarterly summary of meetings of the Treating Customers Fairly Committee and progress of action plans, as well as amendments to the Treating Customers Fairly Principles Policy, Strategy for Treating Customers Fairly, and Guidelines for Implementing the Treating Customers Fairly Principles.

To strengthen the implementation of treating customers fairly, KGI Life has incorporated the "Principles of Treating Customers Fairly" and "Friendly Financial Service Guidelines" into the biannual self-assessment on compliance conducted by relevant departments. In 2024, the Company also completed a review of operational processes related to three specific principles under the ten principles of treating customers fairly, providing improvement

recommendations to respective departments. In addition, to further foster a culture of treating customers fairly, KGI Life conducts surveys on treating customers fairly to assess and understand employees' awareness.

## 5.1.2 Dedicated unit and development for treating customers fairly initiatives

To strengthen the promotion and implementation of treating customers fairly, the Company established a dedicated unit in 2021, prior to regulatory requirements, led by a senior executive at the Vice President level. The unit oversees the Treating Customers Fairly Committee, facilitating cross-departmental communication and coordination to support the planning and promotion of related initiatives. By incorporating performance indicators for treating customers fairly into all employees' evaluations, the Company has instilled the culture of treating customers fairly in all employees and agents.

Continuous improvements to processes are made in alignment with global trends, ensuring that the 10 core principles of treating customers fairly are fully integrated into all aspects of insurance services. To enhance the overall effectiveness of implementing the principles of treating customers fairly, we established relevant indicators and goals, regularly tracking progress, and presenting the results to the Committee.





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## **Education and Training on Treating Customers Fairly**

To cultivate a culture of treating customers fairly and practice the spirit of friendly finance, KGI Life offers tiered training programs tailored to various roles and responsibilities, based on practical needs. The training covers a wide range of topics related to treating customers fairly, including protection of financial consumer rights, updates on regulatory trends, inclusive finance for the elderly, accessibility training for the visually impaired, and experiential courses on physical and mental disabilities. These efforts aim to deepen employees' understanding of the needs of vulnerable financial groups and to foster empathy in service delivery. In 2024, a total of 20 training sessions were conducted, reaching 62,133 participants and totaling 104,509 training hours. These efforts deeply embedded a culture of friendliness and service skills among employees and agents.

 The Board of Directors leads the creation of a top-down culture of "Fairness, Empathy, and Treating Customers as We Would Ourselves".

To foster a company-wide culture of treating customers fairly and stay informed on the latest trends in treating customers fairly and inclusive finance, KGI Life invited Dr. Ling-Chia Hung, Associate Professor of Law at National Chung Cheng University, to deliver a lecture titled "Challenges for the Insurance Industry in Implementing Inclusive Finance from the Perspective of Principles of Treating Customers Fairly". The session was attended by the Board of Directors, senior executives, and heads of core departments responsible for treating customers fairly. All nine board members completed the training, along with 49 senior executives and department heads.

- On the eve of a super-aged society, KGI Life actively conducts training programs related to elderly-friendly services.
- (1) To provide elderly customers with suitable products and friendly services, KGI Life continues to strengthen compliance training for agents on fairly treating customers aged 65 and above. The Company mandates at least two hours of training annually, which exceeds regulatory requirements. The training covers topics such as assessing product suitability for customers aged 65 and above, identifying unsuitable sales targets, and understanding the characteristics of the customers.

- (2) In response to the growing impact of dementia in Taiwan, KGI Life organized brain age screening events to raise customer awareness of brain health and help prevent early-onset dementia. These efforts also aimed to strengthen awareness of healthcare and long-term care risks. In 2024, a total of 53 sessions were held, with 3,581 participants.
- KGI Life enhances empathy for people with disabilities and diverse ethnic groups to improve friendly financial services.
- (1) Leveraging the Maria Social Welfare Foundation's experience in communicating with persons with disabilities and their families and fostering empathy, KGI Life invited founding directors of the Association of Compassionate Communication and Restoration, attorneys I-Cheng Chen, Kuei-Chen Chang, and Shih-Chun Lu, and Dr. Joseph Cheng, to lead a "Customer Service Communication Workshop". A total of 58 participants attended the training, gaining hands-on experience in empathetic communication and dialogue. The workshop aimed to enhance customer experience through more approachable and friendly services, while strengthening employees' empathy and ability to communicate with kindness. The efforts aimed to achieve the idea of "truly listening with care and speaking with warmth", in line with the principles of treating customers fairly.
- (2) In 2024, KGI Life incorporated the accessibility training for the visually impaired, delivered by the Taipei Parents' Association of the Visually Impaired, as a mandatory course. The training covered topics such as understanding visual impairment and sighted guide techniques. All employees completed the training, which enhanced their empathy for and understanding of individuals who are visually impaired, and their ability to provide more appropriate and inclusive services.
- (3) KGI Life collaborated with the New Immigrant Family Development Association to organize "Multicultural Sharing by New Immigrants to Enhance Inclusive and Friendly Finance Education and Training". We invited the Secretary General of the New Immigrant Family Development Association, along with several new immigrant ladies, to share their cultural backgrounds and the challenges they face in Taiwan due to language and cultural barriers, with 43 employees from 25 departments. The sharing aimed to enhance employees' awareness and capabilities in providing inclusive and friendly services and inspire them to adopt a more empathetic perspective, further deepening the practice of friendly services.

 KGI Life strengthens employees' ability to identify and prevent fraud by refining fraud prevention training.

The call center organized an online fraud prevention education and training course in 2024. Through accessible tutorial videos, customer service representatives were able to quickly identify various fraud techniques and improve their real-time response and communication abilities. A total of 83 people participated in the training course.

## **Employee Proposals for Treating Customers Fairly**

Since 2019, following advice from independent directors, KGI Life has held annual employee engagement activities, now in their sixth year, to encourage participation from employees and agents. Each year's theme evolves with the times, and in 2024, the proposal submission campaign centered on "Fraud Prevention Mobilization". Employees enthusiastically shared personal or family experiences with fraud and offered advice for the Company and the insurance industry from a professional perspective. A total of 156 submissions were received. After multiple rounds of review, including preliminary and secondary selections, final judging was conducted by independent directors, who also attended the award ceremony to recognize the winners. This initiative reflects the Company's strong commitment to implementing a culture of treating customers fairly from the Board of Directors to frontline employees. Winning proposals from past years have been actively implemented with full Board support, realizing the value of "Fairness, Empathy, and Treating Customers as We Would Ourselves" through actions.





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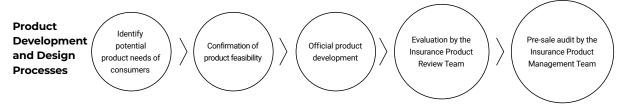
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## **5.2 Sustainable Insurance Practices**

KGI Life has voluntarily adopted the United Nations Principles for Sustainable Insurance (PSI), integrating the principles into our overall strategic planning. ESG considerations are embedded into the Company's operational management systems and decision-making processes to better identify and manage sustainability-related opportunities and risks. These principles are implemented across the life insurance value chain, including product design, sales, underwriting, and post-sale services.



## **5.2.1 Comprehensive Insurance Products and Services**



#### Product Design

To meet the protection needs of different groups, KGI Life continues to promote products with ESG value, including microinsurance, small-amount whole life insurance, exclusive whole life insurance for individuals with disabilities, and exclusive products in the protection-type insurance product section (FundRich), as well as long-term care. Through our diversified products, we use the strength of the insurance industry to stabilize society and implement the principles of inclusive finance and treating customers fairly.

#### Product Development

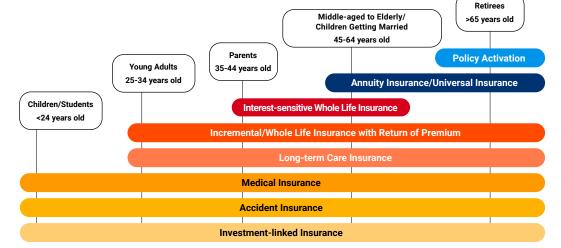
During product development, KGI Life adheres to the "Guidelines for Insurance Product Design", incorporating the principles of treating customers fairly into the product development process. In accordance with the "Insurance Product Pre-Sale Procedure Guidelines", the Company evaluates whether the product features may pose potential impacts on or disadvantages to customers aged 65 and above. In cases where policy terms are disputed, interpretations are made in favor of the insured.

#### **Product Management**

After the launch of a product, we regularly review actuarial assumptions and product profitability. In accordance with the "Insurance Product Pre-Sale Procedure Guidelines", the Insurance Product Management Team meets at least once every six months to conduct comprehensive reviews, ensuring corporate sustainability and the protection of consumer rights and interests.









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In response to trends such as population aging, declining birth rates, and increasing medical insurance needs due to longer lifespans, KGI Life continues to anticipate market demands and promote a diverse range of products. These include single pay or regular pay traditional life insurance policies in multiple currencies, annuity products suitable for retirement planning, health insurance that enhances the quality of healthcare, and investment-linked policies that balance protection and investment needs. The Company also continues to strengthen the promotion of long-term protection products to meet the diverse needs of policyholders throughout different stages of life. KGI Life helps the public close risk gaps through comprehensive insurance planning and create a happy life with peace of mind.

## **Spillover Insurance Encouraging Health Management**

According to statistics from the Ministry of the Interior, the average life expectancy in Taiwan has reached 80.23 years¹, while the Ministry of Health and Welfare reports that the average healthy life expectancy is approximately 72.43 years². In response to the government's advocacy for integrating health and insurance, as well as the growing health awareness among the public, KGI Life has developed a dedicated mobile app that leverages big data analytics and the Internet of Things (IoT) to encourage policyholders to proactively manage their health. By developing a healthy lifestyle and exercise habits, policyholders can benefit from spillover insurance policies that encourage health management. In addition to insurance coverage, individuals who meet the specified conditions may be eligible for rewards, including premium discounts, face amount increases, or cash benefits. These efforts help customers save money and enjoy protection while supporting their physical well-being. Such products elevate insurance beyond the traditional role of claims payouts, enhancing preventive health outcomes, reducing the risk of illness for policyholders, and ultimately creating a mutually beneficial situation by lowering claim ratios for insurers and reducing the burden on public healthcare resources.

As FinTech continue to evolve and diversify, KGI Life will build upon the concept of spillover insurance policies by developing health management-linked insurance products. Through the development of products based on "health insurance + health promotion", the Company aims to meet customers' growing needs for insurance that supports health management.



## **Building a Complete Retirement Safety Net**

In an aging society, retirement planning has become a topic of importance for all generations. For the sandwich generation and the petite bourgeoisie, it is important to be prepared to enhance retirement protection. KGI Life offers three major insurance product categories: term life insurance, critical illness insurance, and small-sum whole life insurance, on the "Retirement Preparation Platform". Through a simple application process, consumers can apply for policies online 24/7, with flexible options for premium payment terms and face amounts.

Term life insurance

NT\$200,000NT\$4,500,000

5 / 20 / 70 years

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

Critical illness insurance
NT\$100,000-NT\$700,000

1 / 20 years

Insured persons can receive a lumpsum payment of benefits if they are diagnosed by a physician with any one of the seven critical (severe) illnesses to compensate for their loss of income or medical expenses. Smallamount whole life insurance NT\$100,000-

10 / 20 years

These products provide lifelong coverage after paying premiums for a fixed period of time, but the purchase is limited to three policies offered by all life insurance companies at most. The cumulative face amount is NT\$600.000.

<sup>&</sup>lt;sup>1</sup> The 2023 average life expectancy announced by the Ministry of the Interior in 2024.

<sup>&</sup>lt;sup>2</sup> The 2022 average healthy life expectancy announced by the Ministry of Health and Welfare in 2024.



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### Microinsurance

In 2024, KGI Life continued our collaboration with the local governments of Kaohsiung City, Tainan City, Yunlin County, Yilan County, Hualien County, and Taitung County, as well as social welfare organizations. The Company recorded NT\$22.17 million in microinsurance premium income, achieving 256% of the annual target and ranking first in the industry. More than 100,000 individuals benefited from the program, including those classified as low-income or middle-to-lowincome, persons with mild to moderate disabilities (inclusive), and elderly individuals or their family members eligible for subsidies under the Senior Citizens Welfare Act. Through these efforts, KGI Life provided essential microinsurance coverage to disadvantaged groups. Furthermore, the Company collaborates with banks, government agencies, and non-governmental organizations to promote microinsurance services to every corner of society in need.

Guided by our core values of "love and care" and a commitment to shared prosperity with society, KGI Life has long promoted microinsurance, earning strong recognition from the FSC. In 2024, we received three major honors in the FSC's Microinsurance Competition: Second Place in the Insurance Company Category, the Business Excellence Award, and the Care for Persons with Disabilities Award. Notably, KGI Life has received the Business Excellence Award for ten consecutive years and the Care for Persons with Disabilities Award for five consecutive years, demonstrating our dedication to inclusive finance and treating customers fairly.

KGI Life continues to exert the stabilizing effect of insurance in society by providing reliable support to disadvantaged groups and advancing toward comprehensive financial inclusion.

Looking ahead, we will continue to expand our microinsurance safety net, extending its protection and stability across society.

**Microinsurance Competition by the FSC** 



101,242 persons

Number of persons benefited

256 %

Achievement rate

NT\$22.17 million

Premium income

516

Number of cases

### **ESG Investment-linked Products**

Through our banking channel, KGI Life partnered with Barings Investment Consulting to launch the "Barings Green Trends Discretionary Investment Account", an ESG-centered investment strategy. The account focuses on green trends and allocates assets according to four main themes: low-carbon economy, agricultural transformation, mobility revolution, and resource transition. Investment selection criteria include: funds or ETFs with an average or above-average MSCI ESG rating, funds classified under Article 8 or higher of the EU SFDR, and investment institutions with at least an 'A' rating under the UN PRI. In 2023, we added the offering to our agency channel, expanding the account to include various types of investment-linked products. This provides customers with a diverse range of options meeting sustainability requirements.

## **Long-term Care Products**

Due to medical advancements in recent years, the life expectancy of Taiwanese people has increased. According to the Ministry of the Interior's "2023 Abridged Life Table", the average life expectancy of Taiwanese people is 80.23 years while Taiwan's average healthy life expectancy was 72.43 years as of 2022, according to the Ministry of Health and Welfare. This indicates that individuals spend an average of 7.8 years in poor health. This period, known as "average unhealthy life expectancy", may involve disabilities, being bedridden, or chronic illnesses. Therefore, long-term care has become a pressing concern for every family. We aim to raise awareness of long-term care insurance, providing comprehensive protection through long-term care policies.

## Offer one-time and installment payouts to cover the two main expenses for long-term care

In the early stages of care, assistive devices and medical equipment, such as wheelchairs, air mattresses, electric beds, oxygen machines, etc., need to be purchased, or significant expenses may be incurred to create an accessible environment. One-time payout can help policyholders cover the expenses.

One-time payout: Covers one-time payments in the early stages of care

Installment payouts: nual payments to cover ongoing care expenses Whether care is provided by family members or hired caregivers, there are fixed monthly expenses such as nutritional supplements, adult diapers, or caregiver fees. Installment payouts provide policyholders with a stable cash flow to help cover their long-term care costs.



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## 5.2.2 Sales and Underwriting

To safeguard the rights and interests of customers, KGI Life has established the Business Solicitation Management System and Procedures in accordance with the Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises. We also incorporated the principles of treating customers fairly in financial services, the friendly financial service guidelines for the insurance industry, and mechanisms for insurance agents assisting people with disabilities in insurance application. These standards are integrated into the solicitation procedures to ensure that principles of treating customers fairly and friendly service are embedded in the conduct of all business personnel.

### **Agent Solicitation**

Agents must fully understand the insurance needs and purpose of application of the policyholder and the insured. They are required to comprehensively assess the applicant's and insured's income, financial status, payment capacity, and occupation to evaluate the appropriateness (suitability) of the insurance type, premium, face amount, and protection needs. They must also ensure the applicant clearly understands that the premiums paid are for purchasing insurance products; that foreign currency-denominated policies involve exchange rate risks; and that investment-linked products carry investment risks, with gains and losses borne by the financial consumer. Suitable insurance products should be recommended accordingly. The "Agent Report" must be completed truthfully to fulfill frontline underwriting responsibilities.

#### **Suitability Evaluation**

Based on the Agent Report, we develop an understanding of the solicitation process, the policyholder's annual income or financial status, the insured's employment income and other sources of income, whether the policyholder and the insured are covered by other commercial insurance policies, the main source of household income, and the rationale for designating a death beneficiary who is not the insured's spouse, direct blood relative, or legal heir, and the order and proportion of designated beneficiaries do not align with the Civil Code's inheritance provisions. These underwriting details are used to comprehensively assess the suitability of the proposed insurance plan.

### Establish a Pre-Issuance Phone Interview Mechanism

Establish procedures requiring telephone interviews for cases that meet certain conditions (such as beneficiary verification, highrisk financial consumers, premium confirmation, recent policy changes including termination and policy loans, elderly financial consumers, or policy loans and reapplication). After verifying the identity of the financial consumer, the interview confirms basic information, condition-specific questions, and policy details to ensure the consumer is fully informed of the insurance product and its associated risks.

#### **Product Advertising Regulations**

We established the Procedures and Controls for Product Advertising Information in accordance with the Advertisement, Business Solicitation, and Promotional Activity Material Preparation and Management Regulations. The procedures clearly stipulate the guidelines for reviewing product advertising information, the process for accepting product advertising information, and the procedures for distributing and announcing product advertising information. Based on the complete disclosure of relevant information, consumers can fully understand the contents of products and the risks they need to bear.

In addition, the product descriptions of investment-linked products disclose various fees, investment risks, related warnings, and the scope of protection provided by the life insurance guaranty fund for investment-linked insurance products. Furthermore, policy terms and product description QR codes have been added to the investment-linked product proposals, allowing consumers to access product information on their mobile devices when applying for insurance.

## Protection of the Application Rights and Interests of Persons with Disabilities and the Elderly

The Company has established standard operating procedures for selling insurance policies to customers with disabilities and those aged 65 and above in the Business Solicitation Management System and Procedures. Customers with disabilities are entitled to the same rights as others when purchasing insurance products. Agents must not engage in unfair treatment, discrimination, or refuse to offer products on the basis of disability. Instead, they should provide appropriate assistance tailored to the customer's specific disability.

To enhance the rights and interests of the elderly in purchasing insurance policies, agents can actively verify whether customers have the necessary discernment, and comprehensively consider customers' age, financial status, and insurance needs to assist them in purchasing suitable insurance products. When selling insurance products with surrender charges or investment-linked features to customers aged 65 and above, we produce audio and video recordings of the sales process to retain a clear record. A relevant internal unit then conducts a secondary review to verify the policy's suitability. Potential areas of future dispute are proactively explained to the customer to ensure their full understanding of the product features, contract terms, and other key information.

#### **Internal Controls and Audit Management Mechanism**

The Company conducts quarterly random inspections of agencies, focusing on whether agents have used promotional materials, advertisements, introductions, product descriptions, and proposals that have not been approved by the Company. When agents violate laws and regulations during the solicitation or insurance



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service process, they shall be disciplined in accordance with the Company's regulations governing the disciplinary actions of agents and shall be reported to the Life Insurance Association of the Republic of China.

The Company audits major web portals, online stores, and blogs at least once a quarter for promotional advertisements. If any published content is found to violate the "Self-Regulatory Guidelines for Insurance Solicitation Advertisements" and is posted by an agent of the Company, disciplinary actions shall be taken in accordance with the "Regulations Governing Insurance Agents" and the Company's internal disciplinary policies. The agent will be required to make timely corrections or remove the advertisement.

In addition, to ensure that the sales process complies with relevant regulations and to protect the rights and interests of both agents and customers, the Company conducts random telephone interviews with customers. These calls confirm whether the agents have clearly communicated key product information (including risks and fees), as well as suitability of the product for the customers and their understanding of the risks. If an abnormality is discovered through a telephone call or a customer offers feedback on service, the responsible departments will be notified for follow-up handling.

## 5.2.3 Fast Claims and Major Disaster Services

#### **Fast Claims at a Service Counter**

Fast claims services are provided at service counters. Qualified applicants can complete claim reviews in as little as 30 minutes, demonstrating the impact and value of life insurance in helping those in urgent needs.

#### **Major Disaster Services**

In response to major disasters, we offer services by processing claims in advance while allowing supporting documents to be submitted later. Additionally, the Company provides consolation payments to both policyholders and non-policyholder firefighters, police officers, and emergency responders: NT\$100,000 for death, NT\$60,000 for intensive care hospitalization, NT\$20,000 for general hospitalization, and NT\$1,000 for outpatient service.

#### **Claims Process**

We realize our commitment to policyholders through convenient, friendly, transparent, and efficient digital claims services.

#### Easier access to claims services for policyholders

We continue to offer convenient services, such as advance payment for hospitalization, rapid claims filing at the counter, and document collection at home, to resolve the pain points associated with claims applications.

## Demonstrate friendly care for elderly and disadvantaged policyholders

In addition to providing enlarged print versions of claim application forms, KGI Life includes anti-fraud warnings on benefit notification letters and offers various other services to fulfill our social responsibility.

#### More transparent claims service process

To provide policyholders with peace of mind, in addition to sending instant text messages upon acceptance and closure, policyholders can also download the app to check the history of claims and the progress of cases, enabling them to stay fully informed about the status of their claims services.

#### Provide more efficient claims services

Increase the automatic claim settlement rate of jet cases to accelerate case review. After the claims review is completed, policyholders can receive the claim payout within 30 seconds through eACH "immediate remittance", allowing policyholders to more effectively utilize funds and receive more comprehensive healthcare

## Utilize FinTech to improve service efficiency and realize corporate sustainability

We utilize a big data review model to assist claims processors in performing claims review more intelligently, thereby effectively preventing reverse selection and insurance fraud and protecting the rights and interests of policyholders.

