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Bank Taiwan Life Insurance

2024 ANNUAL REPORT

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I. Letter to Shareholders



Chairperson

Chih-Hung Chang

Bank Taiwan Life Insurance is the only Government-owned insurance company in Taiwan and has been tasked with the responsibility to ensure stability of the financial market and to serve the general public. With stability and high-quality service being the two priorities over the long term, the Company has dedicated itself to bringing a diverse range of insurance solutions that aim to meet customers' Risk management, investment, and wealth management needs. In 2024 worldwide economic recovery led to a robust growth in domestic demands. According to data published by the Directorate-General of Budget, Accounting and Statistics, Taiwan's economy expanded by 4.30% owing largely to the strong growth in demand for artificial intelligence (AI), high performance computing, and cloud service, which drove exports and electronics production to new heights. Taiwan's semiconductors industry already plays a critical role in the global AI supply chain, and outstanding performance from merchanting trade and freight service further supported economic momentum. With regards to Private Consumption, strong employment combined with salary adjustments and the wealth effect of rising equity prices have made consumers more willing to spend, albeit at a lower growth rate due to high base of comparison.

In terms of investment and capital allocation, the Company flexibly adjusts its strategies while accommodating for the safety, liquidity, and return of the investment portfolio. It engages in active trading to optimize returns, and at the same time pays close attention to how the USA-China trade policy, geopolitics, and international monetary policies affect the market. In terms of fair customer treatment and consumer protection, the Company has assembled Treating customers fairly Committee with the President serving as the chair and overseeing policy execution. The committee publishes new case studies every quarter and is actively involved in promoting anti-scam awareness. Through branch training, seminar tour for military personnel, and participation in the "2024 Anti-scam Forum," the Company reassures its resolve to fight scams.

The company preemptive response to challenges of the external environment combined with a total enhancement of our risk management, compliance, and customer service practices have enabled the Company to accomplish all of its operational goals. For the protection of customers' interest and data security, the Company first obtained certification for Personal Information Management System (PIMS, BS10012:2017) on December 11, 2019, and later heeded the instructions of the Financial Supervisory Commission on September 9, 2022 to expand certification to the e-commerce business, and subsequently passed regular review of certifier - SGS later on November 20, 2024. This persistent compliance with PIMS is representative of the Company's dedication to protecting personal data. For data security, the Company has developed firewalls for website applications, implemented threat detection/protection equipment, subscribed 24-hour cybersecurity monitoring service, and obtained certification for ISO 27001:2022 - Information Security Management System, thereby providing robust support for digital services.

The Company supports the authority's "Green Financing Action Program 2.0" and has been an active advocate of sustainable finance. Since 2023, the Company has been making climate-related financial disclosures covering governance, strategy, risk management, and metrics and targets regularly before June 30 each year. Starting from 2024, the Company takes part in Taiwan Financial Holdings' science-based target initiative by



setting defined carbon reduction goals on business activities including "investment and lending" and "internal operations." Plans have also been made to monitor carbon reduction progress on a quarterly basis starting from 2025 and to achieve net zero by 2050. In preparation for the adoption of IFRS 17 - "Insurance Contracts" and the new Insurance Capital Standard (TW-ICS) by 2026, the Company actively observes the 4 stages of localization and transitional measures introduced by the authority, and takes systematic steps to assessing capital gaps so that appropriate capital and risk management strategies can be formulated to ensure financial stability.

These efforts not only ensure stability in financial performance and service quality, but also provide the solid foundation needed to grow over the long term, and is fully congruent with our mission to serve and create value for the general public as a state-owned enterprise.

Please refer to the following for a report of the Company's 2024 business performance, a summary of the 2025 business plan, and descriptions of the future development strategy, external competitive environment, the regulatory environment, the overall business environment, and credit rating:

I. Operating Results for 2024

1. Outcomes

Despite rapid changes in the financial market and the arrival of new financial technologies, Bank Taiwan Life Insurance has adhered to its business philosophy of stability and continuity while fulfilling long-term commitments to policyholders. The Company responds proactively to the development of the life insurance market, takes the initiative to connect with new international standards, and makes ongoing adjustments to its product portfolio to cater for policyholders' needs for diverse protection in different life stages. By adopting a conservative and prudent investment strategy that emphasizes on asset diversification and risk management, the Company strives to deliver consistent growth in asset value and profitability, and thereby provide policyholders with greater long-term assurance. Through active support for digital transformation, the Company hopes to bring smoother and better quality service experience to its customers. With improved sustainable practices and governance framework, the Company has proven capable of guiding employees' growth and nurturing sustainability talents. Owing to the contribution of all our employees, the Company generated NT\$6.624 billion of first-year premiums in 2024, representing a target attainment rate of 118.29% and a significant growth of 124.86% compared to the previous year. Of all the key products, sale of mortgage insurance and other term life insurance totaled NT\$956 million, representing a target attainment rate of 159.31% and a growth of 68.97% year-on-year. Meanwhile, premiums from high-CSM products such as health insurance and whole-life insurance grew 131.97% and 17.07% year-on-year, respectively, whereas premiums from new contracts of protection-oriented and elderly-focused insurance increased 62.43% compared to 2023.



For improved capital utilization and conformity with the asset/liability management standards of IFRS and TW-ICS, the Company has allocated capital to equity investments that offer consistent and high dividends and to industries that are key to national development. By increasing the percentage of ICS-compliant assets held and by adopting more rigorous exchange rate management, the Company aims to increase overall yields from use of capital, which in turn raises profits, supports product innovation and competitiveness, and helps grow the distribution channel to create a productive cycle for business growth.

2. Budget execution

(1) Business aspect

The Company generated more than NT\$16.471 billion of premium revenues (including premiums for separate-account products) in 2024, representing a 95.94% attainment rate given the budgeted figure of NT\$17.167 billion.

(2) Financial aspect

Net return on capital utilization, excluding unrealized gains/losses of financial instruments, was reported at 3.13% for 2024, which was higher than the budgeted return (2.80%) and the 2023 net return (2.84%).

3. Revenues, expenses, and profitability

(1) Pre-Tax Earnings

At the end of 2024, the Company reported asset size of NT\$503,892.69 million, operating revenues of NT\$29,108.59 million, operating expenses of NT\$27,476.86 million, current net income of NT\$1,631.73 million, and EPS of NT\$0.33.

(2) Return on assets and return on equity

Return on assets was reported at 0.33% for 2024, up 0.44 percentage point from budgeted returns, whereas return on equity was reported at 5.36%, up 7.67 percentage points from budgeted returns.



4. Research and Development

The Company pays ongoing attention to the trends of financial market and life insurance markets local and abroad, and develops a diverse range of products to address the public's needs. The Company also supports policies and guidelines of the authority in ways that do not compromise business performance, and takes progressive actions toward improving operational efficiency, insight, and strategic planning.



President

Chi-Sheng Liu

II. Summary of 2025 Business Plan

1. Operational guidelines

- (1) Support government policies; maximize brand value
- (2) Enhance corporate governance; enforce business integrity
- (3) Improve operating efficiency; optimize risk management
- (4) Undertake business transformation; connect with new supervisory measures
- (5) Optimize asset allocation; stabilize recurring revenues
- (6) Strengthen channel partnership; support business expansion
- (7) Adjust product portfolio; promote inclusive finance
- (8) Implement fair customer treatment; protect policyholders' interests
- (9) Optimize information system; encourage digital innovation
- (10) Enforce responsible finance; promote net zero and carbon reduction

2. 2025 business goals

The Company will continue to develop and promote protection-oriented products featuring long premium duration to meet consumers' protection needs while at the same time ensure compliance with the authority's supervisory policy as well as smooth transition into IFRS 17 - "Insurance Contracts" and the new Insurance Capital Standards (TW-ICS). These offerings will also be complemented with investment-linked insurance products that do not require capital provision but contribute commission revenues, as well as USD-denominated insurance policies that improve the matching of currencies between assets and liabilities and reduce exchange rate risks. Premium revenue projections for 2025 are as follows:

2025 Premium Revenue Projection Chart for Bank Taiwan Life Insurance		Unit: NT\$1,000
Main business category	Premium revenue projections for 2025	
Conventional Insurance	4,380,000	
Investment-linked Insurance	3,421,800	
Subsequent premium revenues	9,450,460	
Total	17,252,260	

Note: The Company expects to generate NT\$7,801,800 thousand of first-year premiums from new contracts in 2025, including NT\$4,380,000 thousand from conventional insurance and NT\$3,421,800 thousand from investment-linked insurance products. Out of the projected premiums from conventional insurance products, NT\$2,080,000 thousand are regular premiums while NT\$2,300,000 thousand are single premiums. Regular premium revenues from unexpired contracts are estimated at NT\$9,450,460 thousand, and premium revenues for the whole year (including investment-linked insurance products) are estimated at NT\$17,252,260 thousand.

III. Future Development Strategies

Going forward in 2025, Bank Taiwan Life Insurance will stay committed to its vision of "Growing the state-owned brand and developing insurance services that progress with time," while placing emphasis on product transition, consistent investment returns, and digital transformation. To effectively adjust the liability structure and reduce overall policy cost, the Company will be focusing its product R&D efforts on three main aspects, namely: product portfolio optimization, product competitiveness enhancement, and development efficiency improvement. With regards to the distribution network, the Company aims to capitalize on the financial group's cross-selling platform, work more broadly and deeply with quasi state-owned enterprises, revitalize conventional channels, and encourage the use of digital marketing and online insurance application. In terms of sales, the Company will focus on promoting products that feature long premium duration, are protection-oriented or elderly-focused, and offer high CSM or commission revenues. Meanwhile, products that have been designed to facilitate financial inclusion, such as microinsurance and micro whole-life insurance, will also be promoted as a means to fulfill social responsibilities. With regards to capital utilization, the Company will allocate capital to equity investments that offer consistent and high dividends and to industries that are key to national development, and aim to increase the percentage of ICS-compliant assets held and adopt more rigorous exchange rate management. The Company also plans to refine management practices for assets, liabilities, and climate risks, and will strive to achieve net zero with respect to its operations while at the same time exert influence through allocation of insurance capital to direct business' attention toward environmental sustainability. In terms of digital transformation, the Company continues making enhancements to existing IT infrastructure and develops new applications that aim to improve operating efficiency, optimize cybersecurity management, and ensure confidentiality of sensitive data. Furthermore, New technologies (e.g. robot process automation; RPA) are being introduced for financial applications to ensure business continuity and market competitiveness.

IV. Impacts of the Competitive Environment, Regulatory Environment, and Overall Business Environment

1. External competition

The rapid evolution of digital technology, changes in consumers' behaviors and needs, and the becoming of a hyper-aged society all require insurance companies to be innovative about product design. In addition to catering for the protection needs of different groups of people in various stages of life, companies are also required to make more intensive use of new digital technologies such as AI, blockchain, cloud computing etc., in order to provide accessible and customized services that raise overall service experience and satisfaction while at the same time lower operating costs to stay competitive in the market.



2. The regulatory environment

(1) Connecting new international standards for financial stability

The FSC has been enforcing the adoption of IFRS 17 - "Insurance Contracts" and the new Insurance Capital Standards (TW-ICS) across the insurance industry by 2026, so that assets and liabilities can be managed to more appropriately reflect business risks of every insurance company, thereby ensuring protection of policyholders' interests and stability of the financial system. Several localization and transition measures have since been announced to help life insurance companies connect with the new standards and develop the resilience needed for business continuity.

(2) Support financial consumer protection measures and enforce the fair customer treatment principle

The FSC has announced that its 2025 financial inspections will focus on: anti-scam, risk management for real estate-backed loans, financial consumer protection, and cybersecurity, whereas fair customer treatment provides bonus points, for which financial institutions will be assessed on anti-scam practice, the robustness of their grievance handling system, measures for resolving digital divide in elderly customers and persons with disability, and the progress of such measures. Overall, life insurance companies are expected to direct more attention to the protection of financial consumers and the enforcement of fair customer treatment principles.

3. The overall business environment

Interest rates and exchange rates saw drastic changes in 2024 that affected consumers' willingness to purchase insurance. The broadened interest rate difference between NTD and USD, in particular, has prompted banks to increase USD time deposit rates as a way to attract USD capital. This movement not only resulted in a substantial decrease of premiums on new USD insurance policies, but even encouraged some policyholders to surrender and re-invest cash value in U.S. bonds or USD time deposits. Furthermore, the new regulations stipulated by the Financial Supervisory Commission on investment-linked insurance have taken effect since July 2023, and this reform will inevitably pose challenges to the sale of investment-linked policies. The 50-basis point cut by the Fed on September 18, 2024 signified the end of the rate hike cycle that lasted for nearly 4 and a half years since March 2020. The market expects domestic banks to eventually lower USD time deposit rates, which may put an end to the rising rates since 2022 and reverse the advantage that USD time deposits once had over the indicative yields of USD insurance policies, thereby resulting in a flow of capital from banking to insurance.

Taiwan is on path to becoming a hyper-aged society in 2025, and the insurance industry will be facing several challenges such as the uprise of new financial technologies, sustainability issues concerning climate change, and rising compliance costs on top of the aging demographics and low fertility rate. In response, the FSC has been introducing new policies and making relevant guidelines to help insurance companies connect with new international standards and improve financial structure. Life insurance companies should take this opportunity to undergo



transformation in every aspect from finance, business, product to administration, adopting more rigorous risk management and making more extensive use of digital technologies to optimize customers' journey. It is just as important for insurance companies to adopt sustainability as part of their mission, and leverage available influence toward promoting net zero transformation and proper responses to climate change risk.

V. Credit Ratings

In 2024, Taiwan Ratings continued to affirm the Company's long-term issuer credit rating and long-term insurer financial strength rating at "twAAA" with a "Stable" outlook; meanwhile, S&P also reaffirmed the Company's credit rating at "AA" with a "Stable" outlook, indicating very strong capacity of fulfilling financial commitments.

Bank Taiwan Life Insurance was incorporated more than 80 years ago, and its reputation as a state-owned brand has been trusted by policyholders. 2025 not only signifies the beginning of new insurance supervision, but also presents a multitude of challenges involving geopolitical risks, uncertainties of the global financial market, and connection with IFRS17 and ICS, and being the only state-owned life insurance company in Taiwan, Bank Taiwan Life Insurance will more actively tap into the strategies and resources of Taiwan Financial Holdings to grow with time and develop products that meet consumers' insurance needs. The Company will also follow policy guidance of the financial authority, using insurance capital and its distinctive services as leverage to promote corporate sustainability, develop inclusive financial products, care for the underprivileged, and support industry growth for the wellbeing of the nation and the society.

Chairperson



President



II. Corporate Governance Report

- I. Directors, Supervisors and Key Managers**
- II. Compensation to Directors, Supervisors, General Manager, and Vice Presidents in the Latest Year**
- III. Implementation of Corporate Governance**
- IV. Audit Fee**
- V. Information on Change of CPA**
- VI. Any of the Company's Chairperson, General Manager, or Any Manager Involved in Financial or Accounting Affairs Being Employed by the Accounting Firm or Any of Its Affiliated Company in the Most Recent Year**
- VII. Details of Shares Transferred or Pledged by Directors, Supervisors, Managers and Shareholders with More Than 10% Ownership Interest in the Last Year, Up Until the Publication Date of Annual Report. Where Shares Were Transferred or Pledged with A Related Party, Details Including the Counterparty's Name, the Counterparty's Relationship with the Company, Directors, Supervisors, and Shareholders with More Than 10% Ownership Interest, and the Number of Shares Acquired or Pledged**

VIII. Relationships Characterized as Spouse or Second-degree Relatives or Closer among Top-ten Shareholders

IX. Investments Jointly Held by the Company, the Company's Directors, Supervisors, Managers, and Enterprises Directly or Indirectly Controlled by the Company; Disclose Shareholding in Aggregate of the Above Parties



II. Corporate Governance Report

I. Directors, Supervisors and Key Managers

1. Directors and Supervisors

March 31, 2025

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected/Inaugurated	Term of Service	Date First Elected	Principal Work Experience and Academic Qualifications	Current Duties in the Company and in Other Companies
Chairperson	The Republic of China	Chih-Hung Chang	Male 51-60	August 25, 2023	August 24, 2026	August 25, 2023	<p>Master of Insurance, National Chengchi University</p> <p>Chairperson of Counseling and Discipline Committee, Actuarial Institute of Chinese Taipei</p> <p>Director of the 21st to the 28th board, Actuarial Institute of Chinese Taipei</p> <p>Member of Life Insurance Product Review Panel, Financial Supervisory Commission</p> <p>Member of Investment-linked Product Review Panel</p> <p>Member of Non-life Insurance Product Review Panel, Financial Supervisory Commission</p> <p>Member of New Life Insurance Product Affirmation Committee, The Life Insurance Association of the Republic of China</p> <p>Member of Sales Representatives Grievance Panel, The Life Insurance Association of the Republic of China</p> <p>Review Member for Offshore Structured Products, Taiwan Financial Services Roundtable</p> <p>Vice President of BNP Paribas Cardif TCB Life Insurance Co., Ltd.</p> <p>Grade 1 Specialist of Actuarial Department, Taiwan Insurance Institute</p> <p>Grade 1 Specialist of Training Department, Taiwan Insurance Institute</p>	<p>Chairperson of the Company</p> <p>Director of The Life Insurance Association of the Republic of China</p>