To continuously enhance the digital claims experience for policyholders, KGI Life offers the "Mobile Claims" service, enabling real-time claims application. Policyholders can also use the "Claims Alliance Chain Service" and "Digital Identity Verification" to file claims with multiple insurers using a single set of documents. This "one-stop application, document sharing" service reduces paper usage and reflects our commitment to corporate sustainability and ESG

#### Subsequent claims information for after-claims care

Recognizing the complexity of cancer insurance claims, we launched the cancer claims assistant on our corporate website, offering a Q&A section to address common questions about eligibility and required documents. For policyholders filing a cancer claim for the first time, a QR code is included in the claim benefit notification letter, directing policyholders to the online assistant for easy access to helpful information.



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## 5.3 Implementing Friendly Financial Services

In order to implement inclusive finance and deepen the culture and services of treating customers fairly, the Company revised the "Treating Customers Fairly Principles Policy", "Strategy for Treating Customers Fairly", and "Guidelines for Implementing the Principles of Treating Customers Fairly" in 2024. According to the latest revision of the "Friendly Financial Service Guidelines", and in response to the "Next-generation Anti-fraud Strategy Guidelines, version 1.5" of the Executive Yuan, we included "Indigenous People and New Immigrant Friendliness" and "Fraud Prevention", so that the governing policies, promotion strategies, and implementation regulations follow clear compliance standards. At the same time, KGI Life has incorporated the "Principles of Treating Customers Fairly" and "Friendly Financial Service Guidelines" into the biannual compliance self-assessment conducted by relevant departments. In 2024, the Company completed a review based on three specific principles relating to the involved operating procedures under the ten principles of treating customers fairly, providing optimization recommendations to respective departments, and enhancing the implementation of treating customers fairly. In addition, to further foster a culture of treating customers fairly, KGI Life conducts surveys on treating customers fairly to assess and understand employees' awareness of related practices.

To continuously enhance the protection of customer rights and interests as well as optimize the customer experience, the Company regularly reports the progress of implementing friendly financial service to the Treating Customers Fairly Committee. Friendly finance targets are incorporated into the Company's performance indicators for treating customers fairly. We track the achievement of these goals quarterly, analyze the implementation results, and propose corresponding promotion plans. These plans are supervised by the Treating Customers Fairly Committee and the results are regularly reported to the Board of Directors to inform them of the relevant promotion results.

## 5.3.1 Promoting Digital and Innovative Services

Multiple banks are connected through the electronic authorization service (eDDAs), with 15 financial institutions cooperating in electronic authorization services. To expand the scope of services, 20 financial institutions have been included in the collaboration as of the end of 2024, so that their customers can use electronic authorization services. In 2024, the number of successfully authorized cases reached 6,562, representing a 115% increase from 2023. The number of successfully authorized cases is increasing year by year. In addition to increasing the service adoption rate, KGI Life has effectively streamlined processes and reduced average processing time. Moving forward, the Company will continue to expand partnerships with banks that offer electronic authorization, aiming to boost the adoption of digital authorization. We aim to enable customers to manage their authorization status at any time and from anywhere, allowing them to enjoy more autonomous and convenient online services.

The ten key indicators of the Treating Customers Fairly Committee include the proportion of electronic policies issued and the usage rate of online services. The committee regularly monitors implementation and performance to ensure the continued delivery of convenient services that meet customer needs and enhance the overall customer experience.



## 5.3.2 Financial Protection for the Elderly

#### Friendly Service Hotline & Customized Text Messages

KGI Life established a dedicated "Friendly Financial Service Hotline" to care for the elderly and disadvantaged. We have simplified the voice input process over the phone by assigning dedicated personnel to provide faster and more thoughtful services. In 2024, a total of 7,616 calls were received through the dedicated hotline for the elderly, providing consultation services to elderly customers and proactively addressing their needs. We provided caring, scenario-based support by sending 2,097 customized "memory aid text messages", demonstrating our commitment to thoughtful customer care.

## **Customer Care Measures for the Elderly and Disadvantaged**

To help customers aged 65 and above better understand insurance products and customer service conversations, KGI Life conducts telephone interviews using the customer's preferred language and clear, easy-to-understand wording. This approach upholds the spirit of implementing friendly financial services and strengthens our care measures for elderly customers, which include telephone interviews with elderly people for insurance application, telephone interviews before insurance policies lapse, and telephone interviews for elderly people to change their policies. A new call process for elderly-friendly payer verification was also introduced.

We also increased the font size on the claims application form, premium payment notice, and application form to policy change (friendly services version) to make the documents easier for elderly people to read.

### **Service Guide for Elderly Customers**

To strengthen the culture of elderly-friendly services, we referenced domestic and foreign elderly and dementia resources and consulted with the Secretary-General of the Alzheimer's



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Disease Association to establish the first "Service Guide for Elderly Customers" in the insurance industry, which includes understanding the characteristics of the elderly, assisting the elderly in using digital services, protection against fraud, and identifying people suspected of dementia and corresponding practices, as a consistent service standard for employees and agents.

# 5.3.3 Strengthening Customer Care with a Commitment to Prevention Financial Fraud

To protect customer assets and combat fraud, we revised our Guidelines for Implementing the Principles of Treating Customers Fairly in 2024 to include a clear mandate for establishing standard operating procedures to prevent financial exploitation and fraud. These procedures are integrated across policy service operations and frontline service mechanisms. The Company also strengthened the Know Your Customer (KYC) questions and uses multiple channels to educate financial consumers, helping them avoid financial exploitation or fraud.

Additionally, KGI Life Insurance has established a dedicated team for fraud prevention. In 2024, we actively promoted fraud prevention awareness campaigns for employees and agents. We collaborated with the Criminal Investigation Bureau to organize two education and training sessions, closely monitoring fraud trends and regularly updating the latest fraud methods with employees in different regions to enhance their ability to identify and prevent new types of fraud methods.

At the same time, to strengthen front-line fraud prevention, we formulated SOPs for fraud prevention at the counters and a code of conduct for policy service personnel. We promptly assess the scenario and rationality



of contract termination and loans, and report it as appropriate. In 2024, we successfully stopped multiple cases of fraud and protected customers' valuable assets. We have received two commendations from the National Police Agency, Ministry of the Interior, and other police agencies, making us the only insurance company to receive these commendations.



To expand the effect of fraud prevention, KGI Life adopted a dual-track approach by launching new services. Important messages are now sent using the dedicated short code "68889" for easy identification, and the Company has partnered with GOGOLOOK to launch verified business caller IDs. These measures help customers distinguish genuine messages and calls from the Company, effectively preventing fraud at the source and reinforcing KGI Life's commitment to safeguarding customers' financial security.

## 5.3.4 Telephone Calls for Cheque Returns

If a cheque is returned after being sent for payment, we will actively contact policyholders to reduce the occurrence of unpaid payments. In 2024, the number of telephone calls for cheque returns reached 753, with a total payment amount of NT\$36.33 million, totaling NT\$90.68 million when added to the previous year's figure.

## 5.3.5 Uncollected Benefits Clearance Plan

We actively call policyholders to notify them of insurance benefits they have not collected, in order to protect the rights and interests of beneficiaries. In 2024, 917 cases of uncollected benefits were successfully processed via calls, resulting in a total payout of NT\$18.28

million. The cumulative amount of payment reached NT\$115.35 million when added to the previous year's figure.

## 5.3.6 Enhancing Customer Trust and Recommendations

KGI Life actively listens to customer feedback and commissions third-party consulting firms to conduct Net Promoter Score (NPS) surveys. According to the 2024 results, KGI Life ranked among the top performers in the life insurance industry, with an NPS score exceeding the industry average by 9 points, reflecting strong customer recognition of our service quality. We established an "Experience Engineer Team" in 2022, which is responsible for contacting customers who provided responses in the opinion survey and immediately responding to and resolving their concerns. In 2024, we contacted around 700 customers and collaborated across front- and back-end departments, including Customer Service, IT, and Marketing, to implement various improvement initiatives aimed at delivering an exceptional customer experience.

At the same time, the Company also uses NPS as an indicator, regularly reported to the Corporate Sustainable Development Committee to continuously track the implementation status and performance, and to utilize the Committee's supervisory functions to ensure that the Company continues to listen to customers and optimize the customer experience.





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## **5.3.7 Counter Services**

To understand policyholders' satisfaction with counter services, which is used as the basis for improving services, we invite policyholders who use counter services to rate the "General Service Counter" and the "Friendly Service Counter" on a scale of one to five (with five being the highest). The Company aims to maintain an average satisfaction score of over four points<sup>3</sup>.

#### Satisfaction rate for counter services

	2022	2023	2024
General service counters	99.9%	99.9%	99.9%
Friendly service counters	100%	100%	100%

<sup>&</sup>lt;sup>3</sup> An average score of four points or more is deemed "satisfied".

## **Accessibility Facilities at Service Locations**

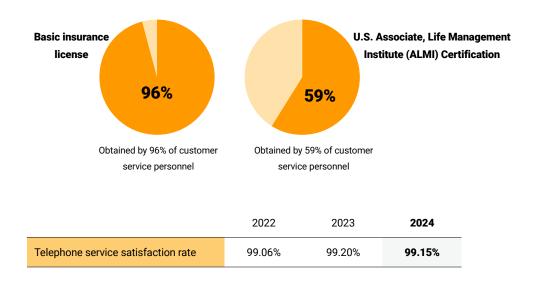
Accessibility Facilities	Taipei Customer Service Center	Taoyuan and Hsinchu Customer Service Center	Taichung Customer Service Center	Chiayi Customer Service Center	Tainan Customer Service Center	Kaohsiung Customer Service Center
Wheelchair Ramps (Including Movable Ones) or Step-free Stairs	•	•	•	•	•	•
Accessible Restrooms	•	•	•	•	•	•
Accessible Parking Spaces	•	•	•	-	•	•
Service Bells	•	-	•	-	-	•
Reading Glasses	•	•	•	•	•	•
Magnifiers	•	•	•	•	•	•
Elevators	•	•	•	•	•	•
Elevator Braille Slate	•	•	•	•	•	•

## 5.3.8 Telephone Services

To gain deeper insights into the overall performance of customer service representatives and improve survey response rates, we established a customer satisfaction survey system. This system collects policyholder feedback to assess representatives' service attitude, problem-solving capabilities, and effectiveness in addressing customer needs during calls.

In response to an aging society, KGI Life remains committed to its customer-centric core values by enhancing the Taiwanese language proficiency and professionalism of telephone service personnel. This ensures that elderly customers and those who primarily speak Taiwanese can receive smooth and effective phone consultations and service calls, further improving the overall customer service experience.

In addition, to strengthen empathy among customer service representatives in their daily interactions, we organized nine training sessions in 2024 focused on delivering customer service grounded in goodwill. These efforts aim to infuse warmth into every interaction and ensure that "Treating Customers Fairly" remains our guiding principle.





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#### Encourage Customers to Use the KGI Life i LIFE App

Since the launch of the policyholder app in 2022, KGI Life has continued to promote digital services for policyholders, aiming to improve the digital experience. In 2024, we reached a total of 13,847 people, enabling policy inquiries, changes in basic information, payment adjustments, fund conversion or redemption, online payments, and other service items at any time. Meanwhile, this initiative leads to energy conservation, carbon reduction, and reduced paper usage.

#### **Collecting Customer Feedback**

We encourage employees to actively collect customer feedback (customer voice). In 2024, 516 pieces of feedback were listed, including 120 related to e-commerce and app optimization.

## 5.3.9 Customer Complaint, Handling Process, and Results

KGI Life implements multi-faceted controls to protect the rights and interests of financial consumers. In addition to providing a variety of complaint channels and complete customer complaint handling procedures, we convene weekly meetings to discuss cross-departmental complaint cases. The meetings, chaired by a senior executive, gather related units to jointly examine the handling process of service disputes and determine solutions. Furthermore, a monthly complaint meeting has been held since November 2023, chaired by senior executives. The meeting is attended by the heads of each business unit and related administrative units to analyze disputes in complaint cases, propose feedback and improvement plans, and share relevant ombudsman resolutions for education and training for each unit.

To more effectively address complaints, KGI Life has enhanced its existing complaint handling mechanism by referencing international standards and best practices. The Company has established the "KGI Life Insurance Co., Ltd. Consumer Dispute Resolution and Complaint Handling Improvement System" as a framework for managing consumer disputes. This system, approved and revised by the Board of Directors, defines the scope of disputes, organizational structure, acceptance methods, handling procedures, and specific guidelines for dealing with disputes involving the elderly, people with disabilities, and other disadvantaged groups. It also includes simplified dispute resolution mechanisms, processing timelines, case tracking and inquiry functions, audit and review processes, case categorization, continuous improvement mechanisms, as well as related training and periodic evaluations.

These measures ensure fair, timely, and consistent complaint resolution, safeguarding consumer rights and interests throughout the process.

KGI Life upholds the core spirit of "Love and Care" and the service philosophy of "Fairness, Empathy, and Treating Customers as We Would Ourselves". The Company is committed to providing customers with services that surpass expectations. Under the leadership of the Board of Directors, ISO 10002:2018 Customer Complaint Quality Management System was officially introduced in November 2024. It was verified by a credible international third-party organization, the British Standards Institution (BSI). We successfully passed the evaluation in February 2025 with excellent performance and zero deficiencies. KGI Life upholds our long-term commitment to consumers and implements the value of "customercentricity" in every aspect of our service.

## **Customer Complaint Management**

KGI Life established a Grievance Committee, with the President or an appointed senior executive serving as its chairperson. Committee members include senior executives from sales, products, legal affairs, after-sales services, and medical affairs. Grievance Committee meetings are irregularly convened. The Customer Right Protection Department provides feedback on issues related to complaints, complaint cases, and overall information. Improvements are evaluated and tracked by related units according to the recommendations of committee members. To optimize the handling mechanism for recurring complaints, KGI Life conducts monthly analyses of complaint case data and reports case progress to relevant departments. Feedback and improvement measures are compiled and tracked on a quarterly basis. Processing timelines for complaint cases are also reviewed and reported to the Treating Customers Fairly Committee, enabling the Board of Directors to monitor the effectiveness of consumer protection efforts and evaluate the performance of the consumer protection mechanism.

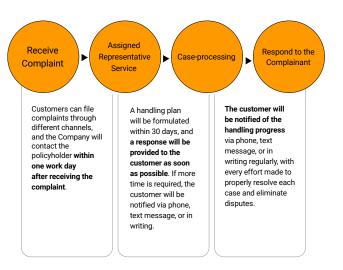
In addition, the Customer Right Protection Department reports major complaints and ombudsman cases (based on the complainant's complaint and investigation status) to the "Policyholder Grievance Committee" for explanation, discussion, and formulation of improvement plans. In cases involving significant developments or new information, progress updates must be promptly communicated to relevant departments and the responsible direct report (division head or equivalent) of the President. For cases involving media inquiries or with the potential to attract media attention, the Public Relations Department must also be notified. Additionally, for specific types of complaints or ombudsman resolution

cases, the case details and number of cases should be consolidated and reported to the direct report (Division Head or equivalent) of the President, enabling the management to evaluate the need for additional staffing, process adjustments, or categorization accordingly.

In 2024, all related departments handled complaints through a customercentric approach, achieving the improvement targets for "complaint/ ombudsman case rate", "number of complaint/ombudsman cases", and "complaint case handling efficiency".

## **Customer Complaint Handling Process**

In 2024, 100% of complaint cases received were responded to, either with a resolution or a progress update, within 30 days of receipt. According to the "2024 Life Insurance Company Complaint Rate Statistics" published by the Financial Ombudsman Institution, KGI Life maintained a low complaint rate of 0.18‱, ranking among the top five out of 21 life insurance companies. The number and ratio of ombudsman resolution applications declined compared to the previous year, and the ombudsman resolution success rate remained above 90%. Among the 144 applications for ombudsman resolution in 2024, 100 cases were claims complaints, and 44 were non-claims complaints. A total of 98.23% of these cases were properly resolved.





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## Diverse and Inclusive Principles of Treating Customers Fairly



## Services for the hearing impaired

To provide services suitable for consumers living with hearing or language impairment, KGI Life began collaborating with the "Chinese National Association of the Deaf" in 2022 to introduce sign language interpretation to help communication.

#### Sign language interpretation reservation

 Through various channels such as the app/official website/e-mail/friendly hotline, sign language interpreters can be arranged for video interpretation at the counter.

#### Sign language training supporting the hearing impaired

 In 2024, we supported the Association of the Deaf in organizing a total of 28 sign language training courses, assisting 268 people and helping the hearing impaired communicate.

## Enhancing the implementation of friendly services for people with disabilities and the elderly

In 2024, we produced Mandarin and Taiwanese versions of the "Important Policyholder Rights Reminder" video to enhance understanding among elderly and hearing-impaired policyholders. Additionally, seven sign language short videos were created and shared on social media, reaching a total of 103,000 views. These efforts strengthened communication with hearing-impaired policyholders and helped them better understand their rights and interests.



## Services for persons with disabilities

In response to the community's demand for services for the elderly and persons with disabilities, KGI Life proactively proposes corresponding measures to understand and care for disadvantaged customers. We established comprehensive and better financial consumer services to safeguard customers' rights and interests.

#### Differentiated and inclusive services in the policy life cycle

- Friendly counters and friendly financial service hotline: The list of accessible facilities of each customer service center is announced on the corporate website, and friendly service counters and dedicated personnel are provided for priority assistance to handle various insurance business. In 2024, 1,825 policyholders received friendly counter services. For elderly customers, we also provide a friendly financial service hotline for disadvantaged customers, which removes the step of entering customer ID, and quickly transfers customers to dedicated personnel. A total of 7.616 calls were received in 2024.
- Home services for the disadvantaged: For policyholders who are unable to use
  digital services or have difficulties in leaving their homes, such as the elderly,
  people with mobility issues, individuals with disabilities, or those affected by
  major unforeseen incidents, KGI Life provides document pick-up and delivery
  services within 48 hours of request. In 2024, a total of 351 cases were assisted
  through this initiative.
- If the complainant is a person with disabilities or an elderly individual, the
  appropriate communication method, such as phone, interview, written interview,
  text message, email, writing, or audio recording, will be selected based on their
  needs.



## Accessible spaces and equipment in customer service centers

(Refer to 5.3.7 Counter Service - Accessibility Facilities at Service Locations)





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# Diverse and Inclusive Principles of Treating Customers Fairly

# 0

# Services for the visually impaired

To help visually impaired individuals develop professional skills, KGI Life has partnered with the Taipei Parents' Association of the Visually Impaired since 2022. Through the involvement of corporate volunteers and resource support, the initiative empowered the visually impaired while expanding inclusive care. By providing both online access and offline services, we aim to reduce the digital gap.



- We optimized the policyholder app to better meet the needs of the visually impaired, becoming the first insurance company in Taiwan to receive the accessibility certification from the Taipei Parents' Association of the Visually Impaired.
- The accessibility section of the corporate website passed the web accessibility service evaluation by the Ministry of Digital Affairs and received the highest-level AAA certification

#### Improving financial fraud prevention knowledge among the visually impaired

- Since 2024, we have cooperated with the association to organize a total of three financial fraud prevention seminars. By presenting fraud cases and fraud prevention guidelines, we have improved people's financial knowledge and established the awareness on risk management for life.
- In 2024, we collaborated with eDocument Service, the first platform co-created by the visually able and visually impaired in Taiwan, to convert knowledge on fraud prevention from financial seminars into accessible content for visually impaired individuals. This allows more visually impaired people to access financial and fraud prevention-related information at any time, reducing the increased financial risks faced by the visually impaired group due to information gap.

#### Mobilizing and delivering services for the visually impaired

 Employees are called upon to serve as volunteers for the association in various roles, including event guides for the visually impaired, classroom support assistants, and book-scanning volunteers. By gaining hands-on experience, employees gain a deeper understanding of the daily challenges and needs of the visually impaired, placing them in the shoes of the visually impaired and enabling them to offer more thoughtful and inclusive support.



#### Strengthening the implementation of friendly services for the visually impaired

Following our achievement in 2023 as the first in the industry to receive the visually impaired-friendly certification from the Taipei Parents' Association of the Visually Impaired for our policyholder app, we continued our collaboration with the association in 2024. We became the first life insurance company in the industry to launch a braille policy service designed for visually impaired policyholders. Visually impaired individuals were invited to test the service to ensure it met their needs and expectations. During the testing process, visually impaired participants expressed that having clear braille guides and audio playback of key policy information significantly enhanced accessibility. In response, KGI Life incorporated a braille QR code for the "Important Policyholder Rights Reminder" and a toll-free friendly financial service hotline number in braille. These features enable visually impaired policyholders to easily scan the QR code to listen to key policy information and quickly call the dedicated service line for assistance when needed, helping them better understand and protect their rights and interests.

# Friendly financial measures for elderly people with dementia

Since 2019, we have continued to collaborate with the Taiwan Alzheimer's Disease Association to create a supportive financial environment for individuals with dementia. KGI Life has deepened the friendliness of financial services for the elderly through five major services:

### Improving financial literacy among the elderly

To help the elderly, individuals with dementia, and their families strengthen their economic resilience, KGI Life organized financial planning seminars for families with dementia and exhibition visitors to the seminars during the World Alzheimer's Month. These seminars taught participants how to create financial and protection plans for themselves and their families in preparation for a super-aged society.

#### Enhancing the culture of friendly services for the elderly

Since completing company-wide training on dementia-friendly practices in 2020 and being included in the association's dementia-friendly map, we have become the first dementia-friendly insurance company in the industry. In 2023, the association's secretary general was invited to deliver a "Dementia-Friendly Financial Services" course, with 100% of employees completing the training. In 2024, agents also joined the Company's dementia-friendly efforts. Agencies invited the secretary-general of the association to give a lecture on "Dementia-Friendliness" to strengthen the understanding of dementia among agents and policyholders' families.