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected/Inaugurated	Term of Service	Date First Elected	Principal Work Experience and Academic Qualifications	Current Duties in the Company and in Other Companies
Independent Director	The Republic of China	Shun-Shan Yeh	Male 51-60	December 28, 2023	August 24, 2026	December 28, 2023	Department of Mathematics, National Taiwan University Secretary General of Actuarial Institute of Chinese Taipei Director of San Lotus Holding (USA) President of Hontai Life Insurance Co., Ltd. President of Chaoyang Life Insurance Co., Ltd. President of Yu Ting Consultancy Co., Ltd. Consultant for Eastern Insurance Brokers Co., Ltd. Deputy Manager of China Life Insurance Company	Consultant of Titan Stone Life Insurance Plc. (Cambodia)
Independent Director	The Republic of China	Fang-Chi Lin	Male 61-70	August 25, 2023	August 24, 2026	May 28, 2020	Master of Land Economics, National Chengchi University President of Land Bank Insurance Brokerage Co., Ltd. Vice President of Sales, Bank of Panhsin Manager of Trust, Wealth Management, Corporate Banking, Guangfu Branch, Yuantong Branch, Xinyi Branch, and Dunhua Branch, Land Bank of Taiwan	Independent Director of Huang Hsiang Construction Corporation
Independent Director	The Republic of China	Chiung-Feng Ko	Female 61-70	August 25, 2023	August 24, 2026	May 28, 2020	Master of Administrative Policy Science, University of Tsukuba Chief of Innovation Incubation Center, School of Business Member of Central Integrity Committee, Agency Against Corruption, Ministry of Justice Member of Public Welfare Lottery Supervisory Committee, Ministry of Finance Supervisor of Taiwan Handicraft Promotion Center Accounting Research Specialist, Department of Commerce, Ministry of Economic Affairs Assistant Reviewer of Securities and Futures Commission, Ministry of Finance Chief of Undergraduate Program of Business, Deputy CEO of Center for Commercial Research, Secretary of the Office of the President, Head of International	Professor of Accounting, Soochow University



Title	Nationality or Place of Registration	Name	Gender Age	Date Elected/Inaugurated	Term of Service	Date First Elected	Principal Work Experience and Academic Qualifications	Current Duties in the Company and in Other Companies
							Collaboration, and Lecturer of Accounting, Soochow University	
Director	The Republic of China	Chi-Sheng Liu	Male 61-70	August 25, 2023	August 24, 2026	August 25, 2023	Master of Actuarial Science, University of Connecticut Vice President, Chief Secretary of the board of directors, Manager of Actuarial Department, Manager of Business Department, Deputy Manager of Sales Management Department/Chief of Bancassurance Section, and Deputy Manager of Actuarial Department/Chief of Product Development Section, Bank Taiwan Life Insurance Co., Ltd. Senior Manager of Life Insurance Department and Chief of Business Development Section, Bank of Taiwan Co., Ltd. Grade 1 Specialist of Life Insurance Department and Section Chief, Central Trust of China	President of the Company Consultant for The Life Insurance Association of the Republic of China
Director	The Republic of China	Che-Chun Lin	Male 51-60	August 25, 2023	August 24, 2026	May 28, 2020	Ph.D. in Financial Management, University of Texas at Arlington (UTA) Dean of College of Technology Management, Chief of Anfu Institute for Financial Engineering, Acting Head of Institute of Service Science, Deputy Chief of Financial Planning Office, Secretariat, Chairperson of Quantitative Finance, and Head of On-job Postgraduate Finance Program, National Tsing Hua University Director of Financial Engineering Association of Taiwan Chairperson of Asian Real Estate Society Chairperson of Chinese Society of Housing Studies	Professor of Quantitative Finance and Dean of College of Technology Management, National Tsing Hua University
Director	The Republic of China	Hui-Yun Hsia	Female 61-70	August 25, 2023	August 24, 2026	May 28, 2020	Department of Economics, Fu Jen Catholic University Deputy Manager of Government Employees Insurance, Bank of Taiwan Supervisor of Taiwan Handicraft Promotion Center	Manager of Government Employees Insurance, Bank of Taiwan



Title	Nationality or Place of Registration	Name	Gender Age	Date Elected/Inaugurated	Term of Service	Date First Elected	Principal Work Experience and Academic Qualifications	Current Duties in the Company and in Other Companies
Worker Director	The Republic of China	Tsung-Cheng Lu	Male 51-60	August 25, 2023	August 24, 2026	March 3, 2014	Master of Information Management, Tatung University Manager of Labor Union and Program Designer of Information Services Department, Bank Taiwan Life Insurance Program Designer of Information Services Department, Bank of Taiwan Former Program Designer, Central Trust of China	Program Designer of the Company Chairperson of the 5th board of Labor Union, Bank Taiwan Life Insurance
Worker Director	The Republic of China	Hsiu-Hsia Tsai	Female 51-60	August 25, 2023	August 24, 2026	January 5, 2017	Master of Financial and Economic Law, Feng Chia University Representative of labor-management negotiations, Bank Taiwan Life Insurance Deputy chairperson of the 1st board and member of the 2nd board of Labor Pension Supervisory Committee, and claims staff of Benefit Section, Contract Service Department, Bank Taiwan Life Insurance Former claims staff of Benefit Section and underwriting staff of Policy Maintenance, Central Trust of China	Contracted life insurance manager of the Company Managing Director of the 5th board of Labor Union, Bank Taiwan Life Insurance

Note 1: All directors of the Company are representatives of Taiwan Financial Holding Co., Ltd. Refer to Chart 1 below for a list of institutional shareholders.

Taiwan Financial Holding Co., Ltd. holds 100% ownership interest in the Company (4.95 billion shares);

Taiwan Financial Holding Co., Ltd. is 100% owned by the Ministry of Finance (10.3125 billion shares).

Note 2: The work experiences of anyone above relating to their current roles, e.g. previous employment in the CPA firm or employment in an affiliated company, are disclosed with detailed job titles and responsibilities.

Note 3: None of the Company's directors is a spouse or second-degree relative or closer to other managers, directors, or supervisors.

Major Shareholders of the Institutional Shareholders

March 31, 2025

Name of Institutional Shareholder	Major Shareholders of the Institutional Shareholders
Taiwan Financial Holding Co., Ltd.	Ministry of Finance (100% ownership)

2. Directors' expertise and independent directors' independence

Title	Name	Expertise, experience, and independence	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairperson	Chih-Hung Chang	<ul style="list-style-type: none"> Expertise and experience Master of Insurance, National Chengchi University Chairperson of the Company Chairperson of Counseling and Discipline Committee, Actuarial Institute of Chinese Taipei Vice President of BNP Paribas Cardif TCB Life Insurance Co., Ltd.	None
Independent Director	Shun-Shan Yeh	<ul style="list-style-type: none"> Expertise and experience Department of Mathematics, National Taiwan University Audit Committee member Secretary General of Actuarial Institute of Chinese Taipei President of Yu Ting Consultancy Co., Ltd. Deputy Manager of China Life Insurance Company <ul style="list-style-type: none"> Independence None of the individual, the individual's spouse, and second-degree relatives or closer serves as director, supervisor, or employee at the Company or any of its affiliated enterprises; none of whom holds shares of the Company; none of whom serves as director, supervisor, or employee at any entity that the Company has special relationship with; and none of whom provided commercial, legal, financial, or accounting service to the Company in the last 2 years	None
Independent Director	Fang-Chi Lin	<ul style="list-style-type: none"> Expertise and experience Master of Land Economics, National Chengchi University Audit Committee member President of Land Bank Insurance Brokerage Co., Ltd. Manager of Dunhua Branch, Land Bank of Taiwan <ul style="list-style-type: none"> Independence None of the individual, the individual's spouse, and second-degree relatives or closer serves as director, supervisor, or employee at the Company or any of its affiliated enterprises; none of whom holds shares of the Company; none of whom serves as director, supervisor, or employee at any entity that the Company has special relationship with; and none of whom provided commercial, legal, financial, or accounting service to the Company in the last 2 years	1
Independent Director	Chiung-Feng Ko	<ul style="list-style-type: none"> Expertise and experience Master of Administrative Policy Science, University of Tsukuba Audit Committee member Associate Professor of Accounting, Soochow University Chief of Innovation Incubation Center, School of Business <ul style="list-style-type: none"> Independence None of the individual, the individual's spouse, and second-degree relatives or closer serves as director, supervisor, or employee at the Company or any of its affiliated enterprises; none of whom holds shares of the Company; none of whom serves as director, supervisor, or employee at any entity that the Company has special relationship with; and none of whom provided commercial, legal, financial, or accounting service to the Company in the last 2 years	None

Title	Name	Expertise, experience, and independence	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Director	Chi-Sheng Liu	<ul style="list-style-type: none"> Expertise and experience Master of Actuarial Science, University of Connecticut President of the Company Vice President and Chief Secretary of Board of Directors, Bank Taiwan Life Insurance Co., Ltd. 	None
Director	Che-Chun Lin	<ul style="list-style-type: none"> Expertise and experience Ph.D. in Financial Management, University of Texas at Arlington (UTA) Professor of Quantitative Finance and Dean of College of Technology Management, National Tsing Hua University 	None
Director	Hui-Yun Hsia	<ul style="list-style-type: none"> Expertise and experience Department of Economics, Fu Jen Catholic University Manager of Government Employees Insurance, Bank of Taiwan 	None
Worker Director	Tzong-Cheng Lu	<ul style="list-style-type: none"> Expertise and experience Master of Information Management, Tatung University 	None
Worker Director	Hsiu-Hsia Tsai	<ul style="list-style-type: none"> Expertise and experience Master of Financial and Economic Law, Feng Chia University 	None

Note 1: None of the Company's directors exhibit any of the conditions listed in Article 30 of The Company Act.

Note 2: Explain compliance of independence for independent directors



3. Diversity and Independence of the Board of Directors

(1) Board Diversity

According to Article 17 of the Company's "Corporate Governance Best-Practice Principles," board members should be diversified in a manner that supports the Company's operations, business activities, and growth, for which the Company is required to devise appropriate diversity policies and management goals that enforce at least the following two principles:

- A. Background and value: gender, age, nationality, culture etc.; female directors should account for at least one-third of total directors.
- B. Professional knowledge and skills: professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
- C. All board members should possess the knowledge, skills, and characters needed to perform their duties. For ideal corporate governance, the board of directors as a whole shall possess the following capacities:

Title	Name	Nationality	Gender	Age	Competence								
					Ability to make operational judgments	Accounting and financial analysis	Business administration	Knowledge and ability in risk management	Crisis management	Professional knowledge in finance and insurance	Vision of international markets	Leadership	Decision making
Chairperson	Chih-Hung Chang	The Republic of China	Male	51-60	√	√	√	√	√	√	√	√	√
Director	Chi-Sheng Liu	The Republic of China	Male	61-70	√	√	√	√	√	√	√	√	√
Independent Director	Shun-Shan Yeh	The Republic of China	Male	51-60	√	√	√	√	√	√	√	√	√
Independent Director	Fang-Chi Lin	The Republic of China	Male	61-70	√	√	√	√	√	√	√	√	√
Independent Director	Chiung-Feng Ko	The Republic of China	Female	61-70	√	√	√	√	√	√	√	√	√
Director	Che-Chun Lin	The Republic of China	Male	51-60	√	√	√	√	√	√	√	√	√
Director	Hui-Yun Hsia	The Republic of China	Female	61-70	√	√	√	√	√	√	√	√	√
Director	Tzong-Cheng Lu	The Republic of China	Male	51-60	√	√	√	√	√	√	√	√	√
Director	Hsiu-Hsia Tsai	The Republic of China	Female	51-60	√	√	√	√	√	√	√	√	√

(2) Board Independence

- A. The Company has created independent director seats in accordance with its Articles of Incorporation. There shall be at least 3 independent directors on the board that represent no less than one-fifth of total directors. All 3 of the Company's independent directors have maintained independence while performing duties and did not hold any direct or indirect interest in the Company. These independent directors did not exhibit any of the conditions listed in Paragraph 1, Article 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" for the two years prior to election and throughout the duration of service. None of the 3 independent directors served more than three consecutive terms, and none of whom served as director (including independent director) or supervisor concurrently in more than 3 TWSE/TPEX listed companies.
- B. None of the board members is a spouse or second-degree relative or closer to any other directors (including independent directors).

4. General Manager, Assistant General Managers, and the Chiefs of All the Company's Divisions

December 31, 2024

Title	Nationality	Name	Gender	Date Elected/Inaugurated	Education and Career	Remarks
President	The Republic of China	Chi-Sheng Liu	Male	November 2023	Master of Actuarial Science, University of Connecticut	-
Vice President	The Republic of China	Horng-Jye Chen	Male	August 2023	Department of Mathematics, Fu Jen Catholic University	-
Vice President	The Republic of China	Yang-Rong Lin	Male	March 2024	Master of Risk Management and Insurance, National Cheng Chi University	-
Chief Internal Auditor	The Republic of China	Shwu-Huey Wu	Female	July 2022	Department of Accounting, National Chung Hsing University	-
Group Compliance Officer	The Republic of China	Hsiu-Lan Ho	Female	June 2019	Bachelor of Laws, National Taiwan University	Chief Compliance Officer
Chief Risk Officer	The Republic of China	Gine-Shun Van	Male	May 2021	Master of Computer Science, State University of New York	-
Manager	The Republic of China	Yu-Cheng Liu	Male	July 2024	Master of International Business, Tamkang University	Acting secretary general
Manager	The Republic of China	Juei-Chih Liu	Female	August 2023	Master of Statistics, National Chengchi University	-
Manager	The Republic of China	Yu-Chi Chang	Male	January 2024	Master of Insurance, Feng Chia University	-
Manager	The Republic of China	Shu-Maiw Huang	Female	October 2015	Department of Bancassurance, National Taichung College of Business	-

Title	Nationality	Name	Gender	Date Elected/Inaugurated	Education and Career	Remarks
Manager	The Republic of China	Shu-Fen Weng	Female	May 2023	Department of International Trade, Fu Jen Catholic University	-
Manager	The Republic of China	Wen-Bor Yang	Male	April 2024	Master of Business Administration, Chinese Culture University	Manager of Investment Department and Manager of Real Estate and Loans Department
Manager	The Republic of China	Chi-Chiang Chiang	Male	October 2015	Department of Business Administration, Tunghai University	-
Manager	The Republic of China	King-Jaur Chang	Male	July 2024	Department of Finance and Tax Planning, Aletheia University	-
Manager	The Republic of China	Chih-Chieh Li	Male	December 2024	Department of Civil Engineering, National Taipei University of Technology	-
Chief	The Republic of China	Ko-Wei Weng	Male	June 2021	Master of Insurance, Tamkang University	-
Chief	The Republic of China	Chun-Chi Lin	Male	July 2022	Master of Computer Science and Information Engineering, National Taiwan University of Science and Technology	-
Concurrent Manager	The Republic of China	Gine-Shun Van	Male	May 2021	Master of Computer Science, State University of New York	CRO/Manager of Risk Management Department
Manager	The Republic of China	Ruey-Shinn Su	Male	January 2024	Master of Urban Studies, University of Pennsylvania	-
Manager	The Republic of China	Jean-Hwan Sun	Male	March 2022	Master of Insurance, Ming Chuan University	-
Manager	The Republic of China	Chen-Tung Yuen	Male	July 2024	Master of Mainland China Laws, Department of Law, Soochow University	-
Manager	The Republic of China	Hsin-Yi Li	Male	January 2024	Master of Insurance, Feng Chia University	-
Manager	The Republic of China	Hui-Jung Hsieh	Female	January 2024	Master of Management Science, Nanhua University College of Management	-
Manager	The Republic of China	Wei-Wen Huang	Male	January 2024	Master of Risk Management and Insurance, National Kaohsiung First University of Science and Technology	-
Manager	The Republic of China	Cheng-Shih Tsai	Male	January 2021	On-job Master Program of Insurance Management, Tamkang University	-
Concurrent Manager	The Republic of China	Shu-Fen Weng	Female	May 2023	Department of International Trade, Fu Jen Catholic University	Manager of Department of Contract Service/Manager of Offshore Insurance Branch



Title	Nationality	Name	Gender	Date Elected/Inaugurated	Education and Career	Remarks
Chief of Service Center	The Republic of China	Hsien-Tsung Chiu	Male	June 2022	Department of International Trade, Dahan Institute of Technology	-

Note 1: The Company is 100%-owned by Taiwan Financial Holding Co., Ltd.

Note 2: None of the Company's President, Vice Presidents and department heads holds concurrent duty in other companies.

Note 3: None of the Company's President, Vice Presidents, and department heads is a spouse or second-degree relative or closer to any other managers.

Group photo of Chairperson Chih-Hung Chang (1st from the left) and President Chi-Sheng Liu (1st from the right) with FSC Chairperson Jin-Lung



Peng during the award ceremony of the 2024 Excellence Insurance Awards.

II. Compensation to Directors, Supervisors, General Manager, and Vice Presidents in the Latest Year

1. Compensation to non-independent directors and independent directors (separate disclosure of name and compensation) Unit: NTS 1,000; %

Title	Name	Directors' compensation								Sum of A, B, C, and D as a percentage of net income	Compensation received as employee								Sum of A, B, C, D, E, F, and G as a percentage of net income	Compensation from parent company or business investments other than subsidiaries						
		Benefits (A)		Severance pay and pension (B)		Director remuneration (C)		Fees for services rendered (D)			Salary, bonus and special allowance (E)		Severance pay and pension (F)		Employee remuneration (G)											
		The Company	All companies included in consolidated statements	The Company	All companies included in consolidated statements	The Company	All companies included in consolidated statements	The Company	All companies included in consolidated statements		The Company	All companies included in consolidated statements	The Company	All companies included in consolidated statements	The Company		All companies included in consolidated statements				The Company	All companies included in consolidated statements				
Chairperson	Chih-Hung Chang	-	-	-	-	-	-	0	-	-	-	2,318	-	186	-	-	-	-	-	-	-	-	-	-	-	None
Director	Chi-Sheng Liu	-	-	-	-	-	-	0	-	-	-	2,533	-	180	-	-	-	-	-	-	-	-	-	-	-	None
Independent Director	Shun-Shan Yeh	-	-	-	-	-	-	360	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Independent Director	Fang-Chi Lin	-	-	-	-	-	-	330	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Independent Director	Chiung-Feng Ko	-	-	-	-	-	-	360	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Director	Che-Chun Lin	-	-	-	-	-	-	240	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Director	Hui-Yun Hsia	-	-	-	-	-	-	102	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	None
Worker Director	Tzong-Cheng Lu	-	-	-	-	-	-	0	-	-	-	1,301	-	51	-	-	-	-	-	-	-	-	-	-	-	None



Title	Name	Directors' compensation						Sum of A, B, C, and D as a percentage of net income	Compensation received as employee						Sum of A, B, C, D, E, F, and G as a percentage of net income	Compensation from parent company or business investments other than subsidiaries						
		Benefits (A)		Severance pay and pension (B)		Director remuneration (C)			Fees for services rendered (D)		Salary, bonus and special allowance (E)		Severance pay and pension (F)				Employee remuneration (G)					
		All companies included in consolidated statements		All companies included in consolidated statements		All companies included in consolidated statements			All companies included in consolidated statements		All companies included in consolidated statements		All companies included in consolidated statements				The Company		All companies included in consolidated statements		All companies included in consolidated statements	
The Company		The Company		The Company		The Company		The Company		The Company		The Company		Cash	Stock	Cash	Stock	The Company		All companies included in consolidated statements		
Worker Director	Hsiu-Hsia Tsai	-	-	-	-	-	-	0	-	-	940	-	38	-	-	-	-	-	-	-	-	None

Note 1: The Company reported net income after taxes of NT\$1,631,727 thousand for 2024.