### Guidelines for elderly customer service in the insurance industry & anti-wandering keychains

- We referenced domestic and foreign elderly and dementia resources and consulted with the secretary-general of the Alzheimer's Disease Association to develop the first "Service Guide for Elderly Customers" in the insurance industry, which includes understanding the characteristics of the elderly, assisting the elderly in using digital services, protection against fraud, and identifying people suspected of dementia and corresponding practices, as a consistent service standard for employees and agents.
- As of the end of 2024, we had donated a total of 4,800 anti-wandering keychains to more than 2,000 families to help the lost find their way home.

#### Advocating for dementia-friendly finance

- We have continued our annual support for the World Alzheimer's Month, with KGI Life's President, independent directors, and senior executives actively participating in related events. By personally experiencing the challenges faced by the elderly and people living with dementia, they were better able to design friendly financial services with empathy and understanding. We once again donated co-branded anti-wandering keychains developed in collaboration with the Taiwan Alzheimer's Disease Association. These keychains were also made available to the public for free at the exhibition.
- In 2024, we strengthened the promotion of the emergency contact card and co-branded key chain at policyholder contact points to provide policyholders with anti-wandering key chains, which demonstrated our care for customers at the counter and claims customers.
- KGI Life continued to sponsor the dementia solution design competition for colleges and universities to expand the awareness of dementia issues, and use cross-generational thinking to create co-prosperity plans as preparation for a super-aged society.

#### Planning suitable insurance products

We launched the "MAHUDA" as the industry's first long-term "Dementia + Life Insurance" policy, fully preparing policyholders for the substantial treatment and care expenses incurred when they unfortunately develop dementia. The coverage includes four main features: (1) one-time payment emergency fund, (2) installment annual care, (3) premium exemption and extension of protection, and (4) no-claim bonus for more flexibility. The policy ensures a high quality of life in their senior years.



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# Diverse and Inclusive Principles of Treating Customers Fairly







# Fraud education for the elderly

- KGI Life believes that the financial industry can play a crucial role in spreading financial knowledge and raising people's awareness of fraud prevention. We collaborated with local organizations serving the elderly to promote anti-fraud campaigns, assisting people living in rural areas and indigenous communities, as well as disadvantaged elderly individuals, to enhance their basic insurance knowledge and bridge the gap between urban and rural areas, thereby preventing elder fraud.
- A total of 17 "Financial Fraud Prevention Promotions" were held throughout the year, helping more than 700 residents in remote areas, indigenous individuals, and seniors with limited financial knowledge.
- In 2021, KGI Life launched the "Smart Senior Academy", a financial literacy and anti-fraud website specifically designed for the elderly. Between 2022 and 2023, the initiative garnered over 230,000 impressions through digital outreach and social media. In 2024, we further adapted the Smart Senior Academy website's content into a series of 14 anti-fraud animated shorts in Mandarin and Taiwanese, making it easier for the elderly to share and promote fraud-prevention tips. Distributed via social media, these videos garnered a total of 100,000 views.



of 100%.

### 🏮 🔼 Healthcare

for new immigrants

KGI Life has maintained a long-term partnership with the Koo Foundation Sun Yat-Sen Cancer Center to provide policyholders with suspected cancer diagnoses access to a second opinion through referral services. Additionally, transportation subsidies of varying amounts are offered based on the policyholder's registered residence to help alleviate their medical burden.



# Health promotion for the elderly

The first financial company to train interpreters on

insurance expertise, expanding employment opportunities

In 2024, we launched a series of "Advanced Financial Insurance Courses" in northern, central,

and southern Taiwan to strengthen the insurance knowledge and expertise of interpreters,

improve the quality of interpretation, and further provide guidance for interpreters interested

in obtaining certificates in the insurance industry. We encouraged them to join KGI Life's team

to achieve equal pay for equal work and foster a workplace that values diversity, inclusion,

and equity. A total of 59 seed interpreters from Taiwan participated, with a satisfaction rate

KGI Life is proactively preparing for the arrival of a super-aged society by evolving our policyholder care approach from "post-incident claims" to "physical and mental health promotion and prevention". As a pioneer in the industry, the Company formed a cross-sector partnership with DuoFu, a local leader in accessible services, to launch the "DuoFu Academy" value-added health promotion program. Through a variety of courses, including fitness, cognitive training, financial literacy, and anti-fraud education, KGI Life supports middle-aged and senior policyholders in achieving a fulfilling life with physical and mental well-being, as well as financial security.

# Forum on the rights and interests of persons with disabilities related to insurance application

To better understand the insurance needs of people with disabilities and to help them gain a clearer understanding of insurance and their rights and interests as policyholders, KGI Life partnered with the Chinese National Association of the Deaf and the DuoFu Barrier-Free Life and Transportation Development Association. Dedicated sessions were held for hearing impaired individuals and those with physical disabilities, creating a platform for two-way dialogue.



# Services for new immigrants

- The first financial institution to introduce the "Multi-Language Interpretation Service for New Immigrants"
- We provide interpretation services in nine languages, including Vietnamese, Malaysian, Thai, Indonesian, Burmese, Filipino, Japanese, Korean, and English. Through the interpretation provided by the association's interpreters from various countries, new immigrant customers can communicate in their native languages and fully understand their rights and interests.
- Customer service centers in Taiwan are equipped with translation devices for different languages, enabling frontline service staff to provide immediate assistance to new immigrant customers.
- We launched the first "multilingual animated videos on insurance knowledge", along with "Important Policyholder Rights Reminder" in multiple languages using easy-to-understand wording. These resources cover key aspects of policy services, including application, payment, and claims, as well as essential insurance terms. The initiative aims to help new immigrants bridge the financial knowledge gap and move closer to the goal of inclusive finance.
- We developed customized financial insurance and anti-fraud training courses for multilingual
  interpreters serving new immigrants. The Company hosted the "Multilingual Interpreter
  Financial Literacy and Anti-Fraud Awareness Seminar", which was attended by 40 seed
  representatives from the Taipei New Immigrant Family Development Association. The
  program received a 100% satisfaction rating.



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**Towards an Inclusive Society** 





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# **6.1 Cultivating Diverse Talents**

# **6.1.1 Innovative Employee Training Programs**

#### **Diversified Recruitment**

In response to the international trends of digital transformation, green sustainability, and optimizing the customer experience, with the mission to "embrace innovation and talent to provide sustainable financial solutions for clients, employees, shareholders, and society", we focus on sustainable finance to meet the knowledge and skills requirements for running an insurance company. We actively integrate system resources, promote digital finance, and continue to recruit talent in areas such as corporate sustainability planning and smart operation planning. At the same time, by introducing tools such as the Workday global HR system, CBI interviews, personality assessments, and big data analytics, as well as promoting a talent recruitment program, we establish recruitment indicators and a dedicated recruitment model through data analysis. We aim to accurately identify candidates who demonstrate six key competencies (customer centricity, agile innovation, team contribution, collaborative partnership, trustworthiness, and effective execution).

**Talent Recruitment - Six Major Competencies** 

© Customer Centricity

**∵**=
Team
Contribution

Trustworthiness

Agile Innovation Collaborative Partnership

Effective Execution





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### **Attracting Talent**

#### Internship Program

In 2024, the Company continued to organize the internship program, offering summer, semester, and academic year internship opportunities to meet various internship needs. The program provides students who are studying or are about to graduate the opportunity to work with KGI Life employees and learn by participating in various operations and projects of the Company. Through internships, they can gain early experience in the workplace, strengthening their professional capabilities and gaining a better understanding of their potential career development. Furthermore, we are networking with students on campus to promote the Company's brand value and MA program, thus achieving the benefits of early talent recruitment. A total of 158 internship certificates were awarded in the past 7 years, and 43 interns were hired in 2024 (including summer, semester, and academic year intern).



#### Industry-Academia Collaboration

KGI Life is committed to strengthening its human capital and cultivating industry talent by establishing industry-academia collaboration mechanisms. These initiatives aim to enhance young people's technical and practical skills, enabling them to develop professionalism from an early stage. To date, KGI Life has signed industry-academia cooperation agreements with several outstanding public and private academic institutions.

Between 2019 and 2024, a total of 27 students were admitted to the industry-academia collaboration programs. Comprehensive guidance has been provided in areas such as policyholder services, corporate culture, and professional expertise. Additionally, we assisted students in completing their monthly internship journals, final reports, and company feedback in accordance with school requirements. Several students transitioned to full-time positions after graduation, successfully bridging the gap between education and employment in the FinTech industry, thereby adding new vitality to the industry workforce.

#### Thoughts Shared by an Intern:

#### Intern co-training

Supervisors listen to the feedback from interns and make adjustments in the following year. I see the improvements. The cotraining courses included AI, big data, and ESG sustainability. Many concepts were explained in a fun and easily understandable way. At the end of the courses, practical advice was provided to interns who want to pursue their career in the field.

#### Summary

My internship experience in the Foreign Exchange Department sped up my growth. Over the two-month period, I strengthened my understanding of various macroeconomic concepts and actively read relevant news and research reports, deepening my overall comprehension. My department head was always patient when helping me understand the logic of macroeconomics. They also shared their career experiences with us, which were invaluable, as we are about to graduate. The two-month internship helped me grow and was very fruitful.

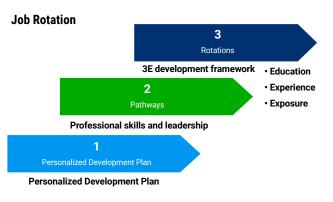
#### MA Program

KGI Life has organized the YouLead Program for nine straight years. We have expanded recruitment to include talent from different disciplines into the training program. Students from every department are eligible.

KGI Life has recruited a total of 59 management associates since 2016, with 42 currently employed. The evaluation pass rate stands at 82.0%, with trainees being promoted to managerial positions in as little as two years. The promotion rate to supervisory roles is 26.9%. We continue to develop potential management talent to ensure mutual benefits for both employees and the Company.

KGI Life's MA program provides comprehensive training and rotations. Through joint training between KGI Financial and KGI Life, trainees can become familiar with the responsibilities of each department within KGI Financial and those of KGI Life. After the training, they undergo job rotations in KGI Life. Through mentoring from supervisors and colleagues, as well as hands-on experience, trainees accumulate the knowledge and skills required for each role, gain a better understanding of each department's responsibilities and operational processes, and build a stronger knowledge base for their careers in the life insurance industry.

During the rotation period, trainees are encouraged to proactively engage in discussions with senior executives and actively participate in projects. Strategic thinking skills are emphasized by mentors, managers at the level of department heads or above, helping trainee quickly develop into  $\pi$ -shaped insurance management possessing expertise in insurance, strategic thinking, and digital finance innovation.





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### **Workplace Empowerment**

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

#### Employee Development

In 2024, KGI Life offered a series of courses on leadership and management, professionalism, core competencies, diverse general knowledge, and self-learning to meet employees' competency development needs and implemented the talent development blueprint. We combined internal and external courses with digital learning resources to establish a comprehensive training system for developing talent at every level.



Topic		Content	Investment	Benefit/Result	Expense
	ership and agement	Structured leadership training courses were offered based on different scopes of responsibilities, deepening supervisors' leadership and helping them lead their teams in achieving goals.	Supervisors participated in leadership courses with attendance number reaching 5,184, and training hours reaching 9,781.	The satisfaction scored 4.6 points.*	NT\$1,949,345
Profes	Onboarding Training for Underwriting & Policyholder Services.	To help the development of professionalism for new underwriters and policyholder service staff, the training program was divided into general product knowledge, review guidelines, and system operations. This structured approach ensured that new employees acquire the essential knowledge and skills required for underwriting and operating systems. Upon completion of the training, they were immediately assigned to perform review tasks.	There was a total of 25 participants in the Foundation Stone Program (underwriting and policyholder services), with a total of 516 learning hours.	100% of trainees were assigned to underwriting and policyholder service case review after the completion of training.	
Professional Competency	Digital Innovation	We promoted the understanding and culture of agility by providing digital tools to support teams' cross-departmental operations and realizing user-centric and data-driven management philosophies.	The attendance number of the off-line foundational agility courses, totaling 452, and the training hours reached 960.	<ul> <li>- Provided guidance to establish 4 new agile product teams.</li> <li>- Continued to assist 9 agile teams in independent operations. Added 4 new product managers and 3 scrum masters.</li> <li>- Over 70 hours of teaching by internal scrum masters.</li> </ul>	NT\$6,175,586
ency	Sustainable Transition	Organized ESG and human rights-related courses to develop sustainability awareness, help employees play a more proactive role during sustainable transition, and deepen the concept of sustainability in the corporate culture.	The attendance of employees reached nearly 5,894, with the training hours reaching 4,367.	The satisfaction for employee self-learning and diverse learning courses scored 4.8 points.*	
	Professional Skills Training	Professional training and certification exams in specialized fields across departments.	The attendance number of employees reached nearly 41,415, with learning hours reaching 90,050.	Sales growth and increases in the average number of certificates held per person.	
Core	Competency	Nearly 36 core soft power training courses were organized.	The attendance number of employees reached nearly 673, with learning hours reaching 3,741.	The satisfaction scored 4.7 points.*	NT\$1,897,667
	se General vledge	Various seminars, regular courses, sharing sessions, etc. were organized.	The attendance number of employees reached nearly 4,584, with learning hours reaching 7,087.	The satisfaction for onboarding training scored 4.5 points.*	NT\$364,569
Self-	earning	Introduced the engaging and diversified self-learning platform Hahow for Business, allowing employees to learn anytime, anywhere through online resources. This supports cross-disciplinary professional development and competency building, while also enhancing KGI Life's online learning resources in the digital era.	The attendance number of employees reached nearly 9,894, with learning hours reaching 17,532.	The satisfaction scored 4.7 points.*	NT\$1,266,772
	_				

<sup>\*</sup> The satisfaction was measures on a 5-point scale, with 5 points representing the highest rating.



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#### Professional Certificate Incentives

KGI Life established the "Guidelines for Incentives for Employees to take Professional Examinations" and "Guidelines for Incentives for Employees to take Actuarial Examinations", providing examination leave, study leave, subsidized examination fees, and bonuses to encourage employees to continue improving and obtaining professional certifications. In 2024, each employee held an average of 3.45 certificates, and this number has increased over the past five years.

#### **Professional Certifications Obtained by Employees**

	2020	2021	2022	2023	2024
Actuarial Examination Subjects	301	348	395	419	494
Investment, Risk Management, Audit, and Anti-Money Laundering Specialist Certifications	196	348	470	545	856
Professional Certificates for Underwriting and Claims	119	128	146	189	463
FLMI Examination Subjects	5,197	5,692	5,863	6,094	6,308
Total	5,813	6,516	6,874	7,247	8,121
Average Number of Certificates per Employee	2.41	2.59	2.71	3.03	3.45

# 6.1.2 Developing Agency Channel

# **Attracting Talent**

The recruitment of outstanding talent and the development of channels have always been key areas of focus for KGI Life in channel development. In recent years, in addition to actively engaging with the academia to attract young talent, KGI Life launched the "Excellence Program" in 2024, offering financial support to recruit the older adults in alignment with government efforts. The number of registered agents has continued to grow annually, with nearly 1,700 newly registered agents in 2024 alone. The Company now ranks among the top four insurance firms in the industry. Over the past three years, KGI Life has consistently achieved 13th-month agent retention rates of over 86%, ranking first in the industry.

#### **Cultivation Plan**

Professional training is crucial to the continuous growth of agents in the industry. In 2024, KGI Life introduced a new business strategy and launched a comprehensive 36-month "Excellent Program". By investing in a variety of training programs, including employee support and digital empowerment resources, and supplemented by a financial subsidy worth 24 months' salary, which exceeds industry standards, we help inexperienced agents become managers leading professional teams within three years.

To support the retention of new agents and the onestop supervisor development, KGI Life adopts a dual coaching mechanism that combines both online and offline guidance. During the 9-month training for new agents, KGI Life provides an offline coaching mechanism with dedicated trainers offering guidance. Through

personalized motivation and care, this approach helps solidify the foundations of agents' professional skills. For newly promoted supervisors, different types of competency training are offered based on their seniority. In addition to reinforcing key skills such as servicebased marketing and lead generation, the programs also include structured, practical training in areas such as organizational growth, training and coaching, performance evaluation, and team development. Aside from comprehensive in-person training, KGI Life also strives to create an online learning environment suitable for agents, encouraging employees to learn without being constrained by location or time. KGI Life employs a dual-approach learning method, combining online and offline learning, as a cornerstone for talent cultivation and retention.

Promotion of Sales Executive to Assistant Sales Managers

Through a 9-month intensive

development and hands-on recruitment practice, regional

trainers and direct supervisors

sense of ownership, strengthen

capabilities, and build foundational

achieved outstanding results, with

a 350% increase in promotion rates

compared to the Company as a

whole.

provide continuous, in-depth

coaching to help develop a

organizational development

coaching skills. The program

program focused on competency

Promotion of **Assistant Manager to** Regional Manager

A one-year development

leadership and coaching

strong life insurance team.

capabilities, and build a

**Promotion of Sales** Manager to Agency Manager

Key managerial training plans

facilitate promotion and

organizational growth.

program has been designed for this level, combining practical training and case discussions to strengthen coaching and team development skills. The program aims to accelerate the promotion of sales managers, enhance their

We promote the K Leader agency manager training program, which focuses on organizational development and strengthening regional management and growth.

Phase 1: The 18-month intensive training program is built around five core modules: planning, recruitment, training, coaching, and performance management. It is designed to strengthen skills related to systems and practices. We introduced the Life Office Management Association's Pacesetter professional manager course to create stronger foundations for building excellent teams.

Phase 2: We utilize a group training model to foster co-learning, achieve outstanding performance, and encourage one another to reach the final goal.



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#### · RFA Courses

KGI Life abides by the principles for treating customers fairly and continues to improve the professionalism of agents. To train professional retirement financial advisors to assist consumers of different age groups, KGI Life has specially designed diverse retirement products for asset allocation and financial planning and introduced the retirement financial advisor certifications. As of 2024, a total of 909 agents had completed the training, with 500 successfully passing the certification exam and a pass rate of 55%. A total of 435 people registered as advisors, with a registration rate of 87%. KGI Life, therefore, is the company having the highest number of registered advisors in the industry.

#### Training for Retirement Planning

Taiwan is transitioning into a super-aged society. To deepen agents' understanding of retirement-related subjects and systems while strengthening their retirement financial planning capabilities, KGI Life launched an advanced training program in 2024, covering four key topics: demographic trends and longevity risk, geriatric healthcare and long-term care, estate planning, and current retirement systems and plans. A total of five sessions were held, with 424 agents completing the training, which would enable them to help customers create a comprehensive retirement financial plan tailored to their needs.



#### · Digital Marketing Tool Training and Application

To expand the promotion and application of digital tools and leverage technology for business development, 31 training courses were held for digital seeds in 2024, representing a 48% increase compared to the previous year. They enhance agents' professionalism regarding insurance planning and product suitability.

In 2024, 63,660 policyholders underwent insurance policy health examinations, generating 197,186 examination reports, with a monthly utilization rate of 59%. We also utilized digital tools to enhance agents' ability to identify gaps in customer protection and offer suitable products.

#### · Digital Marketing Tool

KGI Life is equipped with the industry's first AI Coach, helping agents familiarize themselves with products, and accelerate product sales. The AI Coach also produces personal scores and recommendations. Direct supervisors can provide guidance or exercises based on system feedback. This shortens the time needed for supervisor coaching and verification, which in turn enhances the productivity of new agents and supervisors.

Statistics show that AI Coach yields a 20% increase on average in productivity for new agents. The AI Coach reduces the time supervisors spend on basic training for agents. As a result, each supervisor's time spent on mentoring can be reduced by 2.3 days per month, which can be used on other tasks such as sales activities and business development.

**Modularity** 

Systemize/modularize Develop exercises for pitches used by sales new agents to continue in practicing pitches supervisor

Tooling

### **Efficiency**

ΑI

Coach

Shortens the time required for coaching

The AI Coach helps new agents acquire basic product knowledge



In 2019, KGI Life was the first in the industry to introduce an AI assistant for agents. The newly redesigned "AI Assistant 2.0" will integrate various functions, including answering questions, searching knowledge bases, providing website navigation, searching for information, offering reminders, managing customer relationships, and promoting events, thereby enhancing the professionalism of agents. We collaborated with AI to significantly enhance our competitiveness and deliver a superior customer service experience.

Al-powered digital applications will be further integrated across various business areas, with ongoing expansion in data-driven value-added services. Al-empowered capabilities, and ecosystem alliances. By harnessing technology to continuously deliver innovative services, KGI Life will be able to Assistant provide sustainable financial solutions.

> i-Study digital learning platform

ΑI

2.0



Provides a comprehensive competency-based curriculum for agents, covering eight core areas including marketing expertise, organizational development, administration and customer service. digital tools, and regulatory courses. The program has offered over 900 courses in total, including compulsory and elective courses. The sessions totaled more than 400 hours. Learning blueprints are tailored for agents to enrich their competencies.



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# **6.2 Diverse and Inclusive Workplace**

### 6.2.1 Growth Partners

KGI Life provides diverse and equitable employment opportunities and has established policies to protect human rights at work. We attach importance to equity and diversity, treating all employees based on their competencies.



# 6.2.2 Employee Turnover

The number of employees continued to increase in 2024 (refer to Appendix Table on P.134 for relevant figures). The suitability of personnel is verified through a rigorous selection process. The turnover rate in 2024 decreased compared with the previous year. Moreover, we have actively optimized workflows to increase employee satisfaction, which in turn enhances the stability of the whole organization. To establish better long-term talent retention, KGI Life provides competitive remuneration, benefits, and leave (including health examination leave and birthday leave) according to market trends, thereby attracting outstanding talent and creating a steadfast corporate culture and a better working environment.

Company for more than 10 years, and there are employees with disabilities who have served for more than 20 years. To place the right person in the right position, we have actively promoted job openings that prioritize indigenous individuals and employed 77 indigenous employees as of the end of 2024.

	2022	2023	2024
Number of Employees with Disabilities	73	66	66
Number of Indigenous Employees	43	40	77

# **6.2.3 Employee Diversity**

To align with the UN SDGs, KGI Life has long been committed to promoting gender equality in the workplace. Female supervisors account for 47.81% of all supervisors, while female non-supervisory employees account for 63.49% of all employees. Remuneration for employees and agents is determined based on individual education attainment, work experience, roles and responsibilities, and performance. Remuneration does not vary due to gender, thereby achieving gender equality.