Note 2: Compensation for independent directors was determined according to Correspondence No. Tai-Cai-Ku-09703504640 issued by the Ministry of Finance on March 10, 2008.

Note 3: Following the adjustment of basic wage on January 1, 2024, the threshold above which supplementary insurance premiums are to be withheld has been revised to NT\$27,470 for Independent Director Fang-Chi Lin.

Note 4: Severance pay and pension (F) is an estimated figure that has been allocated for the given role or department, and does not represent the actual amount received.



2. Compensation to the President and vice presidents

Unit: NTS 1,000; %

Title	Name	Salary (A)		Severance pay and pension (B)		Bonus and special allowance (C)		Employee remuneration (D)				Sum of A, B, C, and D as a percentage of net income (%)		Compensation from parent company or business investments other than subsidiaries
		The Company	All companies included in consolidated statements	The Company	All companies included in consolidated statements	The Company	All companies included in consolidated statements	The Company		All companies included in consolidated statements		The Company	All companies included in consolidated statements	
								Cash	Stock	Cash	Stock			
President	Chi-Sheng Liu	2,143	-	180	-	390	-	-	-	-	-	-	-	None
Vice President	Hong-Jye Chen	1,714	-	262	-	295	-	-	-	-	-	-	-	None
Vice President	Yang-Rong Lin	1,426	-	216	-	0	-	-	-	-	-	-	-	None
Chief Internal Auditor	Shwu-Huey Wu	1,713	-	262	-	292	-	-	-	-	-	-	-	None
Chief Compliance Officer	Hsiu-Lan Ho	1,717	-	262	-	294	-	-	-	-	-	-	-	None

Note: Severance pay and pension (B) is an estimated figure that has been allocated for the given role or department, and does not represent the actual amount received.

3. Amount of compensation paid in the last 2 years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, President, and Vice Presidents, and their respective percentages to standalone or separate net income, as well as the policies, standards, and packages by which they were paid, the procedures through which compensations were determined, and their association with business performance and future risks

The Company is a subsidiary of Taiwan Financial Holding Co., Ltd. (which is 100%-owned by the Ministry of Finance). Compensation standards for Directors, the President, and Vice Presidents are governed by policies of the Executive Yuan and the Ministry of Finance, hence not applicable.



III. Implementation of Corporate Governance

1. Activities of the board of directors

(1) A total of 12 meetings (A) were held in 2024; below are directors' and supervisors' attendance records:

Title	Name	No. of in-person attendance (B)	No. of proxy attendance	In-person attendance rate (%) [B/A]	Remarks
Chairperson	Chih-Hung Chang	12	0	100%	
Director	Chi-Sheng Liu	12	0	100%	
Independent Director	Shun-Shan Yeh	12	0	100%	
Independent Director	Fang-Chi Lin	12	0	100%	
Independent Director	Chiung-Feng Ko	12	0	100%	
Director	Che-Chun Lin	10	2	83.33%	
Director	Hui-Yun Hsia	11	1	91.67%	
Director	Tzong-Cheng Lu	12	0	100%	
Director	Hsiu-Hsia Tsai	12	0	100%	

(2) Other mentionable items:

- A. Disclosures required by Article 14-3 of the Securities and Exchange Act and any documented opposition or reservations made by independent directors against board of directors' resolutions; state the date and details of the resolution, the meeting session, the independent directors' opinions and how the Company has responded: None.
- B. Avoidance of conflicting-interest motions by directors:

Date of meeting	Name of director	Motion details	Reasons for recusal	Participation in the voting process
January 18, 2024	Shun-Shan Yeh	Madam Ai-Ru Shao, former Independent Director of the Company, had resigned; Taiwan Financial Holdings then reappointed Mr. Shun-Shan Yeh (see Attachment 2) to succeed as new independent director. The motion was to give Independent Director Yeh the approval to continue existing concurrent duties.	The director in question had voluntarily recused because the motion concerned personal interest.	No participation in discussions.
October 25, 2024	Hui-Yun Hsia	Proposal to engage Bank of Taiwan for various services needed for IT operations in 2025.	The director in question had voluntarily recused because the motion concerned personal interest.	No participation in discussions.
December 19, 2024	Hui-Yun Hsia	Proposal to offer 2025 product promotion incentives to the bancassurance (including securities) channel to further improve sale of special term life insurance, NTD whole-life insurance, health insurance, omnibus insurance, and USD insurance.	The director in question had voluntarily recused because the motion concerned personal interest.	No participation in discussions.

- C. Cycle, duration, scope, method, and detail of board performance self (peer) evaluation: Not applicable as the Company is not listed on TWSE or TPEX.
- D. Enhancements to the functionality of board of directors in the current and most recent year, and progress of such enhancements:
- a. Amendments have been made to the Company's Articles of Incorporation, organizational rules, Rules of Procedure for Board of Directors Meetings, Corporate Governance Best-Practice Principles, and Ethical Corporate Management Best Practice Principles to align with regulatory amendments of the authority.
 - b. The Company has assembled an Audit Committee that comprises the entirety of independent directors. The authority, conference rules, and other compliance matters relating to the Audit Committee are governed by relevant laws and the Company's "Audit Committee Charter."
 - c. The Company has appointed a corporate governance officer to oversee corporate governance-related affairs and to assist directors in various duties.
 - d. All directors have completed the required hours of training according to policy, and undergo courses on anti-money laundering, corporate governance, fair customer treatment, internal audit, internal control etc. to improve supervisory and management performance of the board of directors.

2. Activities of the Audit Committee

A total of 12 meetings (A) were held in 2024; below are directors' and supervisors' attendance records:

Title	Name	No. of in-person attendance (B)	No. of proxy attendance	In-person attendance rate (%) [B/A]	Remarks
Committee member	Chiung-Feng Ko	12	0	100%	
Committee member	Fang-Chi Lin	12	0	100%	
Committee member	Shun-Shan Yeh	12	0	100%	



(1) Reservations or key recommendations, the Audit Committee's resolution, and how the Company has responded to Audit Committee's opinions.

A. Circumstances referred to in Article 14-5 of Securities and Exchange Act:

Date (session)	Motion details	Resolution
January 18, 2024 Discussion for the 5th meeting of the 2nd committee	Madam Ai-Ru Shao, former Independent Director of the Company, had resigned; Taiwan Financial Holdings then reappointed Mr. Shun-Shan Yeh (see Attachment 2) to succeed as new independent director. Proposal to give Independent Director Yeh the approval to continue existing concurrent duties.	3 of the 3 Audit Committee members were present; except for Independent Director Shun-Shan Yeh who had recused according to policy, the motion was unanimously approved and passed by the remaining attendees, and has been presented to the board of directors according to procedures.
January 18, 2024 Discussion for the 5th meeting of the 2nd committee	Proposal to sell "An Sin Chuan Jia Interest Sensitive Whole Life Insurance (Installments)" and "New Jin An Sin Hospital Indemnity Health Rider" to Chang Hwa Bank Ltd., a stakeholder of the financial group, for which a copy of the "Supplementary Provisions to Insurance Solicitation Agreement" (draft) has been furnished. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
January 18, 2024 Discussion for the 5th meeting of the 2nd committee	Proposal to participate in the NT\$30-billion syndicated loan of AU Optronics Corporation (AUO) jointly organized by First Commercial Bank, Bank of Taiwan, and other financial institutions for additional loan income. The tenor of the loan is 5 years, and the Company plans to take a participating sum of NT\$1.5 billion (the final participating sum will be determined by the lead arrangers). The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
January 18, 2024 Discussion for the 5th meeting of the 2nd committee	Presentation of amendments to Article 10 of the Company's Lending Guidelines (referred to as the Guidelines below), along with explanations, comparisons, and terms of the existing guidelines for review.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
February 20, 2024 Report for the 6th meeting of the 2nd committee	Presentation of compliance report for the second half of 2023.	Acknowledged and presented to the board of directors according to procedures.
February 20, 2024 Report for the 6th meeting of the 2nd committee	Presentation of Anti-money laundering and counter terrorism financing report for the second half of 2023.	Acknowledged and presented to the board of directors according to procedures.
February 20, 2024 Report for the 6th meeting of the 2nd committee	Presentation of audit report for the second half of 2023.	Acknowledged and presented to the board of directors according to procedures.
February 20, 2024 Discussion for the 6th meeting of the 2nd committee	Presentation of the Company's 2023 "Statement on Internal Control" and Appendix - "Areas Requiring Enhancement and Improvement Plan for Internal Control System."	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
March 12, 2024 Report for the 7th meeting of the 2nd committee	Presentation of 2024 CPA independence and suitability assessment outcomes.	Acknowledged and presented to the board of directors according to procedures.

Date (session)	Motion details	Resolution
March 12, 2024 Discussion for the 7th meeting of the 2nd committee	Presentation of the Company's financial statements audited by KPMG Taiwan, along with business report and earnings allocation statement, for 2023 (from January 1 to December 31, 2023).	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
March 12, 2024 Discussion for the 7th meeting of the 2nd committee	The Company completed price negotiation with "KPMG Taiwan" for the purchase of "2024 Financial, Taxation, and Internal Control System Auditing Service" on February 5, 2024. Proposal to seek the committee's approval and present to the board of directors afterwards, and to engage the firm for auditing and certification according to the outcomes of the negotiation. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
March 12, 2024 Discussion for the 7th meeting of the 2nd committee	The Company's "Decreasing Term Insurance (109A)" now offers new 35-year and 40-year options. Proposal to sell the product to "Land Bank of Taiwan Co., Ltd.," a stakeholder of the financial group, and to sign a new "Product Launch Agreement" (draft). The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
March 12, 2024 Discussion for the 7th meeting of the 2nd committee	Proposal to renew "liability insurance for directors, supervisors, and key staff" with "Chung Kuo Insurance Co., Ltd.," a stakeholder of the financial holding group.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
March 12, 2024 Discussion for the 7th meeting of the 2nd committee	Proposal to forgo amendment to the Company's "Investment Policy," "Derivative Trading and Risk Management Policy," and "Derivative Trading and Risk Management Procedures" upon review.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
March 12, 2024 Discussion for the 7th meeting of the 2nd committee	Presentation of draft amendments to "Bank Taiwan Life Insurance Whistleblower Policy," along with explanations, comparison of proposed amendments, and terms of the existing policy for review.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
March 12, 2024 Discussion for the 7th meeting of the 2nd committee	Presentation of the Company's 2023 "Statement on Internal Control for Anti-money Laundering and Counter Terrorism Financing."	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
March 12, 2024 Discussion for the 7th meeting of the 2nd committee	Proposal to request the parent company - Taiwan Financial Holdings to allocate NT\$10 billion of budget in 2025 and invest into the Company for connection with new standards, compliance with supervision, and support of business continuity. A copy of Bank Taiwan Life Insurance 2025 Cash Issue Draft Plan has been furnished. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
April 26, 2024 Report for the 8th meeting of the 2nd committee	Presentation of the Company's financial statements reviewed by KPMG Taiwan for the first quarter of 2024 (from January 1 to March 31, 2024).	Acknowledged and presented to the board of directors according to procedures.
April 26, 2024 Discussion for the 8th meeting of the 2nd committee	Presentation of draft amendments to Article 3 of the Company's "Policy on Management of Stakeholders Lending," along with explanations, comparisons, and terms of the existing policy for review.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
April 26, 2024 Discussion for the 8th meeting of the 2nd committee	Presentation of draft amendments to "Bank Taiwan Life Insurance Co., Ltd. Audit Committee Charter," along with explanations, comparisons, and terms of the existing charter for review.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.



Date (session)	Motion details	Resolution
May 16, 2024 Discussion for the 9th meeting of the 2nd committee	Proposal to sell "Jing Hao Bao Insurance" to Chang Hwa Bank Ltd., a stakeholder of the financial group, for which a copy of the "Supplementary Provisions to Insurance Solicitation Agreement" (draft) has been furnished. The motion is hereby presented for discussion. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
May 16, 2024 Discussion for the 9th meeting of the 2nd committee	Proposal to sell "Yong Fu Interest Sensitive Annuity Insurance," "New YuHuo-RenSheng Long Term Care Health Insurance," and "Jing Hao Bao Insurance" through "Land Bank of Taiwan Co., Ltd.," a stakeholder of the financial group. "Product Launch Agreements" (Draft) for each of the products have been furnished. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
May 16, 2024 Discussion for the 9th meeting of the 2nd committee	Proposal to trade the real estate investment trust beneficiary securities (REITs) currently held in trust by Land Bank of Taiwan (namely: Land Bank-Fubon #1, Land Bank-Cathay #1, and Land Bank-Fubon #2) for additional yields and greater flexibility on capital utilization. Once the Audit Committee has approved, a proposal will be raised to have the board of directors authorize a sum and range within which the Company's Capital Utilization Decision Panel may trade at its discretion. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
June 20, 2024 Discussion for the 10th meeting of the 2nd committee	Proposal to amend the Company's "Guidelines on the Scope and Content of Investable Domestic Securities."	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
June 20, 2024 Discussion for the 10th meeting of the 2nd committee	Proposal to reappoint Gine-Shun Van as manager of Finance Department for the promotion of business activities and for job rotation.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
July 18, 2024 Discussion for the 11th meeting of the 2nd committee	Presentation of draft amendments to Article 4 of "Bank Taiwan Life Insurance Co., Ltd. Internal Control System" for review.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
July 18, 2024 Discussion for the 11th meeting of the 2nd committee	With regards to the request of "Bank Taiwan Life Insurance Neihu Technology Building" to combine two parking lots into one accessible parking lot, Taipei City Zhongshan Land Office (referred to as Zhongshan Land Office below) later made a correction to the floor area that caused the Company to incur losses. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
August 15, 2024 Report for the 12th meeting of the 2nd committee	Presentation of compliance report for the first half of 2024.	Acknowledged and presented to the board of directors according to procedures.
August 15, 2024 Report for the 12th meeting of the 2nd committee	Presentation of Anti-money laundering and counter terrorism financing report for the first half of 2024.	Acknowledged and presented to the board of directors according to procedures.
August 15, 2024 Report for the 12th meeting of the 2nd committee	Presentation of audit task report for the first half of 2024.	Acknowledged and presented to the board of directors according to procedures.
August 15, 2024 Discussion for the 12th meeting of the 2nd committee	Presentation of the Company's financial statements audited by KPMG Taiwan for the first half of 2024 (from January 1 to June 30, 2024).	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.



Date (session)	Motion details	Resolution
August 15, 2024 Discussion for the 12th meeting of the 2nd committee	With regards to the Company's participation in the NT\$4.6-billion syndicated loan of E-Da Development Corp. (referred to as E-Da below) arranged by Bank of Taiwan, E-Da has submitted a request to the banking syndicate to be exempted from review of financial covenants for 2023 and to change the terms of the loan agreement. Proposal to approve the borrower's request. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
September 19, 2024 Discussion for the 13th meeting of the 2nd committee	Proposal to make partial amendments to the Company's "Guidelines on the Scope and Content of Investable Domestic Securities" in response to changes in external regulations.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
September 19, 2024 Discussion for the 13th meeting of the 2nd committee	Proposal to dismiss the current certifying actuary on September 19, 2024 and appoint Pei-Chun Wang as the Company's certifying actuary.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
September 19, 2024 Discussion for the 13th meeting of the 2nd committee	Proposal to dismiss the current certifying actuary on September 19, 2024 and appoint Pei-Chun Wang as the Company's certifying actuary.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
October 25, 2024 Report for the 14th meeting of the 2nd committee	Presentation of the Company's financial statements reviewed by KPMG Taiwan from the first quarter to the third quarter of 2024 (from January 1 to September 30, 2024).	Acknowledged and presented to the board of directors according to procedures.
October 25, 2024 Discussion for the 14th meeting of the 2nd committee	Proposal to engage Bank of Taiwan for various services needed for IT operations in 2025.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
October 25, 2024 Discussion for the 14th meeting of the 2nd committee	Proposal to sell "Jin Mei Wang USD Interest Sensitive Whole Life Insurance (Installments)" through "Chang Hwa Bank Ltd." (CHB), a stakeholder of the financial group, for which a copy of the "Supplementary Provisions to Insurance Solicitation Agreement" (draft) has been furnished as Attachment 1. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
November 20, 2024 Discussion for the 15th meeting of the 2nd committee	Proposal to sell "Jin Mei Wang USD Interest Sensitive Whole Life Insurance (Installments)" through "Chang Hwa Bank Ltd." (CHB), a stakeholder of the financial group, for additional premium revenues, for which a copy of the "Supplementary Provisions to Insurance Solicitation Agreement" (draft) has been furnished as Attachment 1. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
December 19, 2024 Discussion for the 16th meeting of the 2nd committee	Proposal to offer 2025 product promotion incentives (referred to as the Incentives below) to the bancassurance (including securities) channel to further improve sale of special term life insurance, NTD whole-life insurance, health insurance, omnibus insurance, and USD insurance. The motion is hereby presented for discussion.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.
December 19, 2024 Discussion for the 16th meeting of the 2nd committee	Presentation of "Bank Taiwan Life Insurance Co., Ltd. 2025 Audit Plan (Draft)" for review.	Unanimously approved and passed by attending members, and has been presented to the board of directors according to procedures.

B. Other than those described above, any resolutions unsupported by the Audit Committee but passed by more than two-thirds of directors: None.



- (2) **Avoidance of involvement in conflicting-interest motions by independent directors; state the names of independent directors, the motion, the nature of conflicting interests, and participation in voting: None.**
- (3) **Communication between Independent Directors, the Chief Auditor (Head of Internal Audit) and the Certified Public Accountant (including material matters, means and outcomes of communications regarding the Company's financial and operational status).**
- A. Pursuant to Paragraph 1, Article 11 of Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises, the chief auditor is required to report its audit business to the board of directors and supervisors or audit committee at least semiannually. The Company reported to the Audit Committee on February 20, 2024 and August 15, 2024, respectively.
 - B. Pursuant to Article 19, Paragraph 4 of the aforementioned Regulations, the Company delivered the audit plan for the following fiscal year in writing to the Audit Committee for review, and submitted the same to the Audit Committee on December 19, 2024.
 - C. Pursuant to Article 20, Paragraph 1 of the aforementioned Regulations, the internal audit unit continuously followed up on the status of improvements made by respective units regarding examination opinions or deficiencies identified by the competent authority, accountants, internal audit units (including the internal audit unit of the parent financial holding company) and self-check personnel, as well as items requiring further improvement enumerated in the statement on internal control, and provided written follow-up reports to the Audit Committee for review.
 - D. Pursuant to Article 20, Paragraph 2 of the aforementioned Regulations, internal audit reports were provided to the Audit Committee for review.
 - E. Pursuant to Article 3, Paragraph 5 of the Corporate Governance Best Practice Principles, responsible persons (including directors and supervisors) periodically hold discussions with internal auditors regarding reviews of deficiencies in the internal control system and keep records thereof. The Company held a meeting between responsible persons and internal audit personnel on May 16, 2024, prepared meeting minutes, and submitted the same to the Board of Directors at its June 2024 meeting.



3. Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Assess criteria	Current practices		Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies	
	Yes	No		Summary Description
1. Has the Company established and disclosed its corporate governance principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?		✓	The Company is not listed on TWSE or TPEX.	The Company observes Corporate Governance Best-Practice Principles for Insurance Enterprises.
2. Shareholding structure and shareholders' interests				
(1) Has the Company implemented a set of internal procedures to handle shareholders' suggestions, queries, disputes, and litigations?	✓		The Company currently has only one institutional shareholder, namely Taiwan Financial Holding Co., Ltd. (which is 100%-owned by the Ministry of Finance). The Company pays attention to all of shareholder's suggestions and has not encountered any dispute.	The Company observes Corporate Governance Best-Practice Principles for Insurance Enterprises.
(2) Is the Company constantly informed of the identities of its major shareholders and the ultimate controller?	✓		The Company is a subsidiary of the state-owned enterprise - Taiwan Financial Holding Co., Ltd.	
(3) Has the Company established and implemented risk management practices and firewalls for companies it is affiliated with?	✓		The Company handles business dealings with affiliated enterprises in compliance with the Insurance Act, rules of the authority, and its own internal control policies.	
(4) Has the Company established internal policies that prevent insiders from trading securities against non-public information?	✓		The Company has implemented internal ethics guidelines and codes of conduct for investment personnel that prohibit them from accepting bribe of any form and engaging in insider trading, whether for own gain or gains of others.	
3. Composition and responsibilities of board of directors				
(1) Does the board of directors have a diversity policy and management goals on the composition of board members that are duly enforced?	✓		The Company has 9 director seats, for which the state-owned parent company - Taiwan Financial Holding Co., Ltd. appoints persons of adequate expertise, knowledge, and academic accomplishments to serve as representatives. Three of the above seats are independent directors, which are undertaken by scholars of relevant expertise such as insurance and finance. The independent directors have been capable of exercising authority and performing duties in an independent, objective, and professional manner.	The Company observes Corporate Governance Best-Practice Principles for Insurance Enterprises.
(2) Apart from the Remuneration Committee and Audit Committee, has the Company assembled other functional committees at its own discretion?	✓		The Company is a state-owned life insurance company that is 100%-owned by the Ministry of Finance. Compensation standards for directors and staff have been determined according to relevant rules stipulated by the Executive Yuan and the Ministry of Finance; for this reason, the Company has not assembled a Remuneration Committee. An Audit Committee has been assembled since May 28, 2020.	
(3) Has the Company established a set of policies and assessment tools for evaluating board performance, and	✓		The Company is the only state-owned life insurance company in Taiwan. Performance of the board of directors and individual directors is evaluated according to	



Assess criteria	Current practices		Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	
<p>conducted performance evaluation on a yearly basis? Are performance evaluation results reported to the board of directors and used as reference for compensation and nomination decisions?</p> <p>(4) Are external auditors' independence assessed on a regular basis?</p>	✓		<p>"Directions for Appointment by the Ministry of Finance of Responsible Persons, Managerial Officers, Directors, and Supervisors at Public and Private Enterprises." Additionally, the board of directors are subjected to annual self-assessments and peer assessments according to "Corporate Governance Best-Practice Principles for Insurance Enterprises."</p> <p>The Company observes Paragraph 5, Article 30 of Corporate Governance Best-Practice Principles for Insurance Enterprises and evaluates CPAs' independence and suitability on a yearly basis. Outcomes of the evaluation are presented to the Audit Committee for review and to the board of directors for resolution. CPAs are appointed once the National Audit Office has approved and acknowledged the Company's request.</p>
<p>4. Has the TWSE/TPEX listed company allocated adequate number of competent corporate governance staff and appointed a corporate governance officer to oversee corporate governance affairs (including but not limited to providing directors/supervisors with the information needed to perform their duties, assisting directors/supervisors with compliance issues, convention of board meetings and shareholder meetings, and preparation of board/shareholder meeting minutes)?</p>	✓		<p>The Company is not listed on TWSE or TPEX.</p> <p>The Company has one corporate governance officer and 4 corporate governance personnel. Appointment of the corporate governance officer was resolved and passed during the 33rd meeting of the 4th board of directors on June 20, 2019 and the 5th meeting of the 6th board of directors on December 21, 2023.</p> <p>Furthermore, the Company has "Bank Taiwan Life Insurance Co., Ltd. Corporate Governance Best-Practice Principles" in place that outline corporate governance-related matters; these principles have been implemented with board of directors' resolution to guide compliance.</p> <p>The Company observes Corporate Governance Best-Practice Principles for Insurance Enterprises.</p>
<p>5. Has the Company provided proper communication channels and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders (including but not limited to shareholders, employees, customers and suppliers)?</p>	✓		<p>The Company has set up a grievance/suggestion mailbox on its website along with a toll-free customer service hotline and diverse contact methods to communicate with stakeholders. Furthermore, a Chairperson's mailbox, a President's mailbox, and a Message Exchange section has been created on the Intranet to be used as means for employees to raise suggestions.</p> <p>The Company observes Corporate Governance Best-Practice Principles for Insurance Enterprises.</p>
<p>6. Does the Company engage a stock transfer agent to handle shareholder meeting affairs?</p>		✓	<p>The Company has only one institutional shareholder and does not require a stock transfer agent.</p> <p>The Company observes Corporate Governance Best-Practice Principles for Insurance Enterprises.</p>
<p>7. Information Disclosure</p> <p>(1) Has the Company established a website that discloses financial, business, and corporate governance-related information?</p> <p>(2) Has the Company adopted other means to disclose information (e.g. English website,</p>	✓	✓	<p>The Company regularly discloses finance, business, and corporate governance information over its website (URL: https://www.twfhlife.com.tw).</p> <p>Being a public company, Bank Taiwan Life Insurance has assigned dedicated personnel to disclose material</p> <p>The Company observes Corporate Governance Best-Practice Principles for Insurance Enterprises.</p>

Assess criteria	Current practices		Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	
<p>assignment of dedicated personnel to collect and disclose corporate information, implementation of a spokesperson system, and broadcasting of investor conferences via the Company website)?</p> <p>(3) Does the Company publish and make official filing of annual financial report within two months after the end of an accounting period, and publish/file Q1, Q2 and Q3 financial reports along with monthly business performance before the required due dates?</p>		<p>✓</p> <p>The Company observes Article 36 of Regulations Governing the Preparation of Financial Reports by Insurance Enterprises and FSC's List of Mandatory Announcements or Reports to FSC by Public Companies by announcing and filing: annual reports within 75 days after the end of a financial year, first-half financial reports within 2 months after the end of a half-year, Q1 and Q3 financial reports within 45 days after the end of Q1 and Q3, and monthly business results.</p>	
<p>8. Does the Company have other information that enables a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' interests, continuing education of directors/supervisors, implementation of risk management policies and risk measurements, implementation of customer policy, and liability insurance for directors and supervisors)?</p>	<p>✓</p>	<p>Being a state-owned insurance company, the Company strictly observes the Labor Standards Act and relevant labor regulations as well as rules of the authority for all matters concerning employees' rights.</p> <p>Directors' continuing education: The Company shares information with directors on continuing courses related to corporate governance, laws, finance, and accounting from time to time, and makes arrangements for them to attend according to rules and willingness.</p> <p>Directors' attendance at board meetings: All of the Company's directors attend board meetings according to the "Articles of Incorporation," "Rules of Procedure for Board of Directors Meetings," and "Independent Director Responsibility Rules." Attendance records are submitted to Taiwan Financial Holdings on a yearly basis and used as reference for service renewal.</p> <p>The Company purchases liability insurance for all its directors.</p> <p>Directors have recused from discussing and voting on motions that concern their personal interest in a manner that conforms to the Company's Rules of Procedure for Board of Directors Meetings.</p>	<p>The Company observes Corporate Governance Best-Practice Principles for Insurance Enterprises.</p>
<p>9. Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center, and propose enhancement measures for any issues that are yet to be rectified. (Not required if the Company is not one of the evaluated subjects)</p> <p>The Company was not one of the evaluated subjects.</p>			

4. Composition and functioning of remuneration committee or nomination committee:

The Company has assembled neither of the two committees.



Chairperson Chih-Hung Chang (back row, 2nd from left) led employees to the 2024 Faith, Hope, and Love Award event.

5. Sustainable development practices; deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

(1) Progress

Actions	Progress			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
1. Has the Company implemented a governance framework that supports sustainable development, and designated a unit that specializes (or is involved) in the promotion of sustainable development? Is the unit empowered by the board of directors and run by senior management, and how does the board supervise progress?	✓		<p>The Company assembled an ESG Committee with approval from the board of directors on April 29, 2021. The ESG Committee is chaired by the Chairperson, and is supported by task forces comprising representatives from different departments and offices that specialize in issues such as environmental sustainability, social engagement, corporate governance, employee care, customers' rights, and responsible finance. Through the ESG Committee, the Company brings sustainability into its business strategies and creates sustainable values to the benefit of the society, customers, employees, and shareholders.</p> <p>The committee convenes half-yearly meetings and reports progress to the board of directors on a yearly basis. Progress for 2024 was reported to the board of directors on January 14, 2025.</p>	
2. Has the Company conducted risk assessment on environmental, social and corporate governance issues that are relevant to its operations, and implemented risk management policies or strategies based on principles of materiality?	✓		<p>The Company enhances board of directors' corporate governance capacity and adopts effective risk assessments according to its "Corporate Governance Best-Practice Principles."</p>	
3. Environment Issues				
(1) Has the Company developed an appropriate environmental management system, given its distinctive characteristics?	✓		<p>The Company has established cleaning and maintenance contracts with service providers to support beautification and maintenance of the environment. The Company follows the Executive Yuan's "Energy Conservation Project for Governmental and Educational Institutions" and places emphasis on promoting energy conservation measures.</p>	The Company is not listed on TWSE or TPEX.
(2) Is the Company committed to achieving efficient use of resources, and using renewable materials that produce less impact on the environment?	✓		<p>The Company supports the Ministry of Finance's "Green Purchase Promotion Plan" by prioritizing purchase of Green Mark-certified eco-friendly products, and achieved an attainment rate above the 95% target. Additionally, the Company follows its energy conservation plan by replacing outdated, energy-intensive lighting equipment and air conditioners, which helps lessen burden to the environment.</p>	
(3) Does the Company assess potential risks and opportunities associated with climate change, and undertake measures in response to climate issues?	✓		<p>The Company assesses risk of climate change and proposes appropriate responses. From an investment perspective, for example, the Company evaluates whether its investees have duly observed rules on environmental protection, business integrity, and social responsibility; from a business perspective, the Company has made plans to integrate its online service system and policyholder service system into an all-in-one e-commerce platform, and is committing resources into the development of additional protection-oriented products; and in terms of energy and carbon reduction, the Company makes green purchases in accordance with "Regulations for Priority Procurement of Eco- Products" and supports the "Energy Conservation Project for Governmental and Educational Institutions" by conducting regular reviews on power and paper usage.</p>	The Company operates in the insurance industry and manages climate change risks according to rules that are relevant to the insurance industry.

Actions	Progress		Summary Description	Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No		
(4) Does the Company maintain statistics on greenhouse gas emission, water usage, and total waste volume in the last two years, and implement policies aimed at reducing energy, carbon, greenhouse gas, water, and waste?	✓		<p>The Company assesses climate change risks using a combination of qualitative and quantitative methods. Physical risk and transition risk scenarios have been developed to gain insight into how climate change risks affect the Company's financial and business performance, so that response measures can be proposed for risk measures that are of material impact.</p> <p>To ensure compliance with "Climate Risk and Financial Disclosure Guidelines for Insurance Industry," the Company implemented "Bank Taiwan Life Insurance Co., Ltd. Guidelines on Climate-related Financial Disclosures and Risk Management" in the end of 2022 and has been updating climate risk management progress onto its website before the end of June each year since 2022. Climate risk-related indicators and goals have also been set up for regular monitoring.</p> <p>The Company has been conducting greenhouse gas surveys and calculating emissions on a yearly basis since 2022. In 2024, the Company adopted science-based targets and set reduction goals up to 2030. The Company also supports "Energy Efficiency Enhancement Project for Governmental and Educational Institutions" and green purchase policies of the government by implementing measures that aim to reduce the harm of greenhouse gas and carbon emissions.</p>	
<p>4. Social issues</p> <p>(1) Has the Company developed its policies and procedures in accordance with laws and International Bill of Human Rights?</p> <p>(2) Has the Company developed and implemented reasonable employee welfare measures (including compensation, leave of absence and other benefits), and appropriately reflected business performance or outcome in employees' compensations?</p> <p>(3) Does the Company provide employees with a safe and healthy work environment and regularly provide safety and</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>As a state-owned insurance service provider, the Company complies with the Labor Standards Act and civil servant-related regulations for any matter concerning employees' term of employment, compensation, retirement/severance pay, insurance etc. Decisions that concern employees' promotion, job rotation, reward, or discipline and any amendment to the internal personnel policy are carried out after communicating with the union, which therefore protects employees' interests.</p> <p>Employees of the Company are compensated according to "Guidelines on Personnel Recruitment and Compensation for Subordinates of the Ministry of Finance," whereas individual and business performance bonus are paid according to "Regulations on Personnel Evaluation for Financial and Insurance Subordinates of the Ministry of Finance" and "Implementation Guidelines on Business Performance Bonus for Subordinates of the Ministry of Finance." Following the latest amendments to labor regulations, employees may choose to adopt the Labor Standards Act or the Civil Servants Leave of Absence Rules when taking leave, whichever clause that works in their favor. Furthermore, employees are entitled to receive subsidies when taking leave, undergoing health checkup, and enrolling for tertiary, foreign language, and computer studies. The Company has established an Employee Welfare Committee and makes welfare contributions as required by laws to support various welfare measures.</p> <p>The Company has devised an "Ergonomic Hazard Prevention Plan," a "Prevention Plan against Abnormal Workload-induced Illness," and a "Prevention Plan against Workplace Abuse" that are duly enforced to protect the physical and mental health of employees. The Company</p>	The Company is not listed on TWSE or TPEX.