Furthermore, we continue to hire persons with disabilities and ethnic minorities. Employees with disabilities enjoy the same rights, interests, and opportunities as full-time employees. In addition to giving priority to persons with disabilities for certain job openings, KGI Life also provides accessible facilities within the work environment. We encourage employees with disabilities to continue advancing in their fields of expertise, pursue professional certifications required for their work, and enhance their competitiveness. Over the recent years, the number of employees with disabilities has continued to increase, with an average of 12 years of employment. Among them, 68% have been with the

# **6.2.4 Human Rights Protection**

KGI Life strives to achieve equity in employment, build a diverse workforce, and create a workplace environment characterized by respect, openness, inclusivity, and freedom from harassment. We support the Universal Declaration of Human Rights, United Nations Global Compact, International Labour Organization Conventions, and other international human rights conventions. Furthermore, KGI Life established its human rights policy in 2022, which does not allow any form of discrimination or infringement on human rights and ensures that all employees are treated fairly and equitably.

Regarding the promotion of occupational safety and health, in addition to complying with labor laws and regulations, KGI Life has created a workplace that is healthy, safe, sustainable, and comfortable. The Company concerns itself with employee health and manages abnormal workloads to prevent excessive overtime. We periodically provide labor safety education, free employee health examinations, and on-site physician consultations, offering comprehensive care for the physical and mental well-being of our employees. We respect employees' right to organize and join various associations, and we provide diverse communication



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mechanisms and platforms as well as open and convenient labormanagement communication channels. This ensures harmonious labor relations, benefitting both the Company and its employees.

In 2024, we continued to promote courses related to sustainable transition. The Human Rights Policy and DEI-Friendly Workplace, a mandatory course was offered once in 2024, with 2,352 employees completing the training and a completion rate of 100%.

# <u>6.2.5 Sexual Harassment Prevention</u> Procedures

Sexual harassment cases are handled in accordance with the Sexual Harassment Prevention Guidelines. The composition of the Sexual Harassment Prevention Committee is periodically reviewed. When a sexual harassment incident occurs, a complaint can be made through the dedicated telephone numbers, faxes, or emails for employees and agents, respectively. An investigation team is formed within 7 days after a complaint is received. The investigation process is kept confidential, and all involved parties are given the opportunity to fully make their statements and defend themselves. The investigation results and report are required to be completed and concluded within two months after receiving the complaint, and an opportunity for appeal shall be provided. In 2024, there was one complaint of sexual harassment each among employees and agents, which were properly investigated and handled in accordance with the Sexual Harassment Prevention Guidelines.

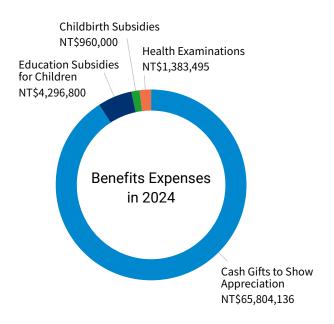
# **6.3 Employee Well-being**

## 6.3.1 Benefits

KGI Life's pursuit of employee well-being is based on physical, mental, and financial health. The Company actively creates a healthy and safe work environment and provides employees and agents with a wide variety of benefits. In addition to benefits exceeding legal requirements, such as festival bonuses for the Dragon Boat Festival, Mid-Autumn Festival, and Lunar New Year, birthday gifts, leave and subsidies for weddings, funerals, and hospitalizations, as well as health examinations, KGI Life also introduced health examination leave and birthday leave in 2024, further promoting a happy workplace that supports work-life balance. The benefits program is extended to employees' family members and children. In addition to fully subsidized participation in the Company's group insurance program for employees' spouses and children, all employees with school-age children can also apply for child education subsidies.

To actively encourage employees to start families, KGI Life provides a childbirth subsidy of NT\$20,000 per child for employees or their spouses. In addition, the Company offers benefits exceeding legal requirements, including 10 weeks of maternity leave and 8 days of prenatal and paternity leave. We provide breastfeeding rooms for mothers and work with Taiwan's leading daycare centers to give employees high-quality, reasonably priced daycare services without having to travel far. This helps our employees balance their work and family responsibilities, reducing their stress. All of the aforementioned employee benefits embody KGI Life's philosophy of caring for employees and have proven highly popular among employees.

Furthermore, the Company launched the Employee Welfare Trust Shareholding Plan in 2022 to support the financial well-being of employees. Employees can choose to allocate a certain amount of their salary each month, and the Company provides a corresponding amount of subsidies as an incentive. The overall participation rate in this program reached 94.8% in 2024.



# 6.3.2 Unpaid Parental Leave

KGI Life understands that employees may need to sacrifice their career development to take care of children. Recognizing this, we fully support employees' need for parental leave. A total of 101 employees and agents applied for unpaid parental leave in 2024, with the majority being female employees and agents, accounting for approximately 75.25%. However, the percentage of male employees has continued to increase. The retention rate of employees who applied for unpaid parental leave hasremained stable in recent years. The reinstatement rate of employees reached 63.2%, and the retention rate reached 84% in 2024. The reinstatement rate of agents reached 87.9%, and the retention rate reached 93%. This indicates that KGI Life's efforts to promote work-life balance and understanding of employees' need to care for young children have ensured high levels of reinstatement rate and retention rate.



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Statistics of Parental Leave		Employees			Agents		
Statistics of Parental Leave	Male	Female	Total	Male	Female	Total	
Number of Staff Taking Parental Leave in 2024 <sup>1</sup>	16	32	48	24	55	79	
Number of Staff that Applied for Unpaid Parental Leave in 2024	4	24	28	21	52	73	
Actual Number of Staff Reinstated in 2024	3	9	12	17	63	80	
Number of Staff that Should Have been Reinstated in 2024	4	15	19	18	73	91	
Number of Staff who Continued to Work for One Full Year after Reinstatement from Taking Unpaid Parental Leave in 2023	3	18	21	17	36	53	
Actual Number of Staff Reinstated in 2023	4	21	25	20	37	57	
Reinstatement rate <sup>2</sup>	75.0%	60.0%	63.2%	94.4%	86.3%	87.9%	
Retention rate <sup>3</sup>	75.0%	85.7%	84.0%	85.0%	97.3%	93.0%	

# **6.3.3 Retirement Benefits**

KGI Life attaches great importance to employees' retirement. We have formulated employee retirement regulations and established the "Employee Retirement Regulations and the Supervisory Committee". For employees covered under the old labor pension system, a fixed percentage of their monthly remuneration is allocated to a retirement reserve fund, which is deposited into a dedicated retirement account at the Bank of Taiwan. At the end of each year, the balance of this fund is reviewed to ensure the sufficiency for covering the retirement needs of employees eligible to retire in the following year. Any shortages are made up before the end of March of the following year. For employees who choose the new pension system, 6% of their monthly salary is allocated to their personal retirement account at the Bureau of Labor Insurance. For employees hired before April 1, 2024, if their monthly salary exceeds the upper limit in the Table of Monthly Contributions for Labor Pension, the Company will allocate 6% of the excess amount for the pension reserve every month. To show the Company's

gratitude to retired employees for their years of service and ensure employees feel valued by the Company, KGI Life began awarding retired employees with a glass trophy and free health examination starting in May 2018. A total of 16 employees retired in 2024.

# 6.3.4 Remuneration Policy and Structure

KGI Life's remuneration policy aims to provide reasonable remuneration for the roles and responsibilities of managers and employees, the Company's business performance, individual performance, the current market condition for attracting and retaining talent and the reasonableness of any correlation with future risks. KGI Life participates in a market survey on remuneration conducted by external consulting companies each year to determine the competitiveness of the Company's remuneration. The performance, remuneration policy, and distribution of remuneration to directors and senior executives are periodically reviewed by the Remuneration Committee, which then submits its decisions to the Board of

Directors for discussion. This ensures that the remuneration policy is aligned with the Company's long-term strategy and that employees, employers, and shareholders can all benefit. The remuneration strategy for employees adopts the principle of "competitive externally and fair internally". The remuneration of employees and agents meets the standards set by the competent authority and takes into account each individual's education, experience, roles and responsibilities, and performance. To realize gender equality, remuneration does not vary due to gender.

According to the Remuneration Committee Charter of the Company, a remuneration standard has been established for senior executives. The remuneration standards take into consideration the remuneration standards of the industry in Taiwan and overseas, as well as the Company's future risks and have been approved by the Remuneration Committee and the Board of Directors. When a senior executive joins the Company, a remuneration recommendation is made based on the abovementioned salary standards, position, experience, and market standard for remuneration. This recommendation is then submitted to the Remuneration Committee and Board of Directors for approval.

To ensure that the remuneration of senior executives is aligned with the long-term interests of the Company and shareholders, the Company has established regulations for performance evaluation and bonus distribution, ensuring that the performance indicators of senior executives are aligned with the Company's overall goals. Individual performance also directly affects annual remuneration. The performance goals for all senior executives of the Company encompass both financial aspects, such as business performance, and non-financial aspects, including ESG, as well as matters related to internal control and governance such as compliance. Annual performance bonuses based on the Company's overall profits and individual performance are submitted to the Remuneration Committee and Board of Directors for review. A performance bonus deferred payment mechanism has been established for senior executives, and performance bonuses are paid over three years, with a clawback mechanism requiring that the recipient still hold the position when the bonus is distributed, thereby aligning the long-term interests of the executive with those of the Company.

The Company recognizes the importance of addressing climate change and sustainable development by incorporating relevant ESG indicators into the annual performance evaluation indicators of

<sup>1</sup> Number of Staff Taking Parental Leave in 2024: Number of female staff taking maternity leave + number of male staff applying childbirth subsidies

<sup>&</sup>lt;sup>2</sup> Reinstatement rate = (Actual number of employees reinstated in 2024 / Number of employees that should have been reinstated in 2024) x 100%

<sup>&</sup>lt;sup>3</sup> Retention rate = (Number of employees still active 12 months after reinstatement in 2023 / Actual number of employees reinstated in 2023) x 100%



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senior executives and related departments. These indicators are linked to performance bonuses, driving greater awareness and implementation of sustainability initiatives across the organization. The Company sets annual sustainable development goals for all departments based on the Company's four major sustainability themes of "Low Carbon Transition", "Achieving Financial Inclusion", "Promoting Sustainable Finance", and "Corporate Governance Enhancement". Such goals include carbon reduction in our own operations and green investment and financing. The achievement of such goals is a factor that affects the annual variable remuneration for executives. In addition to incorporating ESG assessment items into the Board of Directors' performance evaluations, each department is also required to report its annual ESG performance results and plans for the following year to the Corporate Sustainable Development Committee for review. This process ensures alignment across the organization in working toward corporate sustainable development in the long run.

In terms of performance evaluations, internal control and corporate governance items have been assigned to all employees of the Company, with sustainability goals based on their respective departments and job responsibilities. Performance evaluation results are directly linked to performance bonuses, guiding employees to integrate ESG principles into their daily work. Through project promotion and the execution of action plans, employees collectively contribute to the Company's ESG strategic objectives and our long-term sustainability vision.

#### Overall Key Performance Goals and Indicators in 2024

# Financial Indicators

Group synergy, company development and operations, and financial performance (goals shall be set for all supervisors with a weight of at least 15%)

Corporate sustainability performance

Example: Net income, after-tax ROE, total revenue, and key financial performance indicators related to the life insurance industry.

and the implementation of practices for the organization's mission, vision, and values

#### Non-financial Indicators

Internal control and governance (a weight of at least 10%)

Compliance, internal audits, internal controls, and compliance with cybersecurity operations.

Looking ahead to emerging trends in financial services, the Company aims to accelerate organizational transformation, enhance customer experience, and improve employee well-being, with the goal of becoming an industry benchmark. Stipulated indicators include SBTs for carbon reduction, innovative sustainability efforts (such as services for immigrants, regional revitalization, and climate governance), treating customers fairly, promoting inclusive financial products and services, and driving ESG initiatives alongside

digitalization and process streamlining.

# **6.4 Performance Management**

To achieve the Company's annual strategic goals and establish a performance-oriented culture, a performance management cycle is conducted annually. This cycle involves setting work goals at the beginning of each period, evaluating the status of achievement in the middle of each period, and evaluating performance results at the end of each period. The top-down performance management mechanism enables a consensus-based approach and helps motivate employees and enhance their capabilities through actual implementation, thus facilitating the attainment of goals. The participation rate of applicable personnel in performance evaluations reached 100% in 2024.

#### **Statistics on Employee Performance Evaluation**

	Female	Ratio	Male	Ratio	Total	Ratio
Supervisor	175	12.5%	188	21.1%	363	15.8%
Non-supervisor	1,227	87.5%	705	78.9%	1,932	84.2%
Total	1,402	100.0%	893	100.0%	2,295	100.0%

**Planning** Goal setting

Execution

Mid-year

discussion

Review
Performance
evaluation at the end
of the period

Measurement from both qualitative and quantitative perspectives

# **6.4.1 Courses on Performance Management**

Performance management is an important management tool. To help supervisors and employees enhance their performance management skills, the Company offers courses on performance goal-setting, performance evaluation, and performance interviews and feedback at the start, middle, and end of the year. This helps managers develop effective performance interview skills, build trust, and provide constructive feedback. Managers also use coaching techniques to guide employees in thinking about their career development, thereby enabling employees to learn and grow and achieving the Company's goal for talent retention.



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# 6.4.2 360-Degree Evaluation

Leadership development is a key measure for realizing the organization's business development strategy.

In 2024, KGI Life expanded the 360-degree evaluation program and collaborated with Development Dimensions International, Inc. to develop a questionnaire addressing key human rights issues. The questionnaire is based on the "KGI Financial Holding Competency Framework". Helping supervisors understand their personal strengths and weaknesses is crucial for their team members' personal development.

Subsequent leadership training is arranged to help leaders identify their individual management strengths and key areas for development. This aims to accelerate leadership development, fully unleash leadership potential, and support the realization of the Company's goal of "Becoming an Employer of Choice".

### **6.4.3 Smooth Communication Channels**

To strengthen labor relations and protect employees' rights and interests, KGI Life has convened quarterly labor-management meetings to foster positive, two-way communication on issues of concern to both labor and management. Five labor-management meetings were held in 2024 to report on labor trends, business overviews, and labor-related matters, and to conduct comprehensive discussions.

Furthermore, a grievance channel is established for employees, enabling them to submit complaints in writing. The confidentiality and grievance procedures follow the labor grievance template issued by the regulator of labor affairs. If employees encounter any work-related problems, they can file a complaint with supervisors at all levels and human resources units through the designated grievance channel. The personnel or institutions that accept the complaint shall ensure the confidentiality of the contents. There were no employee complaints in 2024.

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#### **Employee Engagement Survey**

KGI Life conducts employee questionnaire surveys through a third-party professional institution to identify areas that need improvement and listen to the opinions and thoughts of employees to gradually build a Company-wide consensus. This serves as an important reference when formulating mid-term and long-term business strategies. It also enables employees to play a more important role in the Company's operations.

This survey covers 10 key dimensions (Engagement, Confidence, Employee Experience, Senior Executive Performance, Direct Supervisor Performance, Strategic Focus, Thriving Development, Performance Enablement, Agility and Innovation, and Diversity, Equity, and Inclusion), with a total of 60 multiplechoice questions and 2 open-ended questions.

In 2024, the nearly 100% response rate reflected employees' passion for their work. The employee engagement dimension (i.e. overall employee alignment) scored 81%, marking an improvement over the previous year and setting a record of four consecutive years of growth. This demonstrated KGI Life's continued focus on its commitment to employees. Furthermore, KGI Life is streamlining processes to improve overall business performance based on the annual survey results and continues to work towards "Becoming an Employer of Choice".

# 6.5 Workplace Safety

With the long-term goal of "Becoming an Employer of Choice", the Company continues to promote employee well-being. We have established three organizations: the Occupational Safety and Health Committee, the Occupational Safety and Health Management Unit, and the Workplace Unlawful Infringement Investigation and Response Task Force. These bodies comprise occupational safety and health business managers at all levels, occupational safety and health administrators, physicians, nurses, and emergency personnel. These individuals are responsible for identifying, planning, supervising, implementing, evaluating, and making improvements to safety and health matters.

# 6.5.1 Occupational Safety and Health Committee

A good governance framework is crucial to achieving workplace safety, and the committee is indispensable to achieving these goals. The Occupational Safety and Health Committee consists of 1 chairperson and 7 members, including 4 labor representatives, accounting for 50% of all committee members. The Occupational Safety and Health Committee convened a total of 4 routine meetings and 6 extraordinary meetings in 2024 to review and provide recommendations regarding safety and health policies and proposals, and passed the annual Occupational Safety and Health Management Plan. KGI Life also has an occupational safety and health management unit that formulates, plans, supervises, and promotes safety and health management affairs, and provides implementation instructions to related departments.



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# 6.5.2 Workplace Safety and Health Training

To enhance employees' awareness of potential risks and improve their understanding of workplace safety, all new employees are required to receive 3 hours of general safety and health education and training. In 2024, the completion rate was 100%. To further strengthen employees' awareness of occupational safety and health, an online one-hour general safety and health training session was held in 2024. A total of 2,352 employees completed the training, achieving a 100% completion rate. The course focused on preventing unlawful infringement in the workplace when fulfilling job responsibilities, aiming to help employees understand such infringements and learn how to protect themselves from unlawful acts such as physical assault, psychological abuse, verbal harassment, and stalking while performing their duties.

# 6.5.3 Workplace Safety and Health Monitoring and Management

Regarding workplace safety and environmental monitoring, KGI Life periodically inspects and maintains fire safety equipment in the workplace and reports on public safety inspections of buildings. We continue to conduct workplace equipment safety and health self-inspections, as well as environmental monitoring, twice a year, in the first and second halves of the year, to ensure a proper work environment. We have established our own fire safety team in response to contingencies, such as earthquakes, fire accidents, and emergency rescues, and actively participated in joint fire or emergency evacuation drills held by building management units, ensuring timely responses during emergencies.

### 6.5.4 On-site Medical Consultation

To provide a comfortable, healthy and safe work environment, aside from providing blood pressure monitors at main service counters around Taiwan for use free of charge, we also installed automated external defibrillators (AED) at the headquarters, Dunbei building, Taoyuan & Hsinchu Branch, Taichung Branch, Chiayi Branch, Tainan Branch, and Kaohsiung Branch. We had 144 qualified first aid personnel who received external training to provide first aid in workplaces as of 2024. We also provide first aid kits and equipment at each workplace.

We hired 8 registered nurses to provide occupational health consultation services. For employees with abnormal health check results or identified as high-risk in terms of occupational health, the Company offers health counseling, follow-up, and case management. Immediate emergency medical assistance is also available. In addition, multiple health education and infectious disease prevention campaigns are conducted via email and the internal network. Additionally, an occupational health management program is carried out in partnership with a competent authority-recognized occupational safety and health consulting agency. Contracted medical professionals analyze employee health examination reports, categorize abnormal findings, and identify employees at medium to high health risk for one-on-one consultations and suitable health guidance. In 2024, a total of 23 on-site physician visits and 74 on-site nurse visits were conducted across 13 workplaces nationwide.



#### 2024 Occupational Safety Performance

• Male	Female	Total							
Injury Rate (IR) <sup>5</sup>									
0.001%	0.001%	0.001%							
Absenteeism Rate (AR) <sup>6</sup>									
0.307%	0.619%	0.497%							
Lost Days Rate (LDR) 7									
0.002%	0.003%	0.002%							

<sup>&</sup>lt;sup>4</sup> 1) This table only contains statistics on employees.

② There were no occupational fatalities, severe occupational injuries, or occupational diseases among any staff members or non-staff members in 2024.

 <sup>&</sup>lt;sup>5</sup> ① The majority of occupational injuries were due to traffic accidents when commuting to work or during business trips in 2024.
 ② Injury rate = Total number of occupational injuries / (Total number of work

days x Total number of people) x 100%.

<sup>&</sup>lt;sup>6</sup> Absenteeism rate = (Occupational injury leave + Sick leave + Menstrual leave days) / (Total number of work days x Total number of people) x 100%.

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



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# **6.6 Social Participation**

With over 60 years of history in Taiwan, KGI Life has a deep understanding of the importance of insurance as a force for social stability. Guided by the KGI corporate spirit of "We Share We Link", **Financial** the Company upholds the principles of treating customers fairly, accessible financial services, and leverages 学曲 Social Employees/ group resources to collaborate **Enterprises** Volunteers with stakeholders in addressing Education and Corporate the needs of disadvantaged communities and promoting R A ·2 Partnering the "partnering in charity" in charity model. By fostering cross-Support for the Eco-friendly group and cross-generational disadvantaged connections, KGI Life brings 前前 together the strengths of non-NGOs Policyholders profit organizations, employees, Elder-friendly and customers, leveraging financial influence to expand the inclusive value of the life insurance industry. This **Agents** approach fosters broader public awareness and support for disadvantaged groups, helping to realize the vision of a sustainable and inclusive society

KGI Life's strategy is centered on "partnering in charity", focusing on five key pillars: education and cultivation, eco-friendly, elder-friendly, support for the disadvantaged, and corporate volunteers. This approach reflects the life insurance industry's "people-oriented" and altruistic values. By working with charitable organizations, social enterprises, NGOs, and other public welfare partners, KGI Life responds to social needs with innovative thinking and proactive actions. We aim to foster a positive cycle of sustainability and maximize the effect of public welfare.

through practical actions.

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

# 6.6.1 Education and Cultivation

### **Local Youth Development Academy**

Upholding the philosophy of shared prosperity with society, KGI Life launched the "Local Youth Development Academy" in 2024 to support regional revitalization and talent development. Partnering with four universities and four regional revitalization teams, the initiative directed educational resources to areas prioritized for regional revitalization. A total of 20 employees and agents were called upon as seed coaches, dedicating 592 hours over an 8-month period. They guided participants through classroom learning, workplace visits, and proposal competition. Centered on the three core themes of risk identification, capital accumulation, and capital utilization, the program aimed to foster healthy values, life perspectives, and worldviews among the young students. Moreover, during the summer proposal competition, students applied innovative thinking to explore new possibilities for regional development. The program helped young people explore the future and strengthened KGI Life's connection with local communities, expanding our talent pool of young people, reducing the gap between urban and rural areas, and realizing the spirit of shared prosperity with society. The innovative Local Youth Development Academy received international awards such as the "Asia Responsible Entrepreneurship Awards (AREA) - Social Empowerment Award" and the "ESGBusiness Awards - Education Equality and Access".

# Support Mandarin Education to Help the Children of Immigrants Adapt to Life in





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#### **Taiwan**

KGI Life has continued to take tangible actions in supporting the Taiwan New Immigrant Family Development Association to provide diverse learning services for children of new immigrants in 2024. The program offered free Mandarin classes and tutoring, with interpreters to provide assistance. These services aimed to help the children of new immigrants, who often lacked resources, adapt to life in Taiwan as quickly as possible. In 2024, a total of 2,267 children received the services.

### **Support for Dementia Issues**

KGI Life has been the only sponsor from the financial industry for four consecutive years of the "Dementia Program Design Competition for Colleges and Universities" held by the Taiwan Alzheimer Disease Association. The initiative encourages young people to engage with dementia-related issues among the elderly, promoting creative, action-driven solutions for intergenerational well-being and helping society prepare for the coming super-aged society. In 2024, a total of 211 people from 54 departments of 33 colleges and universities submitted proposals.

# Popularize Financial Education and Realize the Value of Inclusion

KGI Life leverages its corporate social influence to promote financial education through collaboration with a diverse range of partners. By extending financial education programs to disadvantaged groups, including the elderly, youth, persons with disabilities, the economically disadvantaged, indigenous persons, and new immigrants, the Company aims to comprehensively enhance financial literacy across diverse communities and advance towards inclusive finance.



In response to high levels of population aging in local communities across Taiwan, KGI Life has planned outreach efforts in areas such as Taipei, New Taipei, Taoyuan, Miaoli, Changhua, Chiayi, and Pingtung. Collaborating with the Taiwan Association for Visual Impaired People and local community development associations, including the District 300A Lions International and Duo Fu Academy, the Company has organized seminars on insurance and financial planning. These sessions also covered fraud awareness and further introduction to insurance. A total of 16 seminars were held, attracting nearly 640 elderly and visually-impaired participants.

#### - Promoting Financial Education among the Youth -

The Company has continued to provide financial education for students. To this end, we organized seminars for high school and college students across Taiwan, aiming to enhance their fraud prevention and financial literacy and enabling them to manage their own finances properly. In total, 17 seminars were held, with 1,264 participants.

KGI Life also launched the industry's first financial education board game, Planning for a Happy Life, which features a highly realistic life simulation setup. By integrating the board game into youth seminars and courses, the initiative helped students learn how to navigate life decisions while gaining practical knowledge of finance and insurance. It also fostered risk awareness and a stronger understanding of protection planning. A total of 3 board game seminars were held, attracting 135 student participants.

Based on the way young people watch online videos, KGI Life specially developed four short video series on insurance knowledge, including: "Why Get Insurance? Understanding the Basics" (407,093 views), "InDepth Look at Life and Accident Insurance" (342,412 views), "Medical Insurance Coverage" (502,136 views), and the "Partner Protection Series" (140,106 views). Together, these videos have generated over 1.3 million views in total.

# - Expanding Influence and Providing Professional Training for Partner Institutions -

In addition to providing financial education for disadvantaged groups, KGI Life has also invested resources in empowering key figures who serve these communities. For example, in collaboration with the DuoFu Barrier-Free Life and Transportation Development Association, two seminars were held for caregivers, tour guides, and elderly service providers, focusing on financial literacy and fraud prevention. The goal was for these individuals to become the first line of defense and pass on this knowledge to the families and clients they support, especially when serving elderly customers. The seminars attracted approximately 31 participants.

KGI Life sponsored the Chinese National Association of the Deaf empowerment program, supporting the training of 268 participants in basic sign language and courses for sign language volunteers. Through these programs, the need for of sign language and the needs of the hearing impaired reached 75%, while 75% of the financial and daily life challenges faced by individuals with hearing or speech impairments were resolved.



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Using Insurance Expertise to Train Immigrant Interpreters,
 Helping Them Establish a Safe and Happy Life in Taiwan -

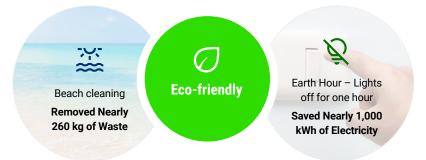
Following the launch of services such as interpreting for multiple langauges provided by real people for new immigrants" and fraud prevention seminars, KGI Life once again leads the industry by introducing the "Advanced Insurance Course for Interpreters". This initiative leverages insurance knowledge to empower immigrant interpreters and provides further support in obtaining life insurance agent licenses. By cultivating interpreters as seed personnel, the program aims to disseminate accurate insurance knowledge among immigrant communities, thus helping more families access the care and services they need, while also creating employment opportunities for immigrants.

 Producing Insurance Animations in Multiple Languages to Help Improve the Financial Literacy of Immigrants -

To help over one million new immigrants and their children in Taiwan strengthen their awareness of risk and protection, KGI Life became the first in the industry to produce a series of 15 animated insurance education videos in Vietnamese, Indonesian, Filipino, Thai, and Malay. The content focused on policyholder rights and interests, types of insurance coverage, and important considerations for insurance enrollment. Leveraging the wide reach of online platforms, the videos were promoted via the Company's official YouTube channel and social media platforms such as Facebook and Instagram, helping nearly 800,000 viewers enhance their financial and insurance literacy.



# 6.6.2 Eco-friendly



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

KGI Life has long been committed to addressing climate change and sustainable finance issues. We have adopted proactive actions in response to the government's goal of net-zero emissions by 2050. On the eve of Earth", a Day, the Company participated in the "Insurance for the Earth" nationwide beach cleaning event organized by the Life Insurance Association. A total of 131 employees and their family members from central and southern Taiwan joined the campaigns at Santiaolun Beach & Water Park in Yunlin County and Kezailiao Beach in Kaohsiung, collectively removing nearly 260 kg of marine debris. This initiative helped maintain the marine environment and raised employees' awareness of marine ecology and water resource conservation and also demonstrated the Company's commitment and determination for creating a zero-carbon, green, and sustainable future.





# Lights Off for One Hour to Support Earth Hour, Reduce Carbon, and Protect the Earth

To raise public awareness of climate change and the increasing frequency of extreme weather events, KGI Life, in collaboration with the Group, actively supports Earth Hour, an initiative launched by the World Wide Fund for Nature (WWF). Each March, the Company turns off all nonessential lighting at the headquarters and branches for one hour to participate in the event. In 2024, 6 business locations participated, reducing electricity consumption by almost 1,000 kWh. We took action to participate in the world's largest annual sustainable energy conservation event, reminding the public to concern themselves with climate change issues and work together to protect our planet.



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# 6.6.3 Elder-friendly

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

KGI Life aims to become a "financial guardian for the elderly" by being the first company in the industry to design an "age-friendly" website for older adults, enabling them to acquire essential financial knowledge and protect their assets from fraud at any time and any place. The website design features the use of clear language, large fonts, descriptions complemented by images, and a webpage zoom function, making it easier for seniors to read. A total of 13 online four-panel situational comics were launched, reaching over 230,000 impressions through digital promotion.

Furthermore, we collaborate with local organizations serving the elderly to promote anti-fraud campaigns, assisting residents in rural areas and indigenous communities, as well as disadvantaged older adults, in enhancing their basic insurance knowledge, bridging the urban-rural gap, and preventing elder fraud. KGI Life believes that the financial industry can play a crucial role in spreading financial knowledge and raising public awareness of fraud prevention.

The Internet has gradually become an important channel for accessing information and communicating among the elderly. In 2024, KGI Life further adapted the age-friendly website's content into a series of 14 anti-fraud animated shorts in Mandarin and Taiwanese, making it easier for the elderly to share and promote fraud-prevention tips. Distributed via social media, these videos garnered a total of 100,000 views.





智齡小學堂教學影片 Age-Friendly Fraud Prevention Short Videos



# Introduced the DuoFu Academy to Expand Value Added Services for Policyholders

KGI Life adopts a forward-looking approach to addressing the challenges of a super-aged society, actively proposing response strategies and committing to providing policyholders with value-added health services. The Company's focus on customer care has evolved from post-incident claims to proactive promotion of physical and mental well-being and disease prevention. In 2020, KGI Life took the lead in the industry to collaborate with Duofu Care & Service, providing policyholders with value-added services such as "accessible travel" and "accessible pick-up and drop-off", and

organizing experience activities for policyholders to raise awareness of the rights, interests, and social needs of the elderly and people with disabilities. In 2024, we expanded our value-added health services for policyholders, becoming the first in the industry to form a cross-industry partnership with the Duofu Academy,

established by Duofu Care & Service. Through a diverse range of courses, including fitness, cognitive training, financial literacy, and fraud prevention, the Company advanced our vision of sustainable insurance. These initiatives aim to support individuals approaching or entering retirement in achieving a fulfilling life marked by physical and mental well-being, as well as financial security.



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

For many years, KGI Life has been working with the Taiwan Alzheimer Disease Association to promote a dementia-friendly society. Furthermore, the "Dementia-Friendly Financial Course" taught by the Secretary-General of the Taiwan Alzheimer Disease Association has been included as a compulsory course. All employees have completed the training. Agents also participated in the program, training the entire staff to become seed personnel for dementia-friendly services in a super-aged society.

In addition, we continue to take actions to support the association's dementia-friendly activities. For four consecutive years, KGI Life has been the only sponsor from the financial industry of the Dementia Program Design Competition for Colleges and Universities, providing deep-rooted support for addressing dementia-related issues. In 2024, we were the only financial institution to support the "World Alzheimer's Month Special Exhibition" organized by the Taiwan Alzheimer Disease Association. The President of KGI Life, along with independent directors and senior executives, participated in the event. Once again, the Company donated emergency contact and anti-wandering keychains jointly developed by KGI Life and the association. A financial planning seminar was also held at the event, providing guidance on how to prepare financial and protection plans for oneself and one's family in response to a super-aged society.



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# 6.6.4 Support for the Disadvantaged

#### **Demonstrating Altruism by Donating Blood**

KGI Life has been organizing nationwide blood donation campaigns since 2016, rallying employees and the public across six regions in northern, central, and southern Taiwan to demonstrate their willingess to help. By turning the slogan "donate a bag of blood, save one life" into real action, the Company has hosted 52 donation events as of 2024, collecting over 1.68 million mL of blood. In 2024, we collaborated with KGI Bank and KGI Securities for the first time to jointly contribute to Taiwan's medical blood supply.







# The President Led Volunteers to Provide Companionship to Children in Rural Areas

The President led the management to volunteer and visited organic farms to accompany rural schoolchildren in a farm-to-table food and agriculture education activities. The program helped students understand the connection between people and the natural environment and cherish the land they live on. By engaging in this initiative from the top down, the management inspired and fostered a culture of empathy and care within the Company, extending the Company's positive influence.

# Sending Love through Shoe Boxes to Illuminate Children's Christmas Dreams

For four consecutive years, KGI Life has supported the KGI Charity Foundation's donation event. Employees donated stationery and daily necessities that children love to share their most sincere wishes in shoe boxes, bringing warmth to remote areas. We collected more than 200 gift shoe boxes so that children in remote areas could also experience care and warmth on Christmas.

#### **KGI Life X Maria Social Welfare Foundation**





#### Insurance Policy Combined with Public Welfare, Expanding the Value of Insurance

KGI Life extended our care for policyholders to the broader community by launching the "One Policy, One Love" initiative for the second time. This campaign invited policyholders to support a charitable cause by enrolling in insurance. For each designated standalone insurance policy successfully enrolled through KGI Life agents, the Company donated NT\$100 to the Maria Social Welfare Foundation. With total donations reaching nearly NT\$6.5 million, the initiative transforms insurance protection into a source of stability and hope for underprivileged groups, creating a positive cycle of care.



#### **Supporting Charity Runs with Employees as Running Companions**

Upholding our commitment to shared prosperity, KGI Life has long focused on supporting the independence and care of individuals with mental disabilities. In 2024, the Company sponsored the Maria Social Welfare Foundation's inaugural "Maria Angels Charity Run" to help raise funds for the construction of a long-term care facility. The 300 employees of KGI Life formed a team, joining the Maria Angels and close to 3,000 participants on the run. We also promoted and popularized financial education through booth activities and financial fraud prevention games.



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### **Supporting the Disadvantaged and Social Inclusion**

#### Friendly support for the homeless

The homeless often live in isolation, struggling day after day just to meet their basic needs, with few opportunities for meaningful interactions with others. KGI Life recognizes the challenges faced by the homeless, particularly the lack of social support. Since 2022, the Company has made annual donations of holiday meal subsidies to support the Homeless Taiwan Association in organizing celebratory dinners for the homeless during the lunar new year. These gatherings not only provide a warm meal but also foster social connection and emotional support, helping participants regain a sense of dignity and move toward independent living and breaking the cycle of homelessness. We provided assistance to a total of 350 people. At the same time, KGI Life continues to provide insurance coverage for organizations serving the homeless, including the Homeless Taiwan Association, Do You a Flavor, and the Philosociety. By offering basic protection to these "guardians of the vulnerable", the Company enables them to serve the homeless without worry, contributing to the development of a more comprehensive social safety net.



#### **Friendly Services for New Immigrants**

Recognizing that new immigrants often face language barriers in everyday life and when accessing financial services, KGI Life has taken the lead in eliminating communication obstacles in obtaining insurance and financial information. In partnership with the Taiwan New Immigrants Family Development Association, KGI Life became the first financial institution to introduce interpreting provided by real people for new immigrants. We provide interpretation services in nine languages, including Vietnamese, Malay, Thai, Indonesian, Burmese, Filipino, Japanese, Korean, and English. Interpretation provided by the association's interpreters from various countries enables new immigrant customers to communicate in their native languages and fully understand their rights and interests.

Customer service centers in Taiwan are equipped with multilingual translation machines, enabling frontline service staff to provide immediate assistance to immigrants. We launched the first "insurance knowledge animations", along with "Reminder of Important Rights and Interests of Policyholders" in multiple languages using easy-to-understand wording. The initiative aims to help new immigrants bridge the financial knowledge gap and move closer to inclusive finance.

In addition, we pioneered the first financial literacy and fraud prevention seminars tailored for immigrant interpreters. The program equipped interpreters with essential knowledge on financial and insurance, as well as fraud prevention. KGI Life also continues to sponsor the association's project to provide diverse tutoring services for children of new immigrants, taking concrete actions to support these "guardians of the vulnerable" and helping immigrant children adapt to life in Taiwan as soon as possible. In 2024, KGI Life was the first in the industry to launch the "Advanced Insurance Training Course" series across northern, central, and southern Taiwan. These courses are designed to empower immigrant interpreters with in-depth insurance knowledge and support them in preparing for the life insurance agent



licensing exam. The initiative aims to expand their employment opportunities, encourage them to join KGI Life, and help them obtain equal pay for equal work.

#### Friendly Initiatives for the Hearing Impaired

To provide services suitable for hearing-impaired consumers, KGI Life began collaborating with the "Chinese National Association of the Deaf" in 2022 to introduce sign language interpretation services to help persons with hearing impairments communicate. Over the years, we have partnered with the association to host seminars on insurance knowledge and financial fraud prevention. We are dedicated to enhancing insurance protection awareness and fraud prevention among the hearing impaired. In 2024, the Company also produced a short sign language video titled "Key Policyholder Rights and Interests", presenting information in a clear and simple way. The video helps individuals with hearing or speech impairments better understand essential insurance knowledge across three key stages: policy application, premium payment, and claims, thereby narrowing the financial literacy gap.

Additionally, in 2024, we also supported the association in sign language training for the hearing impaired, improving hearing-free communication and helping eliminate the information gap for the hearing impaired. A total of 268 people benefitted from the program.



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Through professional skill-based learning, KGI Life served as the exclusive corporate volunteer partner for the "Social Participation Program for the Hearing Impaired" organized by the association in 2024. Over the course of the year, 38 KGI Life volunteers participated in 19 events, contributing 152 service hours.

#### Friendly Support for the Visually Impaired

Unlike other types of impairment, visually impaired individuals must identify and obtain various information through guidance and touch. KGI Life collaborated with the Taipei Parents' Association of the Visually Impaired to pioneer braille services for policyholders with visual impairment. The front cover of the insurance policy features a braille version of the hotline for friendly financial services, accompanied by a QR code that directs users to an audio message highlighting key policyholder rights and interests. These features are designed to help visually impaired customers easily read and manage their policies.

In addition, to help the visually impaired develop professional skills, KGI Life collaborated with the Taipei Parents' Association of the Visually Impaired to provide corporate volunteers and resources to support the visually impaired. Since 2023, we have invited musicians with visual impairments to perform in the workplace, thereby supporting visually impaired individuals through practical actions, providing employees and people with visual impairments with opportunities to exchange and interact, and enhancing employees' understanding of the visually impaired community. KGI Life also sponsored the musical produced by the association, Incubator Artists, and the concert, Endless Love, Eternal Sound, creating employment opportunities for visually impaired musicians and actively contributing to a virtuous cycle.

Furthermore, employees were also called upon to volunteer for the association in various roles, including event guides for the visually impaired, classroom support assistants, and book-scanning volunteers. Through volunteering, employees gain a deeper understanding of the daily challenges and needs of the visually impaired, placing them in the shoes of the visually impaired and inspiring more thoughtful and inclusive support.

# **6.6.5 Corporate Volunteers**

#### Go for Love Volunteer Group Jointly Creates Sustainability Value

To realize the spirit of diversity, equity, and inclusion in sustainability, KGI Life has long promoted corporate volunteering through the establishment of the "Go for Love Volunteer Group". The initiative aligns with the volunteer service needs of various non-profit organizations across Taiwan and provides employees with four days of paid volunteer leave annually. Employees are encouraged to freely choose and participate in volunteer activities that align with their interests and skills. Through direct interaction with the communities they serve, employees gain a deeper understanding of diverse social issues and develop empathy and sensitivity.





In 2024, the "Go for Love Volunteer Group" contributed nearly 30,000 service hours, averaging 12.3 hours per person. A total of 355 volunteer events were organized by 30 partner social welfare organizations.

KGI Life has continued to expand the scope of its services by organizing mountain cleanups, beach cleanups, and community cleanups to protect the natural environment. The volunteer services are closely aligned with KGI Life's core insurance business, offering financial literacy and fraud prevention education to the elderly, persons with disabilities, at-risk youth, families affected by dementia, and new immigrants. Through companionship and knowledge-sharing, the services aim to expand our positive social impact. By gathering the power of volunteers to contribute to society, we fulfill our corporate value of "committed to your happy life".



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Volunteer hours approximated 30,000 hours

2023 Paid volunteer leave increased to 4 days

Annual volunteer hours approximated 20,000 hours

2021 Paid volunteer leave increased to 2 days

2022

2020 Annual volunteer hours approximated 20,000 hours

2019 Annual volunteer hours surpassed 18,000 hours

2017 Nearly 20,000 beneficiaries of charity events

2016 Annual volunteer of 12,000 hours

2014 Provided one day of paid volunteer leave

**2012** Established the Go for Love Volunteer Group

### Inviting Employees across Taiwan to Engage in Corporate Sustainability for Charity Purposes

The Go for Love Volunteer Group fulfills corporate social responsibility by calling on employees from branches across Taiwan to participate in diverse public welfare initiatives, spreading positive influence throughout Taiwan and fostering social inclusion with warmth and compassion. In addition to supporting environmental sustainability goals, we actively organize mountain cleanups, beach cleanups, and community cleanups. Furthermore, we invited our volunteers to support inclusive finance by organizing financial literacy and fraud prevention seminars for financially disadvantaged groups, including the elderly, persons with disabilities, families affected by dementia, and indigenous persons. Through financial education, the Company helped bridge knowledge gaps, adopting a multifaceted approach to advancing sustainable development.

KGI Life also keeps abreast of social trends and actively invests in regional revitalization, encouraging employees from all over Taiwan to participate in the "Regional Revitalization Action Plan+" program of KGI Financial Holding. They seek innovative business models based on their areas of expertise for regional revitalization organizations to jointly create new value. KGI Life also extends its efforts to remote schools, providing ecological and environmental education to students. Through care and companionship, the Company demonstrates the power of compassionate action, creating a positive impact on society. In the future, we will continue to invest more in community involvement, inspire and consolidate internal positive enthusiasm, and foster a corporate culture of equity and empathy, thereby expanding our influence and becoming a significant force for promoting social stability.

# 6.6.6 Community Involvement-Investments, Outputs, and Benefits

In 2024, KGI Life collaborated with 18 charity organizations to organize 24 charity events, assisting 68,415 disadvantaged individuals and the public. Community involvement activities not only help people better understand KGI Life's business philosophy and services, but also allow employees to incorporate charity into their daily lives, actively seek opportunities to provide volunteer services for social welfare organizations, and donate or purchase products from charity organizations. KGI Life aims to expand opportunities for interaction with people by providing donations and supplies to those in need. We also provide opportunities for them to be seen, which will improve their confidence, values, and social skills.

#### **Customer-centric Social Media Management**

Our social media management is centered on customers. We utilize our official social media platforms to expand our brand exposure and provide users with a wealth of knowledge on financial protection. We are committed to topics such as sustainability initiatives, treating customers fairly, friendly services for the disadvantaged, fraud prevention, policyholder health, and holiday greetings, following the spirit of "We Share We Link" to share all good things with customers.