Actions	Progress		Summary Description	Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No		
health education to employees?			complies with Subparagraph 5, Paragraph 1, Article 19 of "Occupational Safety and Health Education and Training Rules," which requires general employees to undergo at least 3 hours of on-job occupational safety and health training every three years.	
(4) Has the Company implemented an effective training program that helps employees develop skills over their career?	✓		The Company devises training plans on a yearly basis to support its growth plan and business requirements of each department. These plans are implemented with board of directors' acknowledgment to ensure effective talent training and improvement of professional knowledge.	
(5) Has the Company complied with laws and international standards with respect to customers' health, safety, and privacy, marketing and labeling in all products and services offered, and implemented consumer/customer protection policies and complaint procedures?	✓		<p>The Company follows "Self-regulatory Rules on Business Solicitation and Advertising for Insurance Companies" for all matters concerning product and service; and abides by Self-regulatory Rules on Business Solicitation and Advertising for Insurance Companies, the Personal Data Protection Act, and relevant regulations with respect to product/service impact on customers' health and safety, customers' privacy, marketing, and labeling.</p> <p>To ensure compliance with financial consumer protection laws, the Company duly observes the Financial Consumer Protection Act, the Personal Data Protection Act, and relevant regulations for all of its insurance business activities. Customers' data and identity are rigorously verified and protected from leaking for the protection of policyholders' interest.</p> <p>Service-related information and any information that is material to the interests of policyholders of Bank Taiwan Life Insurance Co., Ltd. are fully disclosed and accessible by policyholders over the Company's website.</p> <p>The Company has developed a set of Bank Taiwan Life Insurance Co., Ltd. Consumer Dispute Resolution Policy in accordance with the Financial Consumer Protection Act and the Insurance Act. The policy outlines internal procedures on the acceptance, handling, tracking, and reporting of dispute, which policyholders can make use of to protect their interests.</p> <p>Furthermore, the Company observes the Personal Data Protection Act, Bank Taiwan Life Insurance Co., Ltd. Website Privacy Protection Statement, and Taiwan Financial Holding Co., Ltd. and Subsidiaries Customer Data Confidentiality Measures to ensure tight control and protection of policyholders' data privacy.</p> <p>Driven by the mission to "serve customers fairly and with compassion," the Company has implemented "0800 toll-free service hotline and policyholder service e-mail" and assigned dedicated personnel to handle customers' inquiries.</p> <p>All business practices have been carried out in compliance with relevant laws, and the ten "fair customer treatment principles" are duly enforced to protect policyholders' interest.</p>	
(6) Has the Company implemented a supplier management policy that regulates suppliers' conducts with respect to environmental protection, occupational safety and health	✓		All purchases are conducted in accordance with the Government Procurement Act. Services are the only items currently purchased by the Company. All service providers have been explicitly instructed to compensate their employees above the minimum wage, and all service agreements have been drafted based on the template provided by the Public Construction Commission. The Company also observes	



Actions	Progress		Summary Description	Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No		
or work rights/human rights issues, and tracked suppliers' performance on a regular basis?			"Taiwan Financial Holding Co., Ltd. Human Rights Policy" and "Taiwan Financial Holding Co., Ltd. Sustainable Purchase and Supplier Management Policy" for guidance on related practices.	
5. Does the Company prepare sustainability report or any report of non-financial information based on international reporting standards or guidelines? Are the abovementioned reports supported by assurance or opinion of a third-party certifier?		✓	According to Paragraph 4, Article 64 of Corporate Governance Best-Practice Principles for Insurance Enterprises, this requirement applies to: "public-listed insurance companies, life insurance companies with assets amounting to NT\$1 trillion or above in the previous financial year, and non-life insurance companies ranking top-5 in asset size..." The Company is a public company and is not required to prepare sustainability reports. The Company has set its goals in line with those of the financial group, and continues to gather data on the outcomes and progress of its ESG efforts for preparation of sustainability report at the group level.	The Company is not listed on TWSE or TPEX.
6. If the Company has established sustainability policies in accordance with "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe its current practices and any deviations from the Best Practice Principles: The Company is not listed on TWSE or TPEX and has not established its own sustainable development best practice principles. Instead, the Company follows "Corporate Governance Best-Practice Principles for Insurance Enterprises" for related matters.				
7. Other information useful to the understanding of sustainable practice: (1) The Company supports the Financial Supervisory Commission's policies to care for the financially disadvantaged, and has made significant progress in the promotion of microinsurance. Premium revenues from microinsurance totaled NT\$1.281 million in 2024, which met the Financial Supervisory Commission's targets for "Caring for People with Disabilities Award" during the "2024 Microinsurance Competition," making it the 5th consecutive year of winning the award since it was first introduced. The Company will continue to promote policies that care for the financially disadvantaged, and fulfill social responsibilities as a state-owned enterprise. (2) The Company continued to organize/support charity events in 2024; details are as follows: A. Charity campaigns: a. On January 12, 2024, the Company collaborated with Eden Social Welfare Foundation to organize the "2024 Gathering" at the foundation's Hsing Long Care Center, where volunteers of Bank Taiwan Life Insurance offered to serve meals for people with disability and to clean up after, thereby helping them indulge in the festive cuisines. The volunteers also kept the occupants company through a series of performances that the center had prepared for the occasion, giving them the feel of "home." b. On May 25, 2024, the Company and Hualien County Association for Elderly and Family Care jointly organized the "2024 Elderly Care Carnival" at Hualien Citizen Square, which encouraged elders to take part in community activities. Through this event, the organizers hoped to bring the public's attention to lone elders and underprivileged households, thereby giving them more care and support. c. In an attempt to raise breakfast money for underprivileged children while giving children of remote areas and financially challenged households an opportunity to appreciate decent arts and culture that convey positive and educational values, the Company participated in the charity performance of the 2024 children's theater show - "Come to Life" organized by World Peace Association on June 29, 2024, during which employees of Taoyuan Branch volunteered to help set up the venue, so that underprivileged children may have a wonderful time. d. To address the lack of education support in remote tribal areas, the Company sponsored Chin-Ai Music, a philanthropic performance group supported by Nantou County Government Cultural Bureau, to perform during the "Chu Ai Art Festival and Chin-Ai String Festival" held between October 5 and October 13, 2024. Through this event, the Company hoped to support education as a means to help indigenous children overcome financial disadvantage. e. In an attempt to care for patients in vegetative state and relieve challenges of family members, the Company and Genesis Social Welfare Foundation jointly organized the "2024 Charity Carnival" on October 20, 2024 to raise funds for the construction of Genesis Hualien Home, thereby supporting localized nursing service. f. On November 16, 2024, the Company supported the charity event - "2024 Multi-indigenous Ceremony and Care for Underprivileged" organized by Truku Culture, Education, and Creativity Development Association from Taoyuan City by keeping microinsurance policyholders company throughout the day and by providing the needed supplies. g. The Company collaborated with Grown-up with Hands Family of Shih Guang Educational and Nursing Institution to organize a "Year-end Progress Exhibition" in the hope of rallying more support from the society to the underprivileged, and helping slow angels at Grown-up with Hands Family grow stronger than ever.				

Actions	Progress		Summary Description	Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No		
<p>h. On the day before the International Cake Day in November, the Company organized a charity event called "Baking Party" and invited members of "Chao Hsing Foundation for Persons with Intellectual Disabilities" and "Together We Are Stronger" to take part. The baking process gave participants the opportunity to concentrate, learn, and create something unique that they can feel accomplished for.</p> <p>i. On December 24, 2024, the Chairperson led the President and employees to the "Children of the Stars" annual party jointly organized with New Taipei City Autism Potentials Development Center, where they accompanied the children through a joyful Christmas holiday.</p> <p>B. Persistent support for environmental sustainability:</p> <p>a. On March 16, 2024, the Company jointly organized a "Tree Plantation for Net Zero" event with Tainan City Government to plant native trees at Green Land No. 9 in Tainan City. By removing foreign plant species and connecting coastal conservation forests nearby, the Company hoped to expand the forest ecosystem to nurture life on a larger scale.</p> <p>b. The Company cooperated with UDN Online to organize "Plant a Tree for the Earth" event on March 20, 2024, during which a total of 15 native trees were planted at Ming Chuan University Taoyuan Campus in the name of Bank Taiwan Life Insurance. Through this tree plantation event, Bank Taiwan Life Insurance hoped to lessen carbon emission and mitigate climate change as part of its commitment to sustainable growth.</p> <p>c. On April 13, 2024, the Chairperson and President took channel partners, employees, and family members and invited occupants of Grown-up with Hands Family from Hsinchu County to the "2024 Bank Taiwan Life Insurance Coastal Cleanup" at the Fish Scale Staircase in Hsinchu Nanliao Harbor. Through this event, the Company hoped to rally more support and direct attention from more people to the marine ecosystem and environmental sustainability.</p> <p>C. Accessible finance and care:</p> <p>a. The Company participated in the "2024 Charitable Financial Service Carnival" (Tainan session) organized by Tainan City Government and Taiwan Financial Services Roundtable on June 15, 2024, during which it set up a booth and used interactive games to convey insurance, finance, and anti-scam knowledge to visitors.</p> <p>b. In 2024, the Company continued to donate one year of subscription for Risk Management, Insurance & Finance magazine to 50 senior high and vocational high schools as a way to promote financial education, brand image, and insurance knowledge in remotely located schools.</p> <p>c. In support of the 2024 World Alzheimer's Month, the Company hosted a charity seminar on the topic of dementia called "Remembrance - Introduction to Dementia and Control of Own Life" on September 14, 2024 at Wa Theater of Tainan Public Library Main Branch to raise the audience's understanding and awareness on the prevention of dementia. A service booth was created on-site to answer participants' inquiries about insurance.</p> <p>d. In July 2024, the Company introduced "Bank Taiwan Life Insurance Policyholder Child Scholarship" as a reward for policyholders' support and to encourage children's studies. Meanwhile, the Company is expanding the scope of its inclusive financial service network and scholarship program to benefit more people on a more profound level, thereby fulfill corporate social responsibilities.</p> <p>e. Out of support for the government's New Anti-scam Initiative 1.5, the Company visited Fu Hsing Kang College, National Defense University, on September 30, 2024 to give a speech on fair treatment of financial customers and anti-scam actions, and took the opportunity to raise anti-scam awareness, financial scam alert, as well as understanding of the law among military personnel, especially young people.</p> <p>f. On October 5, 2024, the Company hosted a charity seminar on "Healthy Diet and Stress-free Lifestyle" at the Renewal Garden of Chia-Yi Christian Hospital to promote healthy eating and living among the public, and an insurance inquiry booth was set up on-site to answer insurance-related inquiries. This event represented the Company's initiative to care for the society and fulfill social responsibilities through action.</p> <p>g. Out of support for government policies, the Company joined Truku Culture, Education, and Creativity Development Association from Taoyuan City to co-host an insurance seminar on October 26, 2024, during which it conveyed the proper investment mindset among indigenous people and reminded them to protect themselves against scams, thereby enforcing ESG responsibilities through action.</p> <p>h. The Company participated in the "2024 Charitable Financial Service Carnival" (Taipei session) organized by Taipei City Government and Taiwan Financial Services Roundtable on December 7, 2024, during which it hosted a "Turn Life Around" campaign to convey financial and anti-scam knowledge to the general public.</p> <p>i. In collaboration with BNP Paribas TCB Life and First Life Insurance, the three state-held life insurance companies jointly launched an online campaign called "Green Finance Know-how" in December 2024 that invited the public to take quiz for lottery chances, which effectively promoted insurance knowledge and anti-scam awareness.</p>				



(2) Climate-related actions

Aspect	Progress
1. Describe how the board of directors and the management exercise supervision and governance over climate-related risks and opportunities.	The Company provides the Risk Management Committee and the board of directors with quarterly updates on climate change management, and conducts climate risk identification as well as qualitative and quantitative assessments on a yearly basis. Outcomes of the above are included in the ORSA report. Any opportunities identified are reported to the ESG Committee and the board of directors along with climate risk management updates.
2. Describe how the climate risks and opportunities identified affect the entity's businesses, strategies, and financial position (short-term, medium-term, and long-term).	Climate risks are identified on a yearly basis. The Company has set up climate risk indicators and short-term, medium-term, and long-term goals for major risks, which are monitored on a quarterly basis. Climate opportunities have been identified in digital service, low-carbon investment, green product, and business continuity, which should have short-term, medium-term, and long-term potential financial impacts on operations, assets, liabilities, investment, and corporate governance.
3. Describe the financial impacts of extreme weather events and transition actions.	According to the outcomes of the 2024 climate risk identification exercise, the Company currently is not exposed to any high risk in terms of financial impact. However, the Company is exposed to 3 medium risks; 2 of which are transition risks, including one that concerns regulations and policies of its investment activities and one that concerns innovative technologies relevant to operations; the other one is a physical risk, which concerns the safety of business investments under extreme climate. Aside from the above there were 9 low-risk items, for which the Company has devised response measures.
4. Describe how procedures for identification, assessment, and management of climate risks are integrated into the overall risk management system.	The Company has developed its own "Climate-related Financial Disclosure and Risk Management Guidelines" based on its "Risk Management Policy" and "Risk Management Guidelines" while taking into consideration the "Climate Risk and Financial Disclosure Guidelines for Insurance Industry."
5. Where scenario analysis is used to evaluate resilience to climate change risk, describe the underlying scenarios, parameters, assumptions, factors, and key financial impacts.	The Company conducts stress testing on climate change risk using the 3 scenarios introduced by IAIS. "Too little, too late" was the only scenario that had greater impact on capital adequacy, and the risks mainly involved equity and real estate prices, for which the Company has already devised response measures.
6. Where transition plans have been made to manage climate risks, explain plan details and the indicators and goals used for the identification and management of physical risks and transition risks.	The Company has set up indicators and targets for investment positions that are exposed to high transition risk. These exposures are monitored on a quarterly basis.
7. Where internal carbon pricing is used as planning tool, explain the pricing basis.	None.
8. If climate-related goals have been implemented, explain the activities covered, the scope of greenhouse gas emission, any timeline planned, and the progress made each year. Where carbon offset or renewable energy certificate (REC) is used to accomplish the above goals, explain the source and quantity of carbon credit or the quantity of REC.	None.
9. GHG survey and assurance, reduction goals, strategies, and action plans	Refer to the chart in the following paragraph.



(3) GHG survey information

Explain GHG emission (metric tons CO₂e) and intensity (metric tons CO₂e/NT\$1 million) in the last 2 years and data coverage.

Year of report	2024			
Scope 1	Total emissions (metric tons CO ₂ e)	Intensity (metric tons CO ₂ e/NT\$1 million)(Note 2)	Assurer	Assurance (Note 3)
The Company	27.0853	0.00106105971	British Standards Institution	Certification passed
Scope 2	Total emissions (metric tons CO ₂ e)	Intensity (metric tons CO ₂ e/NT\$1 million)(Note 2)	Assurer	Assurance (Note 3)
The Company	662.4258	0.02595036168	British Standards Institution	Certification passed
Scope 3	Total emissions (metric tons CO ₂ e)	Intensity (metric tons CO ₂ e/NT\$1 million)(Note 2)	Assurer	Assurance (Note 3)
The Company	937,672.3079	36.7330733919	British Standards Institution	Certification passed

Note 1: Direct emission (Scope 1; refers to emission sources that the company owns or has control over), energy indirect emission (Scope 2; refers to GHG emissions that are generated from use of electricity, heat, or steam), and other indirect emission (Scope 3; refers to emissions generated from the company's activities that do not fall within the scope of energy indirect emission, but from emission sources owned or controlled by other companies).

Note 2: The scope of data for direct emission and energy indirect emission shall observe the timeline specified in Paragraph 2, Article 10 of the Guidelines, whereas other indirect emission can be disclosed voluntarily.

Note 3: Greenhouse gas survey standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by International Organization for Standardization (ISO).

Note 4: Greenhouse gas emission intensity can be calculated as per unit of product or service produced/rendered or relative to revenues. Revenue-based disclosure (per NT\$1 million) shall be the minimum.

(4) Greenhouse gas assurance

The Company has completed assurance for the 2024 data. The assurance covered Scope 1 to Scope 3 (see Note 3 above) and was conducted by British Standards Institution (BSI) using ISO 14064-1:2018 as the assurance standard. BSI issued an assurance opinion that the data conformed to ISO 14064-1:2018.

(5) GHG reduction goals, strategies, and action plans

The Company has adopted science-based targets (SBT) and set goals to reduce carbon from 2024 to 2030 compared to the 2023 baseline. Starting from 689 metric tons in 2023, the Company's goal is to reduce GHG emission from its operations progressively year after year to 399 metric tons by 2030, which is about 42.2% lower than the baseline year. The main strategies for accomplishing this goal involve enforcement of energy conservation measures, ongoing replacement of lighting and air conditioning equipment, and adoption of renewable energy starting from 2025.



6. Enforcement of business integrity, deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies

Assess criteria	Current practices		Deviation and causes of deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	
1. Establishment of Ethical Management Policies and Programs (1) Has the Company stated in its Articles of Incorporation or external correspondence about ethical management policies and practices passed by the board of directors and commitments from the board of directors and senior management to actively implement the operating policies?	✓		Being the only state-owned life insurance company in Taiwan, the Company emphasizes "integrity" as part of its business philosophy and has established a set of Ethical Corporate Management Best Practice Principles that were approved by the board of directors on March 9, 2023. Having created an honest, trusted corporate image and prioritizing protection of customers' interest are the greatest competitive advantage for the Company.
(2) Does the Company have a mechanism for assessing the risk of unethical behavior? Does the Company periodically analyze and assess business activities that pose a relatively high risk of unethical behavior? Has it adopted a program for the prevention of unethical behavior, and does the program include the preventive measures set out in Article 7, paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies"?	✓		The Company is not listed on TWSE or TPEX, and therefore has not established its own "Ethical Corporate Management Best Practice Principles." However, the Company does have "Ethics Guidelines and Codes of Conduct for Investment Personnel" that explicitly prohibit investment personnel from inappropriate conducts and outline the reporting and prevention measures to follow.
(3) Has the Company defined and enforced operating procedures, behavioral guidelines, penalties, and grievance systems as part of its preventive measures against dishonest conducts? Are the above measures reviewed and revised on a regular basis?	✓		For the prevention of dishonest conducts, the Company not only observes the "Civil Servants Service Act" when performing various duties, but also abides by civil service ethics standards. The Company also has "Work Rules" in place to serve as behavioral guide for employees, and has implemented internal ethics guidelines and codes of conduct for investment personnel that prohibit them from accepting bribe of any form and engaging in insider trading, whether for own gain or gains of others.
2. Enforcement of business integrity (1) Does the Company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	✓		All purchase requests undergo investigations to ensure that vendors are not banned by the government. All agreements signed with vendors are based on the templates provided by the relevant authority.
(2) Does the Company have a unit that enforces business integrity directly under the board of directors? Does this unit report its progress (regarding implementation of	✓		According to the Company's Ethical Corporate Management Best Practice Principles, the ESG Committee is the dedicated unit for promoting business integrity, and it reports progress to the board of directors on a yearly basis.