#### Official Facebook & Instagram Accounts

- Annual number of posts: 453 posts
- Reach: Approximately 15 million
- Post Interactions: Approximately 289,000

#### Official LINE Account

- Number of friends: 1.33 million
- Number of accounts linked: 42.000



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#### **Promoting Diversified Development, Culture, and the Arts**

KGI Life leverages its corporate resources to invest in cultural and artistic activities, promoting cultural development and fostering cultural sustainability. This aligns with the Ministry of Culture's sustainable development goals of ensuring social welfare through cultural development driven by enterprises. Through donations and advertising, we apply our corporate strengths to create diverse cultural and artistic activities, facilitating diversified and sustainable development.



In 2024, KGI Life donated NT\$15 million to the "China Development Foundation" to support the promotion of a number of social welfare projects, including support for the arts, technical and sports talent, scholarships for disadvantaged children, and meal subsidies for elementary and junior high schools. A total of 30,242 people benefited.

KGI Life aims to continuously invigorate Taiwan's arts and cultural landscape and actively participate in the development of arts and culture through corporate engagement. We support various artistic and creative initiatives through the China Development Foundation. These efforts include sponsoring arts and cultural activities and library projects of the National Theater & Concert Hall; sponsoring the NTT Academy of National Taichung Theater for six consecutive years, providing high school students with opportunities to engage in the performing arts; and, through the "Open Door" program of National Taichung Theater, inviting a total of 159 teachers and students from 3 schools in Chiayi County and Changhua County to watch "Princess Kavalan and General Turtle" by the Feng Shen Bao Bao Troupe and "Dimanche" by the Ontroerend Goed. The "Art in School" program brings courses that incorporate artistic and cultural experiences to schools, providing students with diverse arts learning opportunities and enriching their aesthetic experiences. We also sponsored the "2024 Regional Revitalization Micromovie Competition" organized by the New Taipei City Taiwan Art Creation and Culture Foundation.



# Advertising Collaboration with Videoland Television's "Let's Battle High School Street Dance Competition"

KGI Life is committed to enhancing the artistic and cultural literacy of the Taiwanese people and cultivating professional artistic talent. Through the investment of corporate resources, we have collaborated with the "Let's Battle High School Street Dance Competition" to showcase the vitality of youth and help the competitors realize their dreams.

Street dance, which combines elements of sports and street performance, is a dynamic and creative form of dance. Among its styles, breakdancing stands out for its physically demanding moves and unique artistic expression. It has become a powerful cultural symbol for young people, representing self-expression and creativity. Breakdancing has evolved into a cultural phenomenon with a global influence. It was also included as an event in the 2024 Paris Olympic Games for the first time, injecting youth and vitality into the Olympic Games, and further enhancing their international status and sense of identity.

By participating in the "Let's Battle High School Street Dance Competition", KGI Life demonstrated our support for the development of youth culture and arts. We aimed to create a platform for young people to express themselves and achieve their dreams. At the same time, we established deep connections with the younger generation to enhance our brand image and social impact. By embracing the global culture and popularity of street dance, KGI Life reinforces our forward-looking brand position and enriches the meaning of artistic and cultural welfare. This initiative has promoted multiculturalism and youth education.



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# **Management Approach for Material Topics**

Material Topics in 2024	Corresponding GRI Indicators/Self-defined Topics	Commitment	Policy/Management System	Evaluation Measures/Management Indicators	Corresponding Chapters
Protect the rights and interests of shareholders	GRI 201 Economic Performance	<ul> <li>We provide transparent financial reporting to safeguard customer rights and interests, maintain sound risk management, and promote innovative insurance products to proactively respond to market demands and regulatory changes, ensuring stable corporate growth.</li> </ul>	<ul> <li>Adhering to the principle of stable operation, we insist on the strategy for balanced development of the six major channels and develop a variety of products to meet the needs of different groups.</li> </ul>	First-year premium income, total premium income, net income, EPS, and total assets.	CH 2
Increase service convenience through digital finance	Self-defined topic - Digital Finance and Innovation	With a customer-centric approach, and responding to changes in the market environment and pandemics at any time, we combine Al learning, big data analysis, and teamwork to provide customers with an optimized service experience, and strive to become the benchmark for InsurTech.	<ul> <li>Through "AI", "Data Driven", "Cloud Services", and "Agile Culture", we focus on the three major strategic aspects of "innovative business applications", "smart operation risk control", and "digital service experience".</li> </ul>	<ul> <li>Shorten operating time and labor costs required for customer services.</li> <li>Participate in domestic/overseas awards related to digital finance applications.</li> </ul>	CH 3
Practice sustainable finance	Self-defined topic - Promoting Sustainable Finance	<ul> <li>We uphold the spirit of shared prosperity throughout the value chain and continue to effectively utilize investment strategies. Through the power of capital flows, while exerting our investment influence, we also create stable investment returns and realize the value of sustainable investment.</li> </ul>	<ul> <li>Voluntarily support the UN Principles for Responsible Investment (PRI). Formulate the Responsible Investment Policy and select investment targets based on ESG factors to fulfill due diligence.</li> <li>Voluntarily signed the statement of the TWSE "Stewardship Principles for Institutional Investors" to demonstrate our commitment to investment stewardship.</li> </ul>	<ul> <li>Percentage growth of investment balance in various green/sustainable financial assets.</li> <li>Total carbon emissions of the investment balance and proportion of investment in carbon-intensive industries.</li> <li>Participation and voting rate in shareholders' meetings of investees.</li> </ul>	CH 3
Customer complaints and disputes	GRI 2-25 Processes to remediate negative impacts GRI 2-26 Mechanisms for seeking advice and raising concerns	<ul> <li>We uphold the long-term commitment to consumers and realize the values of "customer centricity" in every aspect of service.</li> </ul>	<ul> <li>Introduced the ISO 10002 Customer Complaint Quality Management System in 2024 and passed the audit in 2025.</li> <li>Established the "Grievance Committee" with the President or a senior executive appointed by the President as the chairperson. The Committee convenes meetings irregularly and conducts operational improvement evaluations and tracking.</li> </ul>	<ul> <li>Grievance processing schedule, grievance rate, and resolution rate.</li> </ul>	CH 5
Failure to respond to social changes and trends	Self-defined topic - Sustainable Insurance	<ul> <li>In response to the United Nations Principles for Sustainable Insurance (PSI), we integrate the PSI spirit into overall strategic planning, include ESG issues in the operational management system and decision- making process, strengthen the understanding of sustainability opportunities and risks, and realize them in product design, underwriting, and after-sales services.</li> </ul>	In accordance with the "Insurance Product Pre-Sale     Procedure Guidelines", we convene the Insurance Product     Management Team meetings at least once every six     months to conduct comprehensive reviews, ensuring     corporate sustainability and consumer rights and interests.	<ul> <li>Number of in-force insurance policies and policy persistence rate.</li> </ul>	CH 5
Leakage of corporate and customer information	GRI 418 Customer Privacy	To ensure information security and personal data protection, we continue to improve personal data protection, management abilities, as well as information security monitoring and protection, and establish standardized and documented information security and personal data operating procedures.	<ul> <li>Established an "Information Security Committee" and a dedicated "Information Security Department" to ensure the security of information assets.</li> <li>Established a "Personal Information Management Committee" and a "Personal Data Protection Working Group" to implement personal data management procedures and security control mechanisms.</li> <li>Maintain ISO 27001:2013 Information Security certification and BS 10012:2017 Personal Information Management Systems certification.</li> </ul>	<ul> <li>A total of nine information security meetings were held in 2024 to ensure that all information operations were properly managed.</li> <li>The relative weight of the information security budget has increased year by year over the past four years.</li> <li>Number of ICT security certificates held.</li> </ul>	CH 2



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# **Sustainability Report Charts & Tables**

# 2024 Anti-Corruption Policy and Procedures Communication and Training Overview

Anti-Corruption Indicator		Target	Number of Persons	Percentage
	Members o	f Governance Unit	9	100%
		Department and Section Heads	366	100%
Anti-Corruption Communication		Employees	1,986	100%
Communication		Agent Supervisors	3,918	100%
		Agents	11,098	100%
		Suppliers	47	100%
	Members	of Governance Unit	9	100%
Anti-Corruption		Department and Section Heads	366	100%
Training	Employees	Employees	1,986	100%
		Agent Supervisors	3,918	100%

# **Employees and Agents Training Overview**

		2024			2023	
Employees	Male	Female	Total	Male	Female	Total
Training Hours for Supervisors	11,822	12,356	24,178	9,802	9,622	19,424
Training Hours for Non-supervisors	40,616	69,240	109,856	32,309	59,939	92,248
Sub-total	52,438	81,596	134,034	42,111	69,561	111,672
Total Number of Supervisors	191	175	366	197	175	372
Total Number of Non-supervisors	725	1,261	1,986	719	1,301	2,020
Sub-total	916	1,436	2,352	916	1,476	2,392
Average Training Hours of Supervisors <sup>1</sup>	61.9	70.6	66.1	49.8	55	52.2
Average Training Hours of Non-supervisors	56.0	54.9	55.3	44.9	46.1	45.7
Agents	Male	Female	Total	Male	Female	Total
Training Hours for Supervisors	53,667	119,258	172,925	53,557.5	122,269.5	175,827.0
Training Hours for Non-supervisors	145,195	265,806	411,001	154,707.0	271,453.5	426,160.5
Sub-total	198,862	385,064	583,926	208,264.5	393,723.0	601,987.5
Total Number of Supervisors	1,234	2,684	3,918	1,248	2,603	3,851
Total Number of Non-supervisors	4,265	7,947	12,212	4,342	8,015	12,357
Sub-total	5,499	10,631	16,130	5,590	10,618	16,208
Average Training Hours of Supervisors	43.49	44.43	44.14	42.91	46.97	45.66
Average Training Hours of Non-supervisors	34.04	33.45	33.66	35.63	33.87	34.49

<sup>&</sup>lt;sup>1</sup> The competent authority gives a one-year grace period for employee re-training. All 2023 training hours for agents were completed by March 2024.



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# **Employee Overview-Distribution by Age, Position, Education**

### **Employee Overview-Distribution by Age, Position, Education**

Year	Position	Male (Number of people/ Percentage)	Female (Number of people/ Percentage)	30 Years Old or Under (Number of people/ Percentage)	30-50 Years Old (Number of people/ Percentage)	Over 50 Years Old (Number of people/ Percentage)	Ph.D. (Number of people/ Percentage)	Master's (Number of people/ Percentage)	Bachelor/Associate (Number of people/ Percentage)	High School or Below (Number of people/ Percentage)
	Department Head or Above	38 (61.29%)	24 (38.71%)	0 (0.00%)	24 (38.71%)	38 (61.29%)	1 (1.61%)	48 (77.42%)	13 (20.97%)	0 (0.00%)
2024	Section Head	153 (50.33%)	151 (49.67%)	3 (0.99%)	181 (59.54%)	120 (39.47%)	0 (0.00%)	113 (37.17%)	186 (61.18%)	5 (1.64%)
	General Employees	725 (36.51%)	1,261 (63.49%)	323 (16.26%)	1,355 (68.23%)	308 (15.51%)	2 (0.10%)	435 (21.90%)	1,458 (73.41%)	91 (4.58%)
	Department Head or Above	38 (63.33%)	22 (36.67%)	0 (0.00%)	23 (38.33%)	37 (61.67%)	2 (3.33%)	43 (71.67%)	15 (25.00%)	0 (0.00%)
2023	Section Head	159 (50.96%)	153 (49.04%)	2 (0.64%)	182 (58.33%)	128 (41.03%)	0 (0.00%)	110 (35.26%)	198 (63.46%)	4 (1.28%)
	General Employees	719 (35.59%)	1,301 (64.41%)	277 (13.71%)	1,421 (70.35%)	322 (15.94%)	3 (0.15%)	422 (20.89%)	1,497 (74.11%)	98 (4.85%)

### Types of Employment-Employees

Types of Employment			2023						2024		
	Male	Percentage	Female	Percentage	Total		Male	Percentage	Female	Percentage	Total
Non-fixed-term Employees <sup>1</sup>	911	38.25%	1,471	61.75%	2,382		915	39.00%	1,431	61.00%	2,346
Fixed-term Employees <sup>2</sup>	5	50.00%	5	50.00%	10	_	1	16.67%	5	83.33%	6

<sup>&</sup>lt;sup>1</sup> Non-fixed-term employees are employees who sign a contract without a fixed term, and can continue to work as long as the work is continuous in nature, unless they are laid off or resign voluntarily. They are eligible for severance pay, and the employer is required to make pension contributions.

<sup>&</sup>lt;sup>2</sup> Fixed-term employees are employees who sign fixed-term contracts only under special circumstances, such as temporary, short-term, seasonal, or specific work, and are terminated and cannot continue to work when the contract expires, unless the employer is willing to renew the contract. They are not eligible for severance pay, but the employer is still required to make pension contributions.



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# Agent Overview-Distribution by Age, Position, and Education

Year	Position	Male (Number of people/ Percentage)	Female (Number of people/ Percentage)	30 Years Old or Under (Number of people/ Percentage)	30-50 Years Old (Number of people/ Percentage)	Over 50 Years Old (Number of people/ Percentage)	Ph.D. (Number of people/ Percentage)	Master's (Number of people/ Percentage)	Bachelor/Associate (Number of people/ Percentage)	High School or Below (Number of people/ Percentage)
0004	Contractors	3,913 (35.07%)	7,246 (64.93%)	2,214 (19.84%)	6,395 (57.31%)	2,550 (22.85%)	2 (0.02%)	599 (5.37%)	6,939 (62.18%)	3,619 (32.43%)
2024	Agent supervisors	1,237 (31.48%)	2,692 (68.52%)	524 (13.34%)	2,115 (53.83%)	1,290 (32.83%)	0 (0.00%)	162 (4.12%)	2,493 (63.45%)	1,274 (32.43%)
0000	Contractors	3,988 (35.30%)	7,309 (64.70%)	2,463 (21.80%)	6,435 (56.96%)	2,399 (21.24%)	1 (0.01%)	576 (5.10%)	6,926 (61.31%)	3,794 (33.58%)
2023	Agent supervisors	1,251 (32.38%)	2,612 (67.62%)	530 (13.72%)	2,105 (54.49%)	1,228 (31.79%)	0 (0.00%)	165 (4.27%)	2,445 (63.29%)	1,253 (32.44%)

### Types of Employment-Agents

Types of Employment			2023					2024		
<i>,</i> , , ,	Male	Percentage	Female	Percentage	Total	Male	Percentage	Female	Percentage	Total
Part-time Workers <sup>1</sup>	1,251	32.38%	2,612	67.62%	3,863	1,237	31.48%	2,692	68.52%	3,929
Contractors <sup>2</sup>	3,988	35.30%	7,309	64.70%	11,297	3,913	35.07%	7,246	64.93%	11,159

<sup>1</sup> Part-time workers: The Company signs two contracts with agent supervisors (contract & employment). The Labor Standards Act is applicable (Part-time employment).

<sup>&</sup>lt;sup>2</sup> Contractors: The Company signs a contract with agents, but with no employment relationship. The Labor Standards Act is not applicable.



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# Statistics of new hires, resignations, and voluntary resignations of employees by gender and age<sup>2</sup>

			Resigned Personnel										
Age				Resigned Personnel				Voluntarily Resigned Personnel					
		Number of People in 2024	Percentage in 2024	Number of People in 2023	Percentage in 2023	Number of People in 2024	Percentage in 2024	Number of People in 2023	Percentage in 2023	Number of People in 2024	Percentage in 2024	Number of People in 2023	Percentage in 2023
30 Years Old or	Male	82	3.49%	49	2.05%	27	1.14%	33	1.38%	23	0.97%	33	1.38%
Under	Female	121	5.14%	51	2.13%	39	1.64%	48	2.01%	39	1.64%	48	2.01%
30-50 Years Old	Male	83	3.53%	65	2.72%	98	4.13%	95	3.97%	96	4.05%	94	3.93%
30-30 Years Old	Female	79	3.36%	79	3.30%	153	6.45%	169	7.07%	152	6.41%	165	6.90%
Over EO Veers Old	Male	10	0.43%	10	0.42%	22	0.93%	17	0.71%	14	0.59%	11	0.46%
Over 50 Years Old	Female	17	0.72%	10	0.42%	26	1.10%	16	0.67%	18	0.76%	14	0.59%
Total		392	16.67%	264	11.04%	365	15.39%	378	15.80%	342	14.42%	365	15.26%

# Statistics of new hires, resignations, and voluntary resignations of agents by gender and age<sup>1,2</sup>

			Resigned Personnel										
Age			New F	Personnel		Resigned Personnel				Voluntarily Resigned Personnel			
		Number of People in 2024	Percentage in 2024	Number of People in 2023	Percentage in 2023	Number of People in 2024	Percentage in 2024	Number of People in 2023	Percentage in 2023	Number of People in 2024	Percentage in 2024	Number of People in 2023	Percentage in 2023
30 Years Old or	Male	281	1.86%	324	2.14%	226	1.50%	340	2.24%	226	1.50%	340	2.24%
Under	Female	369	2.45%	459	3.03%	260	1.72%	393	2.59%	260	1.72%	393	2.59%
20 50 Varie Old	Male	264	1.75%	297	1.96%	388	2.57%	543	3.58%	388	2.57%	543	3.58%
30-50 Years Old	Female	532	3.53%	563	3.71%	600	3.98%	778	5.13%	600	3.98%	778	5.13%
Over EO Veere Old	Male	57	0.38%	48	0.32%	109	0.72%	123	0.81%	109	0.72%	123	0.81%
Over 50 Years Old	Female	140	0.93%	137	0.90%	221	1.46%	245	1.62%	221	1.46%	245	1.62%
Total		1,643	10.89%	1,828	12.06%	1,804	11.96%	2,422	15.98%	1,804	11.96%	2,422	15.98%

<sup>&</sup>lt;sup>1</sup> New on-board and resigned agents include contractors.

<sup>&</sup>lt;sup>2</sup> The total number of employees (denominator) was 2,392 in 2023 and 2,352 in 2024. The total number of agents (denominator) was 15,160 in 2023 and 15,088 in 2024.



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### **Remuneration of New Hires**

Remuneration Range of New Hires and the Minimum Wage		2022	2023	2024	
Entry-level Employees  Employees  Administrative	Remuneration Range	Minimum wage of NT\$25,250, adjusted based on experience and education.	Minimum wage of NT\$26,400, adjusted based on experience and education.	Minimum wage of NT\$27,470, adjusted based on experience and education.	
	Compared with the Minimum Wage	1.00:1	1.00:1	1.00:1	
	Administrative Personnel with	Remuneration Range	Minimum wage of NT\$28,000, adjusted based on experience and education.	Minimum wage of NT\$31,000, adjusted based on experience and education.	Minimum wage of NT\$31,000, adjusted based on experience and education.
	College Education	Compared with the Minimum Wage	1.11:1	1.17:1	1.13:1
Agents Entry-level Manager		Remuneration Range		n based on the items stated in the employmes shall not be lower than the hourly wage set	
		Compared with the Minimum Wage	1.00:1	1.00:1	1.00:1

# **Remuneration Comparison Ratio Between Genders**

	2024				2023			
Position	Basic Remuneration Ratio		Annual Remuneration Ratio		Basic Remuneration Ratio		Annual Remuneration Ratio	
	Female	Male	Female	Male	Female	Male	Female	Male
Department Head or Above	1.11	1	1.07	1	1.07	1	1.31	1
Section Head	0.99	1	1.00	1	0.97	1	1.01	1
General Employees	0.86	1	0.91	1	0.84	1	0.85	1



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

Item	2024	2023	Comparison
Total remuneration of full-time employees not in supervisory positions (unit: NTD) <sup>1</sup>	3,185,434,279	2,464,133,834	29%
Number of full-time employees not in supervisory positions (unit: people) <sup>2</sup>	2,180	2,297	-5%
Average remuneration of full-time employees not in supervisory positions (unit: NTD)	1,461,208	1,072,762	36%
Median remuneration of full-time employees not in supervisory positions (unit: NTD)	1,239,719	949,748	31%

<sup>&</sup>lt;sup>1</sup> Full-time employees refers to employees whose working hours meet KGI Life's normal working hours or statutory working hours (on average exceeds 35 hours per week). The number of those whose paid employment has yet to reach six months and their remuneration will not be included in the calculation according to regulations.

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

Item		2024	2023
Number of Non-supervisory Employees <sup>3</sup>		2,322	2,361
Non-supervisory Employees Average Benefit	Average Benefit Cost	1,423,575	1,230,158
Cost and Comparison with the Prior Year	Average Benefit Cost Growth	15.7%	4.26%

<sup>&</sup>lt;sup>3</sup> The number of non-supervisory employees is calculated in accordance with TWSE's disclosure requirements

<sup>&</sup>lt;sup>2</sup> Since the "total employees' remuneration" used to calculate "average remuneration" is affected by the increase or decrease in the number of employees each month, the "number of full-time employees" is calculated using the statistical concept of "weighted average" in accordance with relevant regulations.



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### Annual Remuneration Ratio<sup>1</sup>

Ratio Between the Highest Paid Individual and the Median Remuneration	Ratio Between the Highest Individual Salary Growth and the Median Remuneration
24.05	0.09

<sup>&</sup>lt;sup>1</sup>The median remuneration in the table above does not include the highest individual remuneration.

### **Associations Participated in by KGI Life**

KGI Life actively supports important sustainable development initiatives, participates in associations, and holds related positions. In addition to joining insurance industry associations and addressing emerging issues, we also maintain exchanges and interactions with peers in the industry, academia, and the competent authorities.

Category	Name of Organizations KGI Life Participates in	Position <sup>2</sup>
Industry Associations	Life Insurance Association of the Republic of China	Supervisor
	Actuarial Institute of Chinese Taipei	Director
Academic Associations	Life Insurance Management Institute of the Republic of China	Executive supervisor
Academic Associations	Taiwan Insurance Law Association	_
	Taiwan Financial Governance and Compliance Association	_
Association	Life Office Management Association	_
ASSOCIATION	Financial Planning Association of Taiwan	_
Others	Institute of Financial Law and Crime Prevention	-



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# **GRI Standards Disclosure Table**

Statement: KGI Life has applied the GRI standard for the contents of the Report (Reporting period: January 1, 2024, to December 31, 2024)

GRI 1	: Foundation 2021	
	Chapters and Sections of the Report	Page No.
d GRI content index	Appendix	140
ion for use	About the Report	4
GRI 2 : Ger	neral Disclosures 2021	
Item Title	Chapters and Sections of the Report	Page No.
Organizational details	About KGI Life	6
Entities included in the organization's sustainability reporting	About the Report	5
Reporting period, frequency and contact point	About the Report	4
Restatements of information	There are no restatements of information for 2023	
External assurance	About the Report	5
Activities, value chain and other business relationships	About KGI Life CH 1.4 Material Topics Identification Process	6 29
Employees	Appendix - Sustainability Report Charts & Tables - Types of employment—Employee: "non-fixed term" & "fixed term" employees are all considered full-time employees	134
	The GRI 2-7 employee categorization is not applicable to agents due to the nature of their jobs	135
Workers who are not employees	Appendix - Sustainability Report Charts & Tables	135
	d GRI content index ion for use  GRI 2 : Gen  Item Title  Organizational details  Entities included in the organization's sustainability reporting  Reporting period, frequency and contact point  Restatements of information  External assurance  Activities, value chain and other business relationships  Employees  Workers who are not	d GRI content index ion for use  About the Report  GRI 2 : General Disclosures 2021  Item Title  Chapters and Sections of the Report  Organizational details  About KGI Life  Entities included in the organization's sustainability reporting  Reporting period, frequency and contact point  Restatements of information  Restatements of information  External assurance  About the Report  About the Report  There are no restatements of information for 2023  External assurance  About the Report  About KGI Life  CH 1.4 Material Topics Identification Process  Appendix - Sustainability Report Charts & Tables  - Types of employment—Employee: "non-fixed term" & "fixed term" employees are all considered full-time employees  The GRI 2-7 employee categorization is not applicable to agents due to the nature of their jobs  Workers who are not  Appendix -

Item No.	Item Title	Chapters and Sections of the Report	Page No.
	Consequence of the state of the	CH 2.2 Comprehensive Governance Framework  - Ability to impact the organization: Please refer to Pages 16 to 18 of the KGI Life 2024 Annual Report	
2-9	Governance structure and composition	<ul> <li>Stakeholder representatives: Please refer to Pages 6 to 13 of the KGI Life 2024 Annual Report</li> </ul>	39
		The Company did not differentiate executive director and non-executive director in terms of title	
2-10	Nomination and selection of the highest governance body	CH 2.2 Comprehensive Governance Framework	39
2-11	Chair of the highest governance body	CH 2.2 Comprehensive Governance Framework	39
	Role of the highest governance	CH 1.1.1 Sustainable Governance Structure	15
2-12	body in overseeing the management of impacts	CH 2.2 Comprehensive Governance Framework CH 4.1.1 Climate Governance Framework	39 78
	Delegation of responsibility for	CH 1.1.1 Sustainable Governance Structure	15
2-13	managing impacts	CH 2.2 Comprehensive Governance Framework CH 4.1.1 Climate Governance Framework	39 78
2-14	Role of the highest governance	CH 1.1.1 Sustainable Governance Structure	15
2 17	body in sustainability reporting	CH 4.1.1 Climate Governance Framework	78
2-15	Conflicts of interest	CH 2.2.3 Board Performance Evaluation	42
2-16	Communication of critical concerns	CH 2.2 Comprehensive Governance Framework	43
2-17	Collective knowledge of the highest governance body	CH 1.5 Shaping the Corporate Sustainability Culture CH 2.2.2 Training and Education for Directors	32 41
2-18	Evaluation of the performance of the highest governance body	CH 2.2.3 Board Performance Evaluation	42



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# **GRI Standards Disclosure Table**

Itama Nic	Mana Title	Chanters and Castians of the Denost	Daga N.
Item No.	Item Title	Chapters and Sections of the Report	Page No.
2-19	Remuneration policies	CH 2.2.4 Remuneration Policy for Directors CH 6.3.4 Remuneration Policy and Structure	43 119
2-20	Process to determine remuneration	CH 2.2.4 Remuneration Policy for Directors CH 6.3.4 Remuneration Policy and Structure	43 119
2-21	Annual total compensation ratio	Appendix - Sustainability Report Charts & Tables	139
2-22	Statement on sustainable development strategy	A Message from the Chairperson	3
2-23	Policy commitments	CH 1.1.1 Sustainable Governance Structure	17
2-24	Embedding policy commitments	CH 1.1.1 Sustainable Governance Structure	17
2-25	Processes to remediate negative impacts	CH 2.3.1 Integrity and Governance CH 5.3.9 Customer Complaint, Handling Process, and Results	46 107
2-26	Mechanisms for seeking advice and raising concerns	CH 2.3.1 Integrity and Governance CH 5.1 Treating Customers Fairly CH 5.3 Implementing Friendly Financial Services	46 96 104
2-27	Compliance with laws and regulations	CH 2.3.5 Compliance	59
2-28	Membership associations	Appendix - Sustainability Report Charts & Tables	139
2-29	Approach to stakeholder engagement	CH 1.3 Stakeholder Engagement	25
2-30	Collective bargaining agreements	KGI Life has no collective bargaining agreements.	
	GRI 3 : M	Material topics 2021	
Item No.	Item Title	Chapters and Sections of the Report	Page No.
3-1	Process to determine material topics	CH 1.4 Material Topics Identification Process	28
3-2	List of material topics	CH 1.4 Material Topics Identification Process Appendix-Management Approach for Material Topics	28 132
3-3	Management of material topics	Appendix-Management Approach for Material Topics	132

GRI 201 : Economic Performance 2016								
Item No.	Item Title	Chapters and Sections of the Report	Page No.					
201-1	Direct economic value generated and distributed	CH 2.1 Business Performance Please refer to Pages 9 to 11, 84, and 87 of KGI Life's 2024 and 2023 Annual Financial Reports and CPA Audit Reports	36					
201-2	Financial implications and other risks and opportunities due to climate change	CH 2.1 Business Performance CH 4.1 Climate Governance and Strategies	38 78					
201-3	Defined benefit plan obligations and other retirement plans	CH 6.3 Employee Well-being	118					
201-4	Financial assistance received from government	No financial support from the government.						
	GRI 202 : Market Presence 2016							
Item No.	Item Title	Chapters and Sections of the Report	Page No.					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Appendix - Sustainability Report Charts & Tables	138					
	GRI 205 :	Anti-corruption 2016						
Item No.	Item Title	Chapters and Sections of the Report	Page No.					
205-1	Operations assessed for risks related to corruption	Covers 100% of business locations (including the headquarters and branches). After risk assessment, KGI Life has no significant corruption risk.						
205-2	Communication and training about anti-corruption policies and procedures	CH 2.3.1 Integrity and Governance CH 4.3 Sustainable Supply Chain Management Appendix - Sustainability Report Charts & Tables	46 92 133					
205-3	Confirmed incidents of corruption and actions taken	No corruption occurrences						



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# **GRI Standards Disclosure Table**

GRI 305 : Emissions 2016							
Item Title	Chapters and Sections of the Report	Page No.					
Direct (Scope 1) GHG emissions	CH 4.2.4 Greenhouse Gas Management In alignment with ISO 14064-1:2018 Category 1 Direct GHG Emissions, Category 1 calculation of GHGs includes seven main types. KGI Life only emits CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, and HFCs, with zero emissions of the other types of GHGs.	90					
Energy indirect (Scope 2) GHG emissions	CH 4.2.4 Greenhouse Gas Management In alignment with ISO 14064-1:2018 Category 2 Indirect GHG Emissions from Imported Energy	90					
Other indirect (Scope 3) GHG emissions	CH 4.2.4 Greenhouse Gas Management In alignment with ISO 14064-1:2018 Category 3 Indirect GHG Emissions from Transportation, Category 4 Indirect GHG Emissions from Product Use, Category 5 Indirect GHG Emissions Related to Product Use, and Category 6 Indirect GHG Emissions from Other Sources.	91					
GHG emissions intensity	CH 4.2.4 Greenhouse Gas Management	90					
Reduction of GHG emissions	CH 4.2.4 Greenhouse Gas Management	90					
Emissions of ozone-depleting substances (ODS)	KGI Life did not emit substances that will destroy the ozone layer						
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	KGI Life did not emit nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.						
GRI 308 : Supplier Er	nvironmental Assessment 2016						
Item Title	Chapters and Sections of the Report	Page No.					
New suppliers that were screened using environmental criteria	CH 4.3.1 Sustainable Supplier Management	92					
	Direct (Scope 1) GHG emissions  Energy indirect (Scope 2) GHG emissions  Other indirect (Scope 3) GHG emissions  GHG emissions  GHG emissions intensity  Reduction of GHG emissions  Emissions of ozone-depleting substances (ODS)  Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions  GRI 308: Supplier Element Item Title  New suppliers that were screened using environmental	Direct (Scope 1) GHG emissions  Energy indirect (Scope 2) GHG emissions  CH 4.2.4 Greenhouse Gas Management In alignment with ISO 14064-1:2018 Category 1 Direct GHG Emissions, Category 1 calculation of GHGs includes seven main types. KGI Life only emits CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, and HFCs, with zero emissions of the other types of GHGs.  CH 4.2.4 Greenhouse Gas Management In alignment with ISO 14064-1:2018 Category 2 Indirect GHG Emissions from Imported Energy  CH 4.2.4 Greenhouse Gas Management In alignment with ISO 14064-1:2018 Category 2 Indirect GHG Emissions from Transportation, Category 4 Indirect GHG Emissions from Transportation, Category 4 Indirect GHG Emissions from Other Sources.  GHG emissions intensity  CH 4.2.4 Greenhouse Gas Management In alignment with ISO 14064-1:2018 Category 3 Indirect GHG Emissions from Transportation, Category 4 Indirect GHG Emissions from Other Sources.  GHG emissions intensity  CH 4.2.4 Greenhouse Gas Management  Emissions of ozone-depleting substances (DGS)  KGI Life did not emit substances that will destroy the ozone layer  KGI Life did not emit nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions  GRI 308: Supplier Environmental Assessment 2016  Item Title  Chapters and Sections of the Report  CH 4.3.1 Sustainable Supplier Management					

GRI 401 : Employment 2016						
Item No.	Item Title	Chapters and Sections of the Report	Page No.			
/1111-1		Appendix - Sustainability Report Charts & Tables	136			
401-2	Benefits provided to full- time employees that are not provided to temporary or part- time employees	CH 6.3.1 Benefits	118			
401-3	Parental leave	CH 6.3.2 Unpaid parental leave	118			
	GRI 403 : Occupat	ional Health and Safety 2018				
Item No.	Item Title	Chapters and Sections of the Report	Page No.			
403-1	Occupational health and safety management system	CH 6.5.1 Occupational Safety and Health Committee	121			
403-5	Worker training on occupational health and safety	CH 6.5.2 Workplace Safety and Health Training CH 6.5.3 Workplace Safety and Health Monitoring and Management	122			
403-6	Promotion of worker health	CH 6.5.4 On-site Medical Consultation	122			
	GRI 404 : Trai	ning and Education 2016				
Item No.	Item Title	Chapters and Sections of the Report	Page No.			
404-1	Average hours of training per year per employee	Appendix - Sustainability Report Charts & Tables	133			
404-2	Programs for upgrading employee skills and transition assistance programs	CH 6.1.1 Innovative Employee Training Programs CH 6.1.2 Channels for Agency Development	112 116			
404-3	Percentage of employees receiving regular performance and career development reviews	CH 6.4 Performance Management	120			



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	GRI 405 : Diversit	ty and Equal Opportunity 2016	
Item No.	Item Title	Chapters and Sections of the Report	Page No.
405-1	Diversity of governance bodies and employees	CH 2.2.1 Board of Directors CH 6.2.3 Employee Diversity Appendix - Sustainability Report Charts & Tables	40 117 134
405-2	Ratio of basic salary and remuneration of women to men	Appendix- Sustainability Report Charts & Tables	136
	GRI 417 : Mar	rketing and Labeling 2016	
Item No.	Item Title	Chapters and Sections of the Report	Page No.
417-2	Incidents of non-compliance concerning product and service information and labeling	CH 2.3.5 Compliance Internal Control Mechanism Statement フ	59
417-3	Incidents of non-compliance concerning marketing communications	CH 2.3.5 Compliance Internal Control Mechanism Statement フ	59
	GRI 418 : 0	Customer Privacy 2016	
Item No.	Item Title	Chapters and Sections of the Report	Page No.
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	CH 2.3.4 Information Security	54



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# **SASB Disclosure Table**

Topic	Indicator Code	Indicator Nature	Disclosure Indicator	Indicator Descriptions/Corresponding Chapters	Page No.
	FN-IN-270a.1	Quantitative	<ul> <li>Total amount of monetary losses as a result of legal proceedings associated with the marketing and communication of insurance product-related information to new and returning customers (legal fees resulting from the sales of products)</li> </ul>	<ul> <li>As for the litigation cases concluded in 2024 (including final court decisions and settlement cases), there were no losses caused by litigations arising from the marketing and communication of insurance products to and with customers</li> </ul>	
Transparent Information &	FN-IN-270a.2	Quantitative	- Complaints-to-claims ratio	- CH 5.3.9 Customer Complaint, Handling Process, and Results	107
Fair Advice for Customers	FN-IN-270a.3	Quantitative	- Customer retention	- Market Observation Post System for the Insurance Industry - KGI Life Insurance Co., Ltd. Financial Business Indicators オ	
_	FN-IN-270a.4	Qualitative	Description of approach to informing customers about products	<ul> <li>KGI Life official website –</li> <li>Treating Customers Fairly Section, Business &amp; Product Section</li> <li>CH 5.2.2 Sales and Underwriting</li> </ul>	102
Incorporation of ESG Factors in Investment Management	FN-IN-410a.2	Qualitative	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	– CH 3.1 Realizing the Value of Sustainable Investment	62
Policies Designed	FN-IN-410b.1	Quantitative	Net premium income related to energy efficiency and low- carbon technology	- Not applicable to the life insurance industry	
to Incentivize Responsible Behavior	FN-IN-410b.2	Qualitative	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	- CH 5.2.1 Comprehensive Insurance Products and Services	99
	FN-IN-410c.1	Quantitative	- The absolute total financial carbon emissions are disclosed based on (1) Scope 1, (2) Scope 2, and (3) Scope 3 emissions	See Page 146 for Financed Emissions by Type  1. The asset type "Others" includes sovereign bond positions (including LULUCF)	
_	FN-IN-410c.2	Quantitative	- Total exposure of each industry by asset type	Due to data availability, Scope 1 and Scope 2 carbon emissions of investment and financing targets are used to calculate financial carbon emissions	
Financed Emissions	FN-IN-410c.3	Quantitative	The percentage of gross exposure included in the financed emissions calculation	<ol> <li>Asset types (such as derivatives and securitized products) that have not yet been provided with a methodology for calculating financial carbon emissions by the PCAF have been excluded from the calculation</li> </ol>	
	FN-IN-410c.4	Qualitative	Description of the methodology used to calculate financed emissions	<ul> <li>KGI Financial Holding joined the Partnership for Carbon Accounting Financials (PCAF) in June 2023, and KGI Life has also followed PCAF methodologies to complete carbon inventories for equity and bond investments, corporate loans, commercial real estate loans, and power generation project financing</li> </ul>	



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# **SASB Disclosure Table**

Topic	Indicator Code	Indicator Nature Disclosure Indicator		Indicator Descriptions/Corresponding Chapters	Page No.
	FN-IN-450a.1	Quantitative	<ul> <li>Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes</li> </ul>	CH 2.2.1 Financial Performance Indicators	36
Environmental Risk Exposure	FN-IN-450a.2	Quantitative	<ul> <li>Total amount of monetary losses attributable to insurance payouts from:</li> <li>1. Modeled natural catastrophes;</li> <li>2. Non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)</li> </ul>	<ul> <li>The total insurance expenses due to typical natural disasters (typhoons and earthquakes) in 2024 totaled NT\$4.66 million</li> <li>This data only includes the claim payouts for deaths caused by conventional natural disasters, with the death certificate clearly recording the cause of death as a natural disaster</li> <li>There were no claim payouts in 2024 caused by unconventional natural disasters (floods, droughts, blizzards, and tornadoes)</li> </ul>	
risk Exposure	FN-IN-450a.3	Qualitative	<ul> <li>Description of approach to incorporation of environmental risks into:</li> <li>1. The underwriting process for individual contracts</li> <li>2. The management of firm-level risks and capital adequacy</li> </ul>	<ol> <li>The insurance business of the Company belongs to personal life insurance, so it is not applicable</li> <li>Climate change risk has been included in the Company's Risk Management Policy, and Climate-related Risk Management Guidelines have been stipulated to regularly track the indicators for climate risk appetite. In the future, we will continue to enhance the identification, assessment, and response planning for climate change risks. We will also align with relevant policies and measures introduced or promoted by competent authorities and consistently incorporate climate-related risk assessments into the ORSA report</li> </ol>	
Systemic Risk Management	FN-IN-550a.1	Quantitative	<ul> <li>Exposure to derivative instruments by category:</li> <li>1. Total potential exposure to non-centrally cleared derivatives;</li> <li>2. Total fair value of acceptable collaterals announced by the Central Clearing House</li> <li>3. Total potential exposure to centrally cleared derivatives</li> </ul>	<ul> <li>The Company can only provide the total potential exposure to centrally cleared derivatives as we do not own any non-centrally cleared derivatives and acceptable collaterals announced by the Central Clearing House</li> <li>Please refer to Pages 106 to 107 of KGI Life's 2024 and 2023 Annual Financial Reports and CPA Audit Reports</li> </ul>	
-	FN-IN-550a.2	Quantitative	- Total fair value of securities lending collateral assets	- The total fair value of securities lending collateral assets in 2024 was NT\$0	
	FN-IN-550a.3	Qualitative	Description of approach to managing capital and liquidity- related risks associated with systemic non-insurance activities	<ul> <li>Please refer to Pages 94 to 95 and 116 to 117 of KGI Life's 2024 and 2023</li> <li>Annual Financial Reports and CPA Audit Reports</li> </ul>	
Activity Metrics	FN-IN-000.A	Quantitative	<ul> <li>Number of in-force insurance policies by category:</li> <li>1. Property and casualty,</li> <li>2. Life,</li> <li>3. Assumed reinsurance</li> </ul>	<ul> <li>Number of in-force insurance policies:</li> <li>1. Property and casualty: 0 cases</li> <li>2. Life insurance: 26,913,414 cases, with 19,464,818 main policies and 7,448,596 riders</li> <li>3. Assumed reinsurance: 0 cases</li> </ul>	<u></u>

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# Financed Emissions by Type (Unit: tons CO2e; NT\$ million)

Asset Type	Equity Inv	estment	Bond Inve	estment	Credit P	osition	Oth	ers	Asset Type	Equity Inv	estment	Bond Inve	estment	Credit P	osition	Othe	ers
GICS Industry	Investment and Financing Balance	Financed Emissions	GICS Industry	Investment and Financing Balance	Financed Emissions												
Energy	645	583	78,261	769,937	-	-	-	-	Information technology	131,615	116,457	58,136	12,980	-	-	-	-
Raw materials	4,661	84,764	49,362	384,271	-	-	-	-	Communication services	7,963	4,838	152,948	49,005	-	-	-	-
Industry	2,871	3,625	53,039	77,005	-	-	-	-	Public utilities	3,041	87,844	56,193	1,236,117	-	-	-	-
Consumer discretionary	5,433	2,389	21,321	9,654	-	-	-	-	Real estate	-	-	-	-	78	43	3 -	-
Consumer staples	4,366	4,071	29,314	25,993	-	-	-	-	Others	-	-	-	-	-	-	284,367	2,411
Medical and healthcare	1,016	87	37,781	6,620	-	-	-	-	Total	210,844	307,772	1,450,978	2,586,861	78	43	3 284,367	2,411
Finance	49,232	3,114	914,621	15,278	-	-	-	-	Financed emission percentag	ons of investme e of total inves					84	<b>4</b> %	

# TWSE's Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies - Sustainability Disclosure Indicators (Financial and Insurance Industry)

No.	Indicator	Corresponding Chapters
ı	Number of data leakage incidents, proportion of data leakage incidents related to personal data, and number of customers affected by data leakage incidents	CH 2.3.4 Information Security
П	Number of loans and loan balance for small businesses and community development	KGI Life does not engage in lending business.
III	Number of participants in providing financial education to disadvantaged groups that lack banking services	CH 1.5.1 Stakeholder SDG engagement
IV	Products and services designed for environmental or social benefits in each business operation	CH 5.3 Implementing Friendly Financial Services CH 6.6 Social Participation



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# **UN PSI Table**

Principles of PSI	Disclosure Item	Corresponding Chapters
	Company Strategy	CH 1 Sustainability Strategies
	Risk Management	CH 2.3.2 Risk Management CH 4.1 Climate Governance and Strategies
	Sales and Underwriting	CH 5.2.2 Sales and Underwriting
Principle 1  We will embed in our decision-making environmental, social and governance	Product Design	CH 5.2.1 Comprehensive Insurance Products and Services
issues relevant to our insurance business	After-sale Service	CH 5.3 Implementing Friendly Financial Services
	Claim Management	CH 5.2.3 Fast Claims and Major Disaster Services
	Investment Management	CH 3.1 Realizing the Value of Sustainable Investment CH 3.2 Moving Towards the Net Zero Vision
Principle 2 We will work together with our customers	Customer	CH 1.3 Stakeholder Engagement CH 5.1 Treating Customers Fairly CH 5.2 Sustainable Insurance Practices CH 5.3 Implementing Friendly Financial Services
and business partners to raise awareness of environmental, social, and governance issues, manage risks, and develop	Supplier/ Contractor	CH 1.3 Stakeholder Engagement CH 4.3 Sustainable Supply Chain Management
solutions	Collaboration Channel	CH 1.3 Stakeholder Engagement CH 3.3 Digital Finance Innovation and Development
Principle 3 We will work together with governments, regulators and other key stakeholders to	Government and Supervising Authority	CH 1.3 Stakeholder Engagement CH 2.3.4 Information Security CH 2.3.5 Compliance CH 5.2 Sustainable Insurance Practices CH 5.2 Treating Customers Fairly
promote widespread action across society on environmental, social and governance issues	Key Stakeholders	CH 1.3 Stakeholder Engagement CH 3.2.3 Stewardship Principles for Institutional Investors CH 4.3 Sustainable Supply Chain Management CH 6.6 Social Participation
Principle 4	Sustainability Report Assurance	About the Report-Report Assurance
We will demonstrate accountability and transparency by regularly disclosing our progress in implementing the Principles for Sustainable Insurance publicly	Sustainability Information Disclosure	KGI Life 2024 Sustainability Report KGI Life Website-Sustainability section KGI Life Website-Treating Customers Fairly section KGI Life Website-Corporate Governance section