Assess criteria	Current practices		Deviation and causes of deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	
<p>business integrity policy and prevention against dishonest conducts) to the board of directors on a regular basis (at least once a year)?</p> <p>(3) Does the Company have any policy that prevents conflict of interest, and channels that facilitate the report of conflicting interests?</p> <p>(4) Has the Company implemented effective accounting policy and internal control system to maintain business integrity? Has an internal or external audit unit been assigned to devise audit plans based on the outcome of integrity risk assessment, and to audit employees' compliance with various preventions against dishonest conduct?</p> <p>(5) Does the Company organize internal or external training on a regular basis to maintain business integrity?</p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p></p> <p></p> <p></p>	<p></p> <p>Rules concerning avoidance of conflict of interest have been stated explicitly in the Company's "Articles of Incorporation," "Rules of Procedure for Board of Directors Meetings," and "Ethics Guidelines and Codes of Conduct for Investment Personnel."</p> <p>The Company has a dedicated accounting unit and has adopted an effective accounting system approved by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, under Correspondence No. Zhu-Kuai-Cai-1010500845C dated December 24, 2012. All financial statements are being audited or reviewed by CPAs to ensure fair presentation.</p> <p>The Company makes next year's audit plan at the end of each year using the risk-driven approach, meaning that business risks are analyzed and the authority's inspection focuses (including special audit instructions) are taken into consideration in order to allocate more audit resources to business aspects that exhibit higher risk. In doing so, the Company contributes to Taiwan Financial Holdings' objective to "develop a risk-driven audit system and facilitate effective implementation of internal control system." Annual general audits and special audits are carried out according to the audit plan, and any business aspect that is deemed to exhibit higher risk has to be highlighted and checked during each audit. Internal auditors would raise findings not only for areas of non-compliance and operational or administrative deficiencies, but also on dishonest conducts (including fraud). The Company had devised its 2024 audit plan based on the outcome of integrity risk assessment, and checked integrity practices for each department as part of the general audit.</p> <p>In 2024, the Company organized classroom courses on "Business Integrity Trends and Practice," "Personal Data Management System and Personal Data Protection Awareness," "AML and CTF - Effective Monitoring, Investigation, and Analysis of Suspicious Transactions," "Global Climate Change and Sustainability Trends of the Insurance Industry," "Overview of Business Continuity Management and Audit Practices," "Operational Risk Management for Life Insurance Industry and Case Studies," "Introduction to IFRS 17 and International Financial Reporting Trends," "Asset/Liability Management Practices for Insurance Industry After Adopting IFRS 17," "Important Notes and Common Mistakes in PIMS Audit," "Insurance Supervisory Trends, Case Study of Penalties, and Common Focuses and Findings in Financial Inspection," "Adopting IFRS 17 - Changes in Financial Performance Measurements and Rules for Insurance Companies," and "Fair Customer Treatment Principle and Financial Consumer Protection."</p>

Assess criteria	Current practices		Deviation and causes of deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	
		<p>As well as on-line courses on "How Civil Servants Should Remain Impartial in Administrative Duties," "Introduction to the Whistleblower Policy," "Business Continuity Management," "Anti-bribery Case Studies (Including District Administration Duties and Criminal Offenses)," "Business Continuity Management System (BCMS) and Methodology," "Climate Change Risk and TCFD," and "Introduction to Intellectual Property Management System."</p> <p>Arrangements were also made to have employees undergo courses and seminars organized by external institutions such as Securities & Futures Institute, Chinese National Association of Industry and Commerce, Taiwan Academy of Banking & Finance, Taiwan Insurance Institute, Chinese National Association of Industry and Commerce, Taipei Foundation of Finance, and Taiwan Insurance Guaranty Fund, including: "Governance Seminar for Group Executive Financial Leaders: Group Board of Directors and Corporate Governance," "Practical Workshop for Directors, Supervisors (including Independent Directors) and Corporate Governance Officers," "Director/Supervisor/Corporate Governance Officer Course - Fair Customer Treatment and Financial Consumer Protection," "Corporate Governance Seminar - Case Study on Criminal Liability of Directors and Supervisors," "Risk Management Knowledge Training for Directors and Senior Managers," "Corporate Governance - Sustainable Finance," "Relevance of AML and CTF Laws in the Insurance Industry," "Workshop for Directors and Supervisors - Corporate/Family Governance and Legal Tax Saving," "Corporate Financial Crisis Alert and Analysis," "Corporate Governance Seminar - New Challenges of Data Governance in the AI Era and Solutions for Financial Institutions," "Corporate Governance Seminar - Introduction to the Three Gender Equality Laws and Case Studies," "Workshop for Directors and Supervisors - Analysis of Crime in Non-arms Length Transactions," "Risk Management Framework and Practices of Taiwan's Insurance Industry," "Corporate Governance Seminar - Climate-related Financial Disclosures and the Board's Perspective in Implementing TCFD Recommendations," "Training for CISO and Senior Cybersecurity Managers of Financial/Insurance Institutions," "Redefining IFRS17 Key Performance Indicators," "Corporate Governance Seminar - International Anti-corruption and Whistleblower's Protection Practices and Anti-money Laundering," "Corporate Governance - Fair Customer Treatment Principles for Financial Service Providers," "Director/Supervisor/Corporate Governance Officer Course - Corporate Governance Trends and Sustainable Growth," "Director/Supervisor/Corporate Governance Officer Course - ChatGPT and New Industry Trends," "Training for CISO and Senior Cybersecurity Managers of Financial/Insurance Institutions - National Cybersecurity Policy and Protection," "Using Digital Technology for Data Mining, Process Improvement, and Fraud Detection," "Anti-money Laundering, Risks, and Case Studies - An Insurance Company's Perspective," "Stakeholder Transaction Laws of the Financial Holding Company Act and Management Practices," "Code of Conduct for Financial Professionals and Whistleblower Protection," "Corporate</p>	

Assess criteria	Current practices		Deviation and causes of deviation from Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	
			Governance Seminar - Carbon Credit Trading and Management Applications," and "Corporate Governance - Fair Customer Treatment Principles for Financial Service Providers."
3. Whistleblower System			
(1) Does the Company provide incentives and means for employees to report misconducts? Does the Company assign dedicated personnel to investigate the reported misconducts?	✓		The Company has a "Whistleblower Policy" in place to foster good business practices and to encourage report of illegal cases. Whistleblowers may submit reports through channels such as hotline, e-mail, and physical mail, for which the Company has assigned a dedicated unit to handle the misconduct reports.
(2) Has the Company implemented any standard procedures for handling reported misconducts, and subsequent actions and confidentiality measures to be undertaken upon completion of an investigation?	✓		The Company has stated in its whistleblower system the standard operating procedures for investigating misconduct reports, the follow-up actions to take after investigation, and confidentiality requirements.
(3) Has the Company adopted measures to protect whistleblowers from retaliation?	✓		The Company's whistleblower system requires confidentiality over whistleblowers' identity, and ensures that they are not mistreated for reporting misconduct.
4. Enhanced information disclosure Has the Company disclosed ethical corporate management best practice principles and progress onto its website and MOPS?	✓		The Company discloses business information over ins-info.ib.gov.tw and its official website, and makes regular updates according to "Regulations Governing Public Disclosure of Information by Life Insurance Enterprises."
5. If the Company has established business integrity policies in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies," please describe its current practices and any deviations from the Best Practice Principles: The Company's Ethical Corporate Management Best Practice Principles were established based on Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and there is no significant difference between the two.			
6. Other information relevant to understanding business integrity within the Company (e.g. review of business integrity principles): The Company's Ethical Corporate Management Best Practice Principles were approved by the board of directors during the meeting held on March 9, 2023.			
7. Method of inquiry for corporate governance principles and related policies: The Company regularly discloses finance, business, and corporate governance information over its website (URL: https://www.twfhlife.com.tw).			

7. Other information material to the understanding of corporate governance within the company: None.



8. Disclosures relating to the execution of internal control system

(1) Statement on Internal Control



臺銀人壽保險股份有限公司 內部控制制度聲明書

本公司 113 年 1 月 1 日至 113 年 12 月 31 日之內部控制制度，依據自行檢查之結果，謹聲明如下：

- 一、本公司確知建立、實施和管理內部控制制度係董事會及管理階層之責任，本公司業已建立此一制度。內部控制制度之目的係在對營運、財務報導及法令遵循等目標之達成，提供合理之確保。營運之目標係在追求營運之效果及效率，包含獲利、績效及保障資產安全等目標；財務之報導目標係在追求對外之財務報導為可靠；法令遵循之目標則在追求相關法令之遵循。法令遵循制度係達成法令遵循目標內部控制制度之一部分；財務紀錄及報表係依保險法及相關規定編製、編製基礎前後一致，且係財務報導內部控制制度之部分成果。
- 二、內部控制制度有其先天限制，不論設計如何完善，有效之內部控制制度亦僅能對上述三項目標之達成提供合理之確保；而且，由於環境、情況之改變，內部控制制度之有效性可能隨之改變。惟本公司之內部控制制度設有自我監督之機制，缺失一經辨認，本公司即採取更正之行動。
- 三、本公司係依據金融監督管理委員會訂頒保險業內部控制及稽核制度實施辦法(以下簡稱「實施辦法」)之規定判斷本公司內部控制制度之設計及執行是否有效，上項判斷之作成亦依據「實施辦法」規定之內部控制制度有效性之判斷項目。內部控制制度劃分為五個組成要素：1. 控制環境，2. 風險評估，3. 控制作業，4. 資訊與溝通，及 5. 監督作業。每個組成要素又包括若干判斷項目，前述項目請參見「實施辦法」之規定。
- 四、本公司業已採用上述內部控制制度判斷項目，檢查內部控制制度設計及執行之有效性。
- 五、本公司基於前項檢查結果，認為上開期間之內部控制制度(包括營運、財務報導、資訊安全整體執行情形及法令遵循)之設計及執行係屬有效，除附表所列事項外，能合理確保董事會及經理人業已知悉營運目標達成之程度、財務報導及法令遵循目標業已達成；亦認為財務紀錄及報表係依保險法及有關規定編製，編製基礎前後一致，其正確性係允當。
- 六、本聲明書將成為本公司年報及公開說明書之主要內容，上述公開之內容如有虛偽、隱匿等不法情事，將涉及證券交易法第二十條、第三十二條、第一百七十一條、第一百七十四條或保險法等相關規定之法律責任。
- 七、本聲明書業經本公司 114 年 2 月 18 日董事會通過。

謹致

金融監督管理委員會

聲明人

董 事 長：張 志 宏



(簽章)

總 經 理：劉 啓 聖



(簽章)

總 稽 核：游 惠 鈺(代理)



(簽章)

總機構法令遵循主管：何 修 蘭



(簽章)

資 訊 安 全 長：陳 宏 傑



(簽章)

中 華 民 國 1 1 4 年 2 月 1 8 日



Areas of weakness and improvement plans concerning the internal control system of Bank Taiwan Life Insurance

Baseline date: December 31, 2024

Area of weakness	Improvement measure	Expected time of rectification
<p>Enhancements should be made to channel management, investigation of source of fund for premium payments, and optimization of document management procedures for improved control over business solicitation, underwriting, and personal data management.</p>	<ol style="list-style-type: none"> 1. The IT system has been enhanced with additional controls on initial premium payment for underwritten cases, and additional checks for policy termination prior to insurance application. Channel partners and sales representatives have been notified of the above changes. 2. Procedures have been established for "receiving/distributing" official correspondences as per instructions of the Policy Administration Department. All official documents received/distributed will have record trail retained and clearly labeled to avoid destruction by mistake. 	<p>Improvements have been completed.</p>




臺銀人壽保險股份有限公司
防制洗錢及打擊資恐內部控制制度聲明書


謹代表臺銀人壽保險股份有限公司聲明本公司於113年1月1日至113年12月31日確實遵循防制洗錢及打擊資恐相關法令，建立內部控制制度，實施風險管理，並由超然獨立之稽核部門執行查核，定期陳報董事會及審計委員會。經審慎評估，本年度各單位防制洗錢及打擊資恐內部控制及法規遵循情形，均能確實有效執行。

此 致

金融監督管理委員會

聲明人

董事長：張志宏  (簽章)

總經理：劉啟聖  (簽章)

總稽核/稽核人員：游惠銓  (簽章)

防制洗錢及打擊資恐專責主管：何修蘭  (簽章)

中 華 民 國 114 年 3 月 11 日

(2) CPA's Reasonable Assurance Statement



安侯建業聯合會計師事務所

KPMG

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傳真 Fax + 886 2 8101 6667
網址 Web kpmg.com/tw

會計師合理確信報告

臺銀人壽保險股份有限公司董事會 公鑒：

臺銀人壽保險股份有限公司（以下稱「貴公司」）與外部財務報導（含依財務報導內部控制制度而向主管機關申報報表資料之正確性）、保障資產安全（使資產不致在未經授權之情況下取得、使用及處分）及法令遵循有關之內部控制制度於民國113年12月31日之設計及執行情形及於民國114年2月18日所出具謂經評估其與外部財務報導（含依財務報導內部控制制度而向主管機關申報報表資料之正確性）、保障資產安全（使資產不致在未經授權之情況下取得、使用及處分）及法令遵循有關之內部控制制度，於民國114年2月18日係有效設計及執行之聲明書，業經本會計師執行必要程序竣事。

標的、標的資訊與適用基準

本確信案件之標的及標的資訊分別為 貴公司與外部財務報導（含依財務報導內部控制制度而向主管機關申報報表資料之正確性）、保障資產安全（使資產不致在未經授權之情況下取得、使用及處分）及法令遵循有關之內部控制制度於民國113年12月31日之設計及執行情形，及 貴公司於民國114年2月18日所出具謂經評估其與外部財務報導（含依財務報導內部控制制度而向主管機關申報報表資料之正確性）、保障資產安全（使資產不致在未經授權之情況下取得、使用及處分）及法令遵循有關之內部控制制度，於民國114年2月18日係有效設計及執行之聲明書，後附於本確信報告後。

用以衡量或評估上開確信標的及標的資訊之適用基準係保險業內部控制及稽核制度實施辦法及保險業辦理國外投資管理辦法之內部控制制度有效性。

先天限制

由於任何內部控制制度均有其先天上之限制，故 貴公司上述內部控制制度仍可能未能預防或偵測出業已發生之錯誤或舞弊。此外，未來之環境可能變遷，遵循內部控制制度之程度亦可能降低，故在本期有效之內部控制制度，並不表示在未來亦必有效。

管理階層之責任

貴公司管理階層之責任係依據保險業內部控制及稽核制度實施辦法及相關法令規章建立內部控制制度，且隨時檢討，以維持內部控制制度之設計及執行持續有效，並於評估其有效性後，據以出具內部控制制度聲明書。





會計師之責任

本會計師之責任係依照保險業內部控制及稽核制度實施辦法第26條、保險業辦理國外投資管理辦法第16-1條、民國107年1月15日發布之金管保財字第10602506430號函、民國112年11月13日發布之金管保財字第11204939731號令、民國110年1月22日發布之金管保財字第10904350082號函會計師辦理保險業內部控制制度查核作業範例及確信準則3000號「非屬歷史性財務資訊查核或核閱之確信案件」對標的及標的資訊執行必要程序以取得合理確信，並對標的及標的資訊在所有重大方面是否遵循適用基準及是否允當表達作成結論。

會計師之獨立性及品質管理規範

本會計師及本事務所已遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本事務所適用品質管理準則1號「會計師事務所之品質管理」，因此維持完備之品質管理制度，包含與遵循職業道德規範、專業準則及所適用法令相關之書面政策及程序。

所執行程序之彙總說明

本會計師係基於專業判斷規劃及執行必要程序，以獲取相關標的及標的資訊之證據。所執行之程序包括瞭解公司內部控制制度、評估管理階層評估整體內部控制制度有效性之過程、測試及評估其與外部財務報導（含依財務報導內部控制制度而向主管機關申報報表資料之正確性）、保障資產安全（使資產不致在未經授權之情況下取得、使用及處分）及法令遵循有關之內部控制制度設計及執行之有效性，以及本會計師認為必要之其他確信程序。

確信結論

依本會計師意見，貴公司與外部財務報導（含依財務報導內部控制制度而向主管機關申報報表資料之正確性）、保障資產安全（使資產不致在未經授權之情況下取得、使用及處分）及法令遵循有關之內部控制制度於民國113年12月31日之設計及執行，在所有重大方面已遵循保險業內部控制及稽核制度實施辦法及保險業辦理國外投資管理辦法之內部控制制度有效性；貴公司於民國114年2月18日所出具謂經評估其與外部財務報導（含依財務報導內部控制制度而向主管機關申報報表資料之正確性）、保障資產安全（使資產不致在未經授權之情況下取得、使用及處分）及法令遵循有關之內部控制制度係有效設計及執行之聲明書，在所有重大方面係屬允當表達。

安侯建業聯合會計師事務所

會計師：

陳富仁



民國 114 年 3 月 11 日

9. Major resolutions passed in shareholder meetings and board of directors meetings held in 2024 up until the publication date of annual report.

(1) 6th meeting of the 6th board of directors dated January 18, 2024

- A. Report on the state of lease and rental income for all investment properties held by the Company as of the end of 2023.
- B. Madam Ai-Ru Shao, former Independent Director of the Company, had resigned; Taiwan Financial Holdings then reappointed Mr. Shun-Shan Yeh (see Attachment 2) to succeed as new independent director, and a resolution was passed to allow Independent Director Yeh to continue existing concurrent duties.
- C. Passed the decision to sell "An Sin Chuan Jia Interest Sensitive Whole Life Insurance (Installments)" and "New Jin An Sin Hospital Indemnity Health Rider" to Chang Hwa Bank Ltd., a stakeholder of the financial group, for which a copy of the "Supplementary Provisions to Insurance Solicitation Agreement" (draft) has been furnished.
- D. Passed the decision to participate in the NT\$30-billion syndicated loan of AU Optronics Corporation (AUO) jointly organized by First Commercial Bank, Bank of Taiwan, and other financial institutions for additional loan income. The tenor of the loan is 5 years, and the Company plans to take a participating sum of NT\$1.5 billion (the final participating sum will be determined by the lead arrangers).
- E. Passed adjustment of employees' compensation for 2024.