# Table of Guidelines on Climate-related Financial Disclosures of Insurance Companies

Index	Disclosure Item	Corresponding Chapters
1	The Guidelines have been established to enhance the management and disclosure of climate-related risks and opportunities within the insurance industry	
II	Insurance companies are required to establish appropriate mechanisms for climate-related risk management and opportunities based on the scale and nature of their business activities, and must disclose information on climate-related risk management in terms of governance, strategy, risk management, and metrics and targets. The status of climate-related risk management and opportunities shall be included in the sustainability report, and posted on the company's website by June 30 each year	
III	Insurance companies shall establish internal rules and mechanisms and regularly review whether they comply with the requirements outlined in the Guidelines	
IV	(I) The Board of Directors and senior management should ensure that the Company takes the identified climate-related risks into consideration when setting the Company's risk appetite, strategies and operational plans, and continuously supervises the management and disclosure of climate-related risks	
	(II) The Company may establish a committee that is subordinate to the Board of Directors (Supervisors), clearly differentiating the duties of the Board of Directors (Supervisors) from those of a committee that is subordinate to the Board of Directors (Supervisors) and senior management	
	(I) Identified the financial impacts of climate-related risks and opportunities on finance, business, products, and investments	CH 4.1 Climate Governance and
	(II) Prioritize climate-related risks based on materiality	Strategies
V	(III) Consider the impact of climate-related risks and opportunities when setting annual targets and strategies for business, products, and investments	
	(IV) Review and adjust climate-related risk management policies based on scenario analysis and stress testing results	
	(I) Risk management and monitoring	
VI	(II) Scenario analysis and stress testing	
	(III) Investment management	
	(I) Set metrics for assessing and managing climate-related risks	
VII	(II) Set targets for climate-related risk management	
711	(III) Determine the metrics for ranking climate-related risks in order of materiality	
	(IV) Consider the inclusion of climate-related risk management as performance metrics	



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# Sustainability Disclosure Standard IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information

Disclosure Item		Corresponding Chapters		
Covernance	Cayarnanaa	CH 1.1 Culture of Sustainable Governance		
Governance	Governance	CH 2.2 Comprehensive Governance Framework		
	Sustainability-related	CH 1.4 Material Topics Identification Process		
	risks and opportunities	CH 4.1 Climate Governance and Strategies		
	Business model and	CH 1.4 Material Topics Identification Process		
	value chain	CH 2.1 Business Performance		
Strategy	Strategy and decision-	CH 1.4 Material Topics Identification Process		
	making	Appendix Management Approach for Material Topics		
	Financial status, performance and cash	CH 2.1 Business Performance		
	flow	CH 3.1 Realizing the Value of Sustainable Investment		
	Resilience	CH 2.1 Business Performance		
		CH 1.4 Material Topics Identification Process		
Risk Management	Risk management	CH 2.3.2 Risk Management		
		Appendix Management Approach for Material Topics		
Metrics and Targets	Metrics and targets	CH 1.2 Sustainable Development Strategy		

# **Sustainability Disclosure Standard IFRS S2: Climate-related Disclosures**

Disclosure Item		Corresponding Chapters
Governance	Governance	
	Climate-related risks and opportunities	
	Business model and value chain	
Strategy	Strategies and decision-making	CH 4.1 Climate Governance
	Financial status, performance, and cash flow	and Strategies
	Climate Resilience	
Risk Management	Risk Management	
Metrics and Targets	Metrics and targets	
	-	

# **UN Global Compact**

Category	Principles	Corresponding Chapters		
Human Rights	Businesses should support and respect internationally recognized human rights.	CH 6.2.4 Human Rights Protection		
numan kigitis	Make sure that they are not complicit in human rights abuses.	CH 4.3.1 Sustainable Supplier Management		
	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	CH 6.2 Diverse and Inclusive Workplace		
Labor	The elimination of all forms of forced and compulsory labor.	CH 6.2 Diverse and Inclusive Workplace		
	The effective abolition of child labor.	CH 6.2 Diverse and Inclusive Workplace		
	The elimination of discrimination in respect of employment and occupation.	CH 6.2.3 Employee Diversity		
		CH 3.1 Realizing the Value of Sustainable Investment		
	Businesses should support a precautionary approach to environmental challenges.	CH 4.1 Climate Governance and Strategies		
		CH 4.2 Optimizing Green Operations and Carbon Management		
Environment		CH 4.1 Climate Governance and Strategies		
Environment	Undertake initiatives to promote greater environmental responsibility.	CH 4.2 Optimizing Green Operations and Carbon Management		
	. ,	CH 4.3 Sustainable Supplier Management		
	Encourage the development and diffusion of	CH 3.1 Realizing the Value of Sustainable Investment		
	ecofriendly technologies.	CH 4.2 Optimizing Green Operations and Carbon Management		
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	CH 2.3.1 Integrity and Governance CH 2.3.3 Anti-Money Laundering (AML)		
		of 1 2.0.0 And Worley Educating (AME)		



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# **Taiwan Sustainable Development Goals**

No.	Goals	Corresponding Chapters
1.4	Enhance the protection and equality of all citizens, particularly the vulnerable, those impaired, in starting business, employment, loan, financing, housing, and land ownership.	CH 5.1 Treating Customers Fairly
1.5	Reduce the losses caused by various disasters, and in particular, protect the vulnerable and the low-income groups.	CH 5.2 Sustainable Insurance Practices
4.5	Ensure disadvantaged groups obtain education at all levels as well as vocational training, including persons with physical or mental disabilities, indigenous peoples, and disadvantaged children.	CH 6.2 Diverse and Inclusive Workplace CH 6.6 Social Participation
5.5	Encourage government departments of all levels to advance and promote female supervisors and heads; encourage political parties to empower and facilitate women's participation in politics; increase the proportion of female police officers and female managers of listed companies; and guide and encourage women to be enterprise representatives.	CH 2.2 Comprehensive Governance Framework CH 6.2 Diverse and Inclusive Workplace
6.d	Further reduction of general waste and promote resource recycling.	CH 4.2 Optimizing Green Operations and Carbon Management
7.2	Increase the installed capacity of renewable energy.	CH 4.2 Optimizing Green Operations and Carbon Management
8.5	Enhance labor productivity.	CH 6.1 Cultivating Diverse Talents CH 6.2 Diverse and Inclusive Workplace
8.6	Realize knowledge-action integration and training to strengthen youth employability.	CH 6.1 Cultivating Diverse Talents CH 6.6 Social Participation
8.7	Promote work environment safety and protect the right to participation in labor unions of women workers.	CH 6.2 Diverse and Inclusive Workplace
8.9	Encourage fintech innovation to provide convenient, efficient, and diversified financial services.	CH 3.3 Digital Finance Innovation and Development
8.13	Develop green energy technologies, enhance energy self-determination and energy diversity, and encourage the renewable energy development.	CH 3.2 Moving Towards the Net Zero Vision CH 4.2 Optimizing Green Operations and Carbon Management
10.2	Constantly implement the plan to promote employment of indigenous peoples to increase job opportunities and incomes for indigenous peoples; and improve the employment for people with disabilities to enhance their financial status.	CH 6.2 Diverse and Inclusive Workplace
10.3	Strengthen education and publicity on gender equality and eliminating employment discrimination; build well-established systems for sexual violence prevention and children and youth protection to enhance the public's awareness of discrimination and violence.	CH 6.2 Diverse and Inclusive Workplace

No.	Goals	Corresponding Chapters
10.6	Optimize the capacity of operating social innovation, discover diversified social innovation models, build a friendly ecosystem for social enterprises, and help resolve social problems.	CH 6.6 Social Participation
11.5	Reduce the losses caused by various disasters, and in particular, protect the vulnerable and the low-income groups.	CH 6.6 Social Participation
11.9	Strengthening the Social Safety Nets to ensure social stability, and maintaining public order and security to curb violent crime.	CH 6.6 Social Participation
11.12	Enhance the efficiency of building energy conservation and carbon reduction.	CH 4.2 Optimizing Green Operations and Carbon Management
12.6	Encourage companies to adopt sustainable practices and disclose sustainable development information, while ensuring information accuracy and quality.	CH 1.1 Culture of Sustainable Governance
12.7	Increase green procurements in the public and private sectors.	CH 4.3 Sustainable Supply Chain Management
13.1	Increase resilience and adaptive capacity to climate change and reduce vulnerability.	CH 4.1 Climate Governance and Framework
13.3	Improve sustained education and public literacy on climate change.	CH 4.1 Climate Governance and Framework
16.1	Strengthening the Social Safety Nets to ensure social stability, and maintaining public order and security to curb violent crime.	CH 6.6 Social Participation

# Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Chapter		Corresponding Chapters
Chapter I.	General Principle	CH 1.1 Culture of Sustainable Governance
Chapter II.	Implementing Corporate Governance	CH 2.2 Comprehensive Governance Framework
Chapter III.	Fostering a Sustainable Environment	CH 4.1 Climate Governance and Strategies CH 4.2 Optimizing Green Operations and Carbon Management
Chapter IV.	Upholding Social Welfare	CH 5.1 Treating Customers Fairly CH 6.6 Social Participation
Chapter V.	Enhancing Disclosure of Sustainable Development Information	KGI Life 2024 Sustainability Report KGI Life Website-Sustainability section KGI Life Website-Treating Customers Fairly section KGI Life Website-Corporate Governance section
Chapter VI.	Supplementary Provisions	CH 1.1 Culture of Sustainable Governance



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# ISO 26000 Guidance on Social Responsibility

Category	Principles	Corresponding Chapters			
Organizational Governance	Adopt systematic CSR concepts for decision- making and in achieving targets	CH 1.1 Culture of Sustainable Governance			
	Compliance and preventing risks due to human rights issues through verification	CH 6.2.4 Human Rights Protection			
	Handling human rights risk situations	CH 6.2.4 Human Rights Protection			
	Avoidance of Complicity—Direct, Beneficial, and Silent complicity relationships	CH 2.3.1 Integrity and Governance			
	Resolving grievances	CH 6.4.3 Smooth Communication Channels			
Human Rights	No discrimination against the vulnerable	CH 5.1 Treating Customers Fairly CH 5.3 Implementing Friendly Financial Services CH 6.2.3 Employee Diversity CH 6.6 Social Participation			
	Protect civil and political rights	CH 6.2 Diverse and Inclusive Workplace			
	Protect economic, social and cultural rights	CH 6.6 Social Participation			
	Protect basic working rights	CH 6.2 Diverse and Inclusive Workplace CH 6.3 Employee Well-being			
	Enhance employment and employment relationships	CH 6.1 Cultivating Diverse Talents CH 6.2 Diverse and Inclusive Workplace			
Labor Practices	Working conditions and social protection	CH 6.2 Diverse and Inclusive Workplace CH 6.3 Employee Well-being			
Labor Practices	Maintain social dialogue	CH 6.6 Social Participation			
	Maintain health and safety at work	CH 6.5 Workplace Safety			
	Human resource development and training	CH 6.1 Cultivating Diverse Talents			
	Pollution prevention	CH 4.2 Optimizing Green Operations and Carbon Management			
Environment	Sustainable use of resources	CH 4.2 Optimizing Green Operations and Carbon Management			
Environment	Climate change mitigation and adaptation	CH 6.1 Climate Governance and Framework			
	Environmental protection and recovery of biodiversity and natural habitats	CH 4.2 Optimizing Green Operations and Carbon Management			

Category	Principles	Corresponding Chapters		
	Anti-corruption	CH 2.3.1 Integrity and Governance CH 2.3.3 Anti-Money Laundering (AML)		
	Responsible political involvement	* Lower relevance to the life insurance industry.		
Fair Operating Practices	Fair competition	CH 2.3.1 Integrity and Governance		
	Promoting social responsibility in the value chain	CH 4.3 Sustainable Supply Chain Management		
	Respect intellectual property rights	* Lower relevance to the life insurance industry		
	Fair practice of marketing, information, and contracting	CH 5.1 Treating Customers Fairly		
	Protecting consumer health and safety	CH 5.2 Sustainable Insurance Practices		
	Support sustainable consumption	CH 4.3 Sustainable Supply Chain Management		
Consumer Issues	Consumer services, support, complaint, and dispute resolution	CH 5.1 Treating Customers Fairly CH 5.3 Implementing Friendly Financial Services		
	Consumer data protection and privacy	CH 2.3.4 Information Security		
	Protection of right to services	CH 5.1 Treating Customers Fairly		
	Education and raising awareness	CH 5.1 Treating Customers Fairly CH 5.3 Implementing Friendly Financial Services		
	Community involvement	CH 6.6 Social Participation		
	Employment creation and skills development	CH 6.6 Social Participation		
Community	Technology development	* Lower relevance to the life insurance industry.		
Involvement and Development	Help increase wealth and income	CH 6.6 Social Participation		
	Promote education and culture	CH 6.6 Social Participation		
	Promote health	CH 6.6 Social Participation		
	Social investment	CH 6.6 Social Participation		



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# **Certifications for ISO management systems**

# bsi. **Opinion Statement**





#### **Greenhouse Gas Emissions**

Verification Opinion Statement

This is to verify that: KGI Life Insurance Co., Ltd. 3~7F., No. 135, Dunhua N. Rd. Songshan Dist. Taipei City 105021

凱基人壽保險股份有限公司 台北市 松山區 敦化北路 135 號 3~7 樓

105021

#### Holds Statement No:

#### Verification opinion statement

As a result of carrying out verification and validation procedures in accordance with ISO 14064-3:2019, it is the statement for mixed engagement including reasonable assurance for verification activity as well as validation and agreed-upon procedures (AUP) contains the following:

- The Greenhouse Gas Emissions with KGI Life Insurance Co., Ltd. for the period from 2024-01-01
- The verified organization-level greenhouse gas emissions include direct greenhouse gas emissions 732.4330 tonnes of CO<sub>2</sub> equivalent and indirect greenhouse gas emissions from imported energy 6,781.4069 tonnes of CO2 equivalent.
- KGI Life Insurance Co., Ltd. has defined and explained its own process and pre-determined criteria for significance of indirect Greenhouse Gas Emissions and quantify and report these identified significant emissions accordingly.

For and on hehalf of BSI:

Originally Issue: 2025-03-15

Latest Issue: 2025-03-15

..making excellence a habit.

ISO 14064-1 **Greenhouse Gas Inventory** 







#### Product Carbon Footprint

Verification Opinion Statement

This is to verify that: China Life Insurance Co., Ltd. 3~7F. No. 135. Dunhua N. Rd.

Songshan Dist. Taipei City 105021

台北市 敦化北路 135 號 3~7 柱 105021

中國人壽保險股份有限公司

Holds Statement No:

As a result of carrying out the verification of product life cycle greenhouse gas emissions, it is the opinion of RSI with reasonable assurance that:

- . The product carbon footprint with the functional unit of per life insurance service is 2.619 kilograms of No material misstatements in this product life cycle greenhouse gas emission statement were revealed.

The product life cycle GHG data quality was verified to be acceptable against the requirements of ISO 14067: 2018 and Taiwan EPA CFP promotion management guidelines (including Annex III-CFP data gualification and

This statement shall be valid for a maximum period of two years after the latest issue date on this certificate. Should there be a change in the life cycle of the product whose GHG emissions are being assessed, the validity of this opinion statement will cease.

Managing Director BSI Taiwan, Peter Pu

Originally Registration Date: 2022-12-27 Latest Revision Date: 2022-12-27

Effective Date: 2022-12-27 Expiry Date: 2024-12-26

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ISO 14067 Carbon Footprint of Products



**Ministry of Environment Product** Carbon-Footprint Label Certification



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# **Certifications for ISO management systems**







ISO 14001 Environmental Management System ISO 50001 Energy Management System ISO 27001 Information Security Management System



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# **Certifications for ISO management systems**







BS 10012 Personal Information Management System

ISO 22301 Business Continuity Management System

ISO 10002 Customer Satisfaction Management System



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# **Deloitte Taiwan - Limited Assurance Report**

# Deloitte.

### 勤業眾信

勤樂眾信聯合會計師事務所

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#### INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

KGI Life Insurance Co., Ltd.

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of KGI Life Insurance Co., Ltd. ("the Company") for the year ended December 31, 2024.

#### Subject Matter Information and Applicable Criteria

See Appendix 1 for the Company's selected performance indicators ("the Subject Matter Information") and applicable criteria.

#### Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), SASB Standards published by the Sustainability Accounting Standards Board (SASB), and the criteria specifically designed by the Company, and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

#### Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix 1) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

. Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.

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· Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, re-performance, observation, and analytical procedures to obtain evidence supporting limited assurance.

#### Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

#### Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China. which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

#### Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Chao-Yu Chen.

Deloitte & Touche Taipei, Taiwan Republic of China

June 10, 2025

#### Notice to Readers

For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report and summary of subject matter information shall prevail.

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About the Report

About KGI Life

Key Achievements in 2024

Honors and Milestones in 2024

Inclusive Financial Rewards

- 1 Corporate Sustainability
- 2 Corporate Governance Enhancement
- 3 Promoting Sustainable Finance
- 4 Low Carbon Transition
- 5 Achieving Financial Inclusion
- 6 Towards an Inclusive Society
- **7** Appendix

# **Deloitte Taiwan - Limited Assurance Report**

			30	MMAKY	it SUBJECT	MATTER	INFORMA	HON		
#	Subject Matter Information							Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filling of Sustainability Reports
							Stakeholder SDG engagement	Number of participants in financial literacy initiatives provided to minority groups without adequate banking services	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Appendix 1-3, No. 3 N/A	
2,			Employees		_	Airente		[CH 6.3.2] Unpaid parental	GRI 401-3: 2016 Parental leave	N/A
	ltems	Male	Female	Total	Malc	Agents Female	Total	icave		
	Number of Staff Taking Parental Leave in 2024	16	32	48	24	55	79			
	Number of Staff that Applied for Unpaid Parental Leave in 2024	4	24	28	21	52	73			
	Actual Number of Staff Reinstated in 2024	3	9	12	17	63	80	]		
	Number of Staff that Should Have been Reinstated in 2024	4	15	19	18	73	91	1		
	Number of Staff who Continued	3	18	21	17	36	53			
	to Work for One Full Year after Reinstatement from Taking									
	Unpaid Parental Leave in 2023 Actual Number of Staff	4	21	25	20	37	57	-		
	Reinstated in 2023 Reinstatement rate	75.0%	60.0%	63.2%	94.4%	86.3%	87.9%			
	Retention rate	75.0%	85.7%	84.0%	85.0%	97.3%	93.0%			
	'Number of Staff Taking Parental of male staff applying childbirth st 'Reinstatement rate = (Actual num	ubsidies nber of emr								
	have been reinstated in 2024) x 10 Retention rate = (Number of emp	loyees still	active 12 m	onths after :	reinstatemen	in 2023/Ac	tual number	,		
3.	of employeesreinstated in 2023) x Gross PML	100%	_					[CH 2.1.1]	SASB	N/A
		% (1 in 50)	-	1% (? in I	001	0.4% (Li	Unit: NTD	Financial Performance	FN-IN-450a.1 Probable	
	Typhoon/Hurricane	267,988	3.633	332.	840,693	3	6,028,423	Indicators	Maximum Loss (PML) of insured	
	Waterlopping	21,193	2,484	266.	.779,770	5	11,036,866	1	(PML) of insured products from weather-related natural catastrophe	
	Net PML						Unit: NTD			
	Disaster 2' Typhoon/Hurricane	% (1 m 50) 178,010	313	1% (1 in 1	00) .112.540	0.4% (1 :	n 250) 18,045,134			
	Waterlogging	17.010		208.	.895,215	31	9.747.915	1		
4.	Microinsurance Number of persons benefitted				2024 101,242 ps	craons		5.2.1 Comprehensive	Designated indicator 1	N/A
	Premium income NT\$22.17 million 1						Insurance Products and Services	Premium income and Number of persons benefitted from Microinsurance in		
5.	Action Plan		-	Impleme	ntation Reco	Its in 2024	- 1	3.2.1 Three Major	2024 Designated	N/A
٠	Action Plan Implementation Results in 2024 Implementation Results in 2024 Invest in the Solar Power Generation Industry Investment balance was approximately NT51.65 billion in the solar power generation industry.  Green Bonds and Sustainability Bonds ESG ETFS Investment balance was approximately NT531.4 billion. Investment balance was approximately NT530 billion.						Climate Actions	indicator 2 The investment balance of the solar power generation		
								industry, green bonds, sustainability bonds and ESG ETFs as of the end		
									of 2024.	(Continued)

#		itter Information	Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports	
6.	KGI Life maintained a low compolaint rate o     There were 144 applications for dispute resc     A total of 98.23% of these cases were prope	lution in 2024.	5.3.9 Customer Complaint, Handfing Process. Gonglaint Rate and Results Success Rate of the Financial Ombudanan Institution in 2024			
7.	Year	2024	4.3.2 Green	Designated	N/A	
	Green Procurement Amount	NT\$70,754 million	Procurement	rocurement indicator 4 Green Procurement Amount in 2024		

(Conclud

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