(2) 7th meeting of the 6th board of directors dated February 20, 2024

Passed the decision to appoint Yang-Rong Lin, Senior Assistant Vice President Project Development from KGI Life, for the the Company's open Vice President position as per instruction of the Executive Lin.

(3) 8th meeting of the 6th board of directors dated March 12, 2024

- A. Passed the financial statements audited by KPMG Taiwan, along with business report and earnings allocation statement, for 2023.
- B. The Company's "Decreasing Term Insurance (109A)" now offers new 35-year and 40-year options. A decision was passed to sell the product to "Land Bank of Taiwan Co., Ltd.," a stakeholder of the financial group, and to sign a new "Product Launch Agreement" (draft).
- C. Passed the decision to renew "liability insurance for directors, supervisors, and key staff" with "Chung Kuo Insurance Co., Ltd.," a stakeholder of the financial holding group, in order to protect directors, supervisors, and key staff against third-party claims should their decisions result in loss to the Company or damage to any third party.
- D. Passed the decision to request Taiwan Financial Holdings to budget NT\$10 billion of capital injection into the Company in 2025 for connection with IFRS 17 - "Insurance Contracts" and the new Insurance Capital Standards (ICS) and for business requirements. A copy of



Bank Taiwan Life Insurance Capital Enhancement Draft Plan for IFRS 17 and ICS Adoption has been furnished.

(4) 9th meeting of the 6th board of directors dated April 26, 2024

- A. Presentation of 2024 Q1 financial statements reviewed by KPMG Taiwan.
- B. Passed the "Bank Taiwan Life Insurance Co., Ltd. Offshore Insurance Branch Closure Evaluation Report" and the decision to seek the authority's approval for "reason of closure and employee accommodation plan" with respect to the closure of Offshore Insurance Unit.

(5) 10th meeting of the 6th board of directors dated May 16, 2024

- A. Passed the decision to sell "Jing Hao Bao Insurance" to Chang Hwa Bank Ltd., a stakeholder of the financial group, for which a copy of the "Supplementary Provisions to Insurance Solicitation Agreement" (draft) has been furnished.
- B. Passed the decision to sell "Yong Fu Interest Sensitive Annuity Insurance," "New YuHuo-RenSheng Long Term Care Health Insurance," and "Jing Hao Bao Insurance" through "Land Bank of Taiwan Co., Ltd.," a stakeholder of the financial group. "Product Launch Agreements" (Draft) for each of the products have been furnished.
- C. Passed the decision to trade the real estate investment trust beneficiary securities currently held in trust by Land Bank of Taiwan, namely: Land Bank-Fubon #1 (01001T), Land Bank-Cathay #1 (01002T), and Land Bank-Fubon #2 (01004T) for additional yields and greater flexibility on capital utilization. Proposal to have the board of directors authorize a sum and range within which the Company's Capital Utilization Decision Panel may trade at its discretion.

(6) 11th meeting of the 6th board of directors dated June 20, 2024

Presentation of "Bank Taiwan Life Insurance 2024 Insurance Product After-sale Overall Assessment Report."

(7) 12th meeting of the 6th board of directors dated July 18, 2024

- A. Presentation of the reply from Insurance Bureau, Financial Supervisory Commission, regarding the closure of Offshore Insurance Branch, which advised the Company to re-evaluate its decisions.
- B. With regards to the request of "Bank Taiwan Life Insurance Neihu Technology Building" to combine two parking lots into one accessible parking lot, Taipei City Zhongshan Land Office (referred to as Zhongshan Land Office below) later made a correction to the floor area and a resolution was passed to recognize the losses.

(8) 13th meeting of the 6th board of directors dated August 15, 2024

- A. Presentation of the 2023 year-end accounts reviewed by the National Audit Office; copies of the review report and financial statements have been furnished.



- B. Passed the 2024 first-half financial statements audited by KPMG Taiwan.
- C. With regards to the Company's participation in the NT\$4.6-billion syndicated loan of E-Da Development Corp. arranged by Bank of Taiwan, E-Da has submitted a request to the banking syndicate to be exempted from review of financial covenants for 2023 and to change the terms of the loan agreement. A resolution was passed to approve the borrower's request.

(9) 14th meeting of the 6th board of directors dated September 19, 2024

Passed the decision to sign supplementary agreements with stakeholders of the financial group, namely "Chang Hwa Bank Ltd." (CHB), "Taiwan Business Bank, Ltd." (TBB), and "Hua Nan Commercial Bank Ltd." (HNCB), for collaborative promotion of insurance products, as per request of CHB, TBB, and HNCB.

(10) 15th meeting of the 6th board of directors dated October 25, 2024

- A. Presentation of the Company's international and domestic credit rating outcomes.
- B. Presentation of 2024 Q1 to Q3 financial statements reviewed by KPMG Taiwan.
- C. Passed the decision to engage Bank of Taiwan for various services needed for IT operations in 2025.
- D. Passed the relocation of Zhongguan Liaison Office from November 15, 2024 onwards.
- E. Passed the decision to appoint Sheng-Lun Lin, a product actuary signatory newly recruited in 2024, as Senior Executive Officer at the Risk Management Department.

(11) 16th meeting of the 6th board of directors dated November 20, 2024

- A. Passed the decision to sell "Jin Mei Wang USD Interest Sensitive Whole Life Insurance (Installments)" through "Chang Hwa Bank Ltd." (CHB), a stakeholder of the financial group, for additional premium revenues, for which a copy of the "Supplementary Provisions to Insurance Solicitation Agreement" (draft) has been furnished.
- B. Passed review of the 12-year development roadmap and the 2025 action plan.

(12) 17th meeting of the 6th board of directors dated December 19, 2024

Passed the decision to offer 2025 product promotion incentives to the bancassurance (including securities) channel to further improve sale of special term life insurance, NTD whole-life insurance, health insurance, omnibus insurance, and USD insurance.

(13) 18th meeting of the 6th board of directors dated January 14, 2025

- A. Report on the state of lease and rental income for all investment properties held by the Company as of the end of 2024.
- B. With regards to the Company's participation in the NT\$7.6-billion syndicated loan of Ching Hui Development Co., Ltd. (Ching Hui), Chun Hui Development Co., Ltd. (Chun Hui), and Kee Tai Properties Co., Ltd. (Kee Tai) arranged by Bank of Taiwan, a resolution was passed



to approve borrower Kee Tai's request to extend Category C loan (owed by Kee Tai) for one year (loan maturity to be extended until February 21, 2026).

(14) 19th meeting of the 6th board of directors dated February 18, 2024

With regards to the Company's participation in the "NT\$50-billion syndicated loan" and the "NT\$40-billion syndicated loan" (jointly referred to as the Syndicated Loans below) of AU Optronics Corporation (AUO) arranged by Bank of Taiwan, AUO submitted a request to have the banking syndicate approve AUO's divestment plan where the internal departments formerly known as Smart Mobility Business Group and BHTC are to be transferred into AUO's new 100%-owned subsidiary - "AUO Mobility Solutions Corporation" (AUO Mobility), and the request has been agreed by the majority (1/2) of the banking syndicate.

(15) 20th meeting of the 6th board of directors dated March 11, 2025

Report on the closure of all liaison offices in Taiwan from April 1, 2025 onwards.

10. Documented opinions or declarations made by directors or supervisors against board resolutions in 2024 and up until the publication date of annual report: None.



IV. Audit Fee

Unit: NT\$1,000

Name of Accounting Firm	Name of CPA	Period of Audit	Auditing Fees	Non-auditing Fees	Total	Remarks
KPMG Taiwan	Derek Chen	January 1 to December 31, 2024	1,604	1,061	2,665	
	Ethan Chen	January 1 to December 31, 2024				

1. **Any replacement of accounting firm and reduction in auditing fee paid compared to the previous year: None.**
 2. **Any reduction in auditing fee by more than 10% compared to the previous year: None.**
 3. **Non-auditing fee covered the following services: internal control report, tax certification, liability fair value and adequacy report, certification of eligible-capital-to-risk-weighted-assets ratio, certification of affiliation report, and review of Contribution Request Form - For Life Insurance Enterprises.**
- V. Change of CPA: None.**
- VI. Any of the Company's Chairperson, President, or any manager involved in financial or accounting affairs being employed by the accounting firm or any of its affiliated enterprise in the most recent year: None.**
- VII. Details of Shares Transferred or Pledged by Directors, Supervisors, Managers and Shareholders with More Than 10% Ownership Interest in the Last Year, Up Until the Publication Date of Annual Report. Where shares were transferred or pledged with a related party, details including the counterparty's name, the counterparty's relationship with the Company, directors, supervisors and shareholders with more than 10% ownership interest, and the sum of shares acquired or pledged shall be disclosed: None.**
- VIII. Relationships characterized as spouse or second-degree relative or closer among top-ten shareholders: None.**
- IX. Investments jointly held by the Company, the Company's directors, supervisors, managers, and enterprises directly or indirectly controlled by the Company, and shareholding in aggregate of the above parties: None.**



III. Capital Raising

- I. Capital and Shares**
- II. Corporate Bonds**
- III. Preferred Shares**
- IV. Global Depository Receipts (GDR)**
- V. Disclosure Relating to Employee Warrants**
- VI. New Shares Issued for Merger or Share Exchange**
- VII. Progress on Planned Use of Capital**

IV. An Overview of Operations

- I. Business Activities**
- II. Market, Production, and Sales Overview**
- III. Employee Size, Average Years of Service, Average Age, and Academic Background in the Last 2 Years Up Until the Publication Date of Annual Report**
- IV. Contribution to Environmental Protection**
- V. Labor Relations**
- VI. Cyber Security Management**
- VII. Major Contracts**

III. Capital Raising

I. Capital and Shares

1. Sources of share capital

Year/month	Issuance price	Authorized Capital		Paid-in Capital		Remarks			
		No. of shares	Amount	No. of shares	Amount	Source of share capital	Paid in properties other than cash	Others	
2008	January	NT\$10	500 million shares	NT\$5 billion	500 million shares	NT\$5 billion	Initial capital through divestment	None	-
2009	June	NT\$10	700 million shares	NT\$7 billion	700 million shares	NT\$7 billion	Cash issue NT\$2 billion	None	Note 1
2010	June	NT\$10	1.1 billion shares	NT\$11 billion	1.1 billion shares	NT\$11 billion	Cash issue NT\$4 billion	None	Note 2
2013	June	NT\$10	1.7 billion shares	NT\$17 billion	1.7 billion shares	NT\$17 billion	Cash issue NT\$6 billion	None	Note 3
2015	September	NT\$10	2.25 billion shares	NT\$22.5 billion	2.25 billion shares	NT\$22.5 billion	Cash issue NT\$5.5 billion	None	Note 4
2018	June	NT\$10	3.25 billion shares	NT\$32.5 billion	3.25 billion shares	NT\$32.5 billion	Cash issue NT\$10 billion	None	Note 5
2021	March	NT\$10	4.35 billion shares	NT\$43.5 billion	4.35 billion shares	NT\$43.5 billion	Cash issue NT\$11 billion	None	Note 6
2023	June	NT\$10	5.35 billion shares	NT\$53.5 billion	4.95 billion shares	NT\$49.5 billion	Cash issue NT\$6 billion	None	Note 7

Note 1: Approved under Correspondence No. Jin-Guan-Bao-Cai-09802112540 dated June 25, 2009.

Note 2: Approved under Correspondence No. Jin-Guan-Bao-Cai-09902108110 dated June 23, 2010.

Note 3: Approved under Correspondence No. Jin-Guan-Bao-Shou-10200072310 dated June 25, 2013.

Note 4: Approved under Correspondence No. Jin-Guan-Bao-Shou-10400082700 dated August 31, 2015.

Note 5: Approved under Correspondence No. Jin-Guan-Bao-Shou-10701103390 dated May 23, 2018.

Note 6: Approved under Correspondence No. Jin-Guan-Bao-Shou-1100414955 dated March 17, 2021.

Note 7: Approved under Correspondence No. Jin-Guan-Bao-Shou-1120138582 dated May 24, 2023.

Share category	Authorized Capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Registered common shares	4.95 billion shares	400 million shares	5.35 billion shares	Not listed on TWSE or TPEX

2. List of Major Shareholders

March 31, 2024

Name of major shareholder	Shareholding	No. of shares held	Shareholding percentage
Taiwan Financial Holding Co., Ltd.		4.95 billion shares	100%

3. Dividend policy and execution

- (1) Any earnings concluded at year-end account closure are first subject to taxation and compensation for losses in previous years, followed by provisions for statutory reserve and special reserve as required by laws. The remaining surplus, if any, can then be added to undistributed earnings carried from previous years and distributed in accordance with relevant regulations.
- (2) **Progress:** The Company reported net income of NT\$1,631.73 million for 2024, and plans to allocate the entirety to offsetting previous losses.

4. Impacts of proposed stock dividends on the Company's business performance and earnings per share: None.

5. Remuneration to employees, directors, and supervisors

- (1) **Percentage or range of employee profit sharing and director/supervisor remuneration stated in the Articles of Incorporation:** Not applicable.
- (2) **Basis for estimating employee profit sharing, director/supervisor remuneration, and stock dividends, and accounting treatment for any discrepancy between the amounts estimated and the amounts paid:** None.
- (3) **Remuneration passed by the board of directors:**
 - A. Amount of employee/director/supervisor remuneration, in cash or in shares. Disclose the amount, causes, and treatment of any differences between the amount paid and the amount estimated in the year the expense was recognized: None.
 - B. Percentage of employee remuneration paid in shares, relative to net income and total employee remuneration shown in standalone or separate financial statements for the current period: None.
- (4) **Actual payment of employee/director/supervisor remuneration recognized in the previous year (including the number of shares allocated, the sum of cash paid, and the price of shares), and any differences from the figures estimated (explain the amount, the cause, and treatment of such discrepancies):** None.

6. Share buyback: None.



- II. Disclosure on corporate bonds: None.**
- III. Disclosure on preferred shares: None.**
- IV. Disclosure on global depository receipts: None.**
- V. Disclosure on employee warrants: None.**
- VI. New shares issued for merger or share exchange: None.**
- VII. Progress on Planned Use of Capital:**

Uncompleted securities offering or private securities placement or any capital plans completed in the last three years that have yet to yield the desired outcome as of the quarter preceding the publication date of annual report: None.



IV. An Overview of Operations

I. Business Activities

1. Scope of business

(1) Main business activities and weight

Item No.	Aspect	Year	2024	
			Premium revenues (Unit: NT\$1 million)	Percentage
1	Life insurance		12,534.71	76.10%
2	Accident insurance		196.67	1.19%
3	Health insurance		1,556.42	9.45%
4	Annuity insurance		2,183.35	13.26%
Total			16,471.15	100%

Source of data: Premium revenues quick report

(2) Main lines of business

A. Business categories:

- a. Life insurance
- b. Military personnel insurance commissioned by government
- c. Other services approved by the authority

B. Products currently offered by the Company:

- a. Personal life insurance
 - New One-Year Term Life Insurance
 - Term Non-Par Insurance (109A)
 - Term Non-Par Insurance Rider (109A)
 - Decreasing Term Insurance (109A)
 - Chin Fu Chi Whole Life Microinsurance (109)
 - Endorsement to forfeit the right to change beneficiary of death benefit within the loan limit
 - New Jun Fu Li Whole Life Insurance
 - Mei Li Siang Fu USD Interest Sensitive Whole Life Insurance (Installments)
 - Dai Dai Shin Fu Term Life Insurance
 - Dai Dai Shin Fu Decreasing Term Life Insurance
 - An Sin Chuan Jia Interest Sensitive Whole Life Insurance (Installments)
 - Fu Ji Ding 5-Year Term Life Insurance
 - Fu Ji Ding Term Life Insurance
 - Policy Termination By Enforcement and Rider Renewal Endorsement
 - Jin Mei Wang USD Interest Sensitive Whole Life Insurance (Installments)
 - Fu Ji Siang Whole Life Microinsurance

- b. Personal accident insurance
 - New Personal Accident Insurance
 - Personal Travel Accident Safety Insurance
 - Simple Love Micro Accident Microinsurance
 - New Accidental Death And Disability Rider (110)
 - Multiple Protection PA Rider
 - New International Technical Co-operation Personnel Insurance
 - E Hao Bao Travel Accident Insurance
 - Fu Ji Siang Accident Microinsurance Rider

- c. Personal health insurance
 - New YuHuo-RenSheng Long Term Care Health Insurance
 - New JunRen-RongMin AnJia Long Term Care Health Insurance
 - New An Shun Jiou Jiou Dread Disease (Type B) Whole Life Health Insurance
 - New Chuan Hsin Shou Hu Long Term Care Health Insurance
 - Jian Kang Ren Sheng Comprehensive Hospital and Surgical Rider
 - New Jin An Sin Hospital Indemnity Health Rider
 - Terminal Benefit Rider
 - Travel Insurance for Emergent Diseases Abroad Endorsement
 - E Hao Bao Travel Accident Insurance for Emergent Diseases Abroad Endorsement
 - Fu Ji An Dread Disease One-Year Term Life Insurance (Type A)
 - Fu Ji An Dread Disease Term Life Insurance (Type A)

- d. Personal annuity insurance
 - Yong Fu Interest Sensitive Annuity Insurance
 - Mei Tian Fu USD Interest Sensitive Annuity Insurance

- e. Personal omnibus insurance
 - Jia Bei Ping An Term Life Insurance
 - Jia Bei Ping An Term Life Insurance (Diminishing)
 - New LeHuo-RenSheng Long Term Care Whole Life Insurance
 - New Song Bo Chang Cing Whole Life Health Insurance
 - New Shou Hu Jiou Jiou Surgery Whole Life Health Insurance
 - New An Shun Ren Sheng Dread Disease Whole Life Insurance
 - New An Sin Siang Whole Life Insurance
 - New Zhen Kuan Huai Cancer Insurance
 - New Siang Man Yi Whole Life Health Insurance
 - New JunRen-ZhaoHu Whole Life Health Insurance
 - Jing Hao Bao Insurance
 - Jin Yong Wang Interest Sensitive Whole Life Insurance (Installments)
 - Jin Mei Tian USD Interest Sensitive Whole Life Insurance (Installments)

- f. Personal Investment-linked Insurance
 - Sin Fu Mei Foreign Currency Variable Annuity Insurance
 - Sin Fu Guei Variable Annuity Insurance
 - Sin Man Yi Variable Annuity Insurance
 - Investment Addendum Variable Annuity Insurance
 - Investment Addendum Variable Annuity Insurance (1)

- g. Group insurance
 - Group One-Year Life Insurance

- h. Group Accident Insurance
 - Group One-Year Personal Accident Insurance
 - Group Accident Microinsurance
 - Group One-Year Medical Reimbursement For Accidental Injury Rider
 - Group One-Year Accident Insurance for Major Burn Endorsement
 - Group One-Year Accident Insurance for Classification Payment of Major Burn Endorsement
 - Group One-Year Accident Insurance for Specific Injury Endorsement
 - Group One-Year Accident Insurance for Air Transportation Endorsement
 - Group One-Year Accident Insurance for Air and Ground Transportation Endorsement
 - Group One-Year Burn Care Health Endorsement
 - Group One-Year Hospital Indemnity Health Insurance for Bone Injury Without Hospitalization Endorsement

- i. Group health insurance
 - Group One-Year Cancer Rider
 - Group One-Year Life Insurance for Disability Grade 2nd to 11th Rider
 - Group One-Year Hospital Indemnity Health Rider
 - Group One-Year Daily Hospital Indemnity Health Rider
 - New Group One-Year Cancer Rider
 - Group One-Year Intensive Care Health Endorsement
 - Group One-Year Outpatient Surgery Health Endorsement
 - Group One-Year Emergency Service Health Endorsement
 - Group One-Year Outpatient Before and After Hospitalization Health Endorsement

(3) New products planned for the future

To comply with new supervisory measures of the authority and to ensure smooth transition into IFRS 17, the Company will shift R&D efforts toward niche-market, protection-oriented, long-premium-tenor, mortgage insurance, health insurance, and investment-linked products that offer positive CSM. The Company will continue expanding the variety of products offered in 2025, and focus on the development of long-term regular-premium health insurance, investment-linked



products, and USD variable-interest life insurance in the first half, followed by protection-oriented insurance for elders in the second half. Products that offer high level of competitiveness and marketability will also be launched at appropriate times depending on factors such as channel availability, consumers' needs, the overall insurance market, and prevailing regulations.

2. Industry overview

- (1) **The FSC has introduced several new supervisory measures to support growth of the insurance industry and help industry participants connect with IFRS 17 and ICS. Insurance companies are currently being encouraged to promote protection-oriented and elderly-focused products that emphasize the protection nature of insurance. In 2024, the FSC raised interest rate requirement on new contract reserves to ensure that the level of new contract reserve adequately reflects market interest rate, and thereby strengthen the health of insurance companies for the protection of policyholders. Meanwhile, premiums of conventional insurance products were reduced to stimulate demand in a weak insurance market.**
- (2) **Taiwan is currently facing the double crisis of aging demographics and low fertility. Advancements in medical technology, longer life expectancy, decrease of new births, and earlier retirement have all contributed to increasing demand for commercial medical insurance, long-term nursing insurance, and retirement planning solutions in size and diversity. There is still immense growth potential for medical, nursing, and retirement policies in the future.**
- (3) **In light of how online insurance application has become popular over the years, the authority has decided to help consumers plan their retirement early by designating FundRich Securities Co., Ltd. for the launch of a "Pension Platform" where consumers are able to make online inquiries and submit online applications for insurance products. The Pension Platform brings diversity to the insurance sales channel, and offers 3 categories of product including term life, small-sum whole-life, and critical illness health insurance.**
- (4) **According to IFRS 4 - Insurance Contracts, insurance products that do not involve significant insurance risk are no longer treated as insurance contracts and can not have premium revenues recognized; instead, they should be treated as investment contracts and classified as "liabilities." According to data published by Life Insurance Association: the life insurance industry as a whole generated NT\$2,440,157 million of premiums in 2024 that were recognized as "premium revenues" and revenues under "liabilities" (referred to as "Premium Revenues + Liabilities" below), representing an 11.5% increase over the NT\$2,187,947 million in 2023. Of which, first-year premiums amounted to NT\$841,814 million, representing a 25.4% increase over the NT\$671,368 million in 2023, whereas renewal premiums amounted to NT\$1,598,342 million, representing a 5.4% increase over the NT\$1,516,579 million in 2023.**



2024 Premiums Revenue Statistics of the Life Insurance Industry (Premium Revenues + Liabilities)

Unit: NT\$1 million

Aspect		2024	2023	Growth rate (%)
First-year	Conventional	501,543	414,825	20.9%
	Investment-linked	340,272	256,543	32.6%
	Subtotal	841,814	671,368	25.4%
Renewal	Conventional	1,493,861	1,424,077	4.9%
	Investment-linked	104,481	92,503	12.9%
	Subtotal	1,598,342	1,516,579	5.4%
Total	Conventional	1,995,404	1,838,902	8.5%
	Investment-linked	444,752	349,045	27.4%
	Total	2,440,157	2,187,947	11.5%

Source: Life Insurance Association

Analysis of first-year "Premium Revenues + Liabilities" by insurance category shows that: NT\$562,390 million (66.8%) were from life insurance, up 27% from the NT\$442,760 million in 2023; NT\$14,865 million (1.8%) were from accident insurance; NT\$44,551 million (5.3%) were from health insurance, up 10.7% from 2023; and NT\$220,009 million (26.1%) were from annuity insurance, up 25.9% from the NT\$174,708 million in 2023.

2024 First-year Premiums of the Life Insurance Industry by Insurance Category (Premium Revenues + Liabilities)

Unit: NT\$1 million

Insurance category		2024	2023	Growth rate (%)
Life insurance	Conventional	437,136	353,318	23.7%
	Investment-linked	125,254	89,442	40%
	Subtotal	562,390	442,760	27%
Accident insurance	Conventional	14,865	13,665	8.8%
Health insurance	Conventional	44,551	40,235	10.7%
Annuity insurance	Conventional	4,992	7,607	-34.4%
	Investment-linked	215,017	167,101	28.7%
	Subtotal	220,009	174,708	25.9%
Total	Conventional	501,543	414,825	20.9%
	Investment-linked	340,272	256,543	32.6%
	Total	841,814	671,368	25.4%

According to analysis of the Life Insurance Association, first-year premium revenues increased by 25.4% overall, and while conventional insurance accounted for a higher amount of premium revenues, investment-linked insurance exhibited higher growth of premium revenues at 32.6%. There are two key points regarding performance of the life insurance industry in 2024:



- A. For conventional insurance products: there has been a general increase in premiums which, combined with the U.S. Fed's rate cuts since September 2024, fueled expectations for a back-flow of capital into USD-denominated policies among association members. In response, insurance companies raised indicative yields for USD variable-interest policies and launched new products to appease consumers. Overall, conventional insurance products generated NT\$501,543 million of first-year premiums, up 20.9% from the NT\$414,825 million in 2023.
- B. Investment-linked insurance products generated NT\$340,272 million of first-year premiums, up NT\$256,543 million or 32.6% compared to 2023. This increase was attributed to the sale of investment-linked insurance being at a low point in 2023 following the introduction of new regulations, coupled with the growth in sale of new forms of investment-linked annuity insurance launched by certain companies and the bullish run of the stock market in 2024 Q4, which made consumers optimistic about investments.

3. Technology and R&D overview

In 2024, the Company expanded its health insurance lineup by introducing products that cover eye-related diseases and whole-life health insurance that pay daily and in-kind benefits. The investment-linked insurance lineup, too, has been expanded with the introduction of quasi-discretionary investments that complement customers' existing insurance and investment plans. NTD variable-interest annuity insurance was developed to increase protection for domestic consumers and to provide additional source of income after retirement. New term life, small-sum whole-life insurance, and critical illness health insurance products were launched to take advantage of new sales channels and to give customers the convenience of submitting insurance applications online. NTD and USD variable-interest life insurance products were introduced to satisfy the market's diverse needs and to improve product competitiveness. Overall, the Company strives to align its product development efforts with social trends, government policies, changes in consumers' protection needs. New forms of USD variable-interest life insurance have been planned for launch in 2025 Q1 to further broaden product diversity and to increase protection for consumers. In the future, the Company will continue to develop greater variety of insurance products in line with new supervisory measures of the authority while taking into consideration factors such as the economy, market trends, channel characteristics, and IFRS 17 requirements. By offering insurance products that cover consumers for various stages in life, the Company hopes to fulfill its social responsibilities as a state-owned life insurance company.



4. Long and short-term business plans

In light of changes in the financial market and the insurance supervisory environment, the Company has developed well-defined long- and short-term business plans according to business strategy that emphasize on improving organizational health, strengthening financial stability, and promoting digital transformation as ways to ensure continual growth and business continuity.

(1) Short-term business plans

A. Adjustment of product and business strategies

In the short term, the Company plans to focus product development efforts on the protection nature of insurance and design protection-oriented products that meet the needs of special customers. To connect with IFRS 17, the Company will also undergo transformation of product strategy by increasing the percentage of high CSM products sold while decreasing the percentage of savings products.

B. Business development

The Company will focus sales effort on products such as mortgage life insurance, USD policy, health insurance, and whole-life insurance, and take initiative in promoting investment-linked policies to increase commission revenues. More attention will be directed to using diverse channels, including marketing platform of the financial group and stronger collaboration with state-held banks, to grow sales of long-tenor, regular-premium, and elderly-focused products.

C. Enhanced investment and asset management

In terms of capital strategy, the Company will continue improving the match between assets and liabilities, and make flexible adjustments to the use of capital under manageable risk and liquidity for more stable rate of return. With regards to investment management, the Company will closely monitor market changes, enforce stop-losses, and enhance management over the credit quality of the bond portfolio, and thereby minimize market volatility risk and exchange rate risk.

D. Risk management and capital planning

In terms of risk management, the Company will regularly conduct asset and liability cash flow tests and duration analyses, monitor capital adequacy, and duly perform own risk and solvency assessment (ORSA). More efforts will be committed into anti-money laundering, counter terrorism financing, and climate risk management to ensure business health, and persistent attempts will be made to obtain international certification for personal information protection.

E. IT system and process optimization

In the short term, the Company plans to upgrade its IT system, adopting cloud computing and virtualization for the core system while introducing RPA (robot process automation) technology to finance-related processes for improved efficiency and accuracy. A new



generation of claims platform and online insurance application platform will be developed to deliver highly efficient service experience for customers while at the same time support digital transformation.

(2) Long-term business development plan

A. Enhance protection feature and business diversity

For the long term, the Company aims to increase the percentage of protection-oriented products sold and meet domestic consumers' needs for financial security and long-term medical coverage given the aging demographics. Additional resources will be committed into the development of foreign currency-denominated policies and investment-linked policies to further expand the product line and strengthen the revenue structure.

B. Sustainable investment and optimized asset allocation

The investment department will continue to optimize asset allocation in line with the 12-year development roadmap and the business refinement plan while balancing revenues, risk exposure, capital provisioning, asset-liability matching, and capital efficiency to support the Company's long-term growth.

C. Development of a comprehensive risk management framework

In addition to developing a strong risk management culture, the Company will also adopt an integrated climate risk assessment and response system, undertake more rigorous capital management practices, and progressively increase coverage of international certifications to ensure resilience and compliance of its businesses.

D. Ongoing digital transformation

In the future, the Company will continue to introduce new technologies such as artificial intelligence and big data analysis, adopt automation and smart transformation of the IT process, and strengthen business continuity management (BCM) for improved competitiveness and operational resilience, thereby realizing its vision for an AI and digitally empowered sustainability roadmap.



II. Market, Production, and Sales Overview

1. Market analysis

(1) Locations where products (services) are mainly sold (provided)

The Company sells only within domestic borders. It operates 7 branches, 1 service center, and 4 liaison offices and has contracted 10 financial institutions and 75 insurance brokers/agents. The Company takes advantage of the nationwide branch coverage of Bank of Taiwan, an affiliated subsidiary under the same financial group, for synergistic cross-selling, and strengthens collaboration with financial institutions as well as insurance brokers/agents to expand its sales channel.

(2) Market share and future supply, demand and growth

The Company fully utilized advantages of the financial group in 2024 to expand bancassurance channels and the insurance brokerage/agency network. The insurance industry as a whole generated NT\$6.624 billion of first-year premiums (including investment-linked products), in which the Company accounted for a 0.79% market share, ranking 19th among peers; industry-wide premium revenues totaled NT\$16.471 billion, in which the Company accounted for a 0.68% market share, ranking 18th among peers.

(3) Analysis of competitive advantages, opportunities, threats, and response strategies

A. Opportunities:

- a. Being the only state-owned life insurance company in Taiwan, the Company boasts a robust balance sheet, strong integrity, and a pragmatic corporate image that are trusted by customers.
- b. The Company serves a large base of high-quality customers comprising military personnel, civil servants, and teachers and has access to the integrated marketing platform of a financial group. This cross-selling synergy offers immense potentials.

B. Threats:

- a. For a state-owned enterprise, decisions concerning personnel, budgeting, and accounting are limited by regulations, which restricts operational flexibility.
- b. Experienced talents in actuarial science and finance are difficult to acquire due to limitations on organization and salary.
- c. Bank of Taiwan has been the main sales channel for the Company. However, the channel also sells similar products offered by other life insurance companies (i.e. competitors), and if the Company is unable to offer products of comparable terms to those of the competitors, customers of Bank of Taiwan may be less willing to purchase the Company's offerings.



- d. The Financial Supervisory Commission (FSC) has introduced several supervisory measures since 2020 to strengthen health of the insurance industry, re-emphasize the protection nature of insurance, and connect the industry with new systems such as IFRS17 and Insurance Capital Standards (ICS). The FSC is expected to continue its high level of supervision in 2025.

C. Response strategies:

- a. Leverage the brand and channel advantages of Taiwan Financial Holdings; enhance promotion efforts for strategic products; improve non-price competitiveness; and strengthen organizational health and profitability.
- b. Support exchange of business information and human resources through intra-group resource sharing and maximize group synergies.

2. Main product applications and production processes: None.

3. Supply of key materials: None.

4. Name of trade partner representing more than 10% of total purchases (sales) in any of the previous two years, and the amount and percentage of purchase (sale). Describe the cause of any variation: Code names can be used instead if contract prohibits the Company from disclosing customers' names, or if the counterparty is a non-related party: None.

III. Employee Size, Average Years of Service, Average Age, and Academic Background in the Last 2 Years Up Until the Publication Date of Annual Report

Year		2023	2024	2025 up until March 31
Employee count	Back-end staff	480	487	479
	Sales representatives	0	0	0
	Total	480	487	479
Average Age		47.37	47.78	48.06
Average years of service (years)		16.69	17.08	17.36
Academic background	Doctorate Degree	0.21%	0.21%	0.21%
	Master's Degree	36.46%	36.34%	36.53%
	University or College	59.37%	59.75%	59.5%
	Senior High School	3.96%	3.7%	3.76%
	Below Senior High School	0%	0%	0%



IV. Contribution to Environmental Protection

The Company provides insurance services and is not involved in any business activity that poses concern for major pollution.

V. Labor Relations

1. Availability and execution of employee welfare, retirement, and other policies, agreement between employer and employees, and protection of employees' rights:

(1) Employee welfare measures:

- A. To protect the lifestyle of employees and their dependents, the Company ensures that each employee is adequately covered by National Health Insurance and Government Employee and School Staff Insurance or Labor Insurance as required by law.
- B. The Company purchases group insurance coverage for employees, which pays death benefit, disability benefit, funeral subsidy on death of dependent, and medical compensations (including dependents).
- C. The Company has established an Employee Welfare Committee and makes welfare contributions as required by laws to support welfare measures.
- D. The Company pays performance bonus and other bonuses to employees based on yearly performance review and earnings.
- E. Additionally, employees are entitled to benefits such as domestic vacation subsidy, health checkup subsidy etc.

(2) Education and training

- A. To develop talents and improve professional knowledge and skills among employees, the Company plans internal/external training on a yearly basis and assigns employees to overseas training programs as needed for business development. The Company also takes the initiative to participate in international insurance conferences.
- B. Employees are offered subsidies for registering professional certification exams, and a set of Employee Continuing Education Policy has been established to subsidize tuition fees, and thereby encourage studying outside work hours.

(3) Retirement and bereavement system

Employees' retirement, severance, and bereavement are handled according to Regulations Governing Retirement, Bereavement, and Severance Benefits for Employees of Financial and Insurance Institutions Owned by the Ministry of Finance, the Labor Standards Act, or the Labor Pension Act.



(4) Enforcement of key labor agreements and employee rights

- A. As a state-owned insurance service provider, the Company handles employees' recruitment, compensation, performance evaluation, retirement, and welfare strictly in compliance with government regulations. Employees' rights are also protected under such regulations.
- B. For the protection of workers' rights, the Company convenes regular labor-management meetings to learn employees' needs and raise work satisfaction.
- C. To ensure equal work rights, the Company not only implemented Sexual Harassment Prevention, Grievance, and Disciplinary Guidelines but also assembled a Sexual Harassment Appeals Committee that oversees matters relating to the complaint, investigation, and disciplinary review of sexual harassment incidents.
- D. To promote harmonic labor-management relations, the Company has created a "Message Exchange" section on the Intranet along with a multitude of communication channels such as "Chairperson's Mailbox" and "President's Mailbox" that employees may use to express opinions directly to the head of organization.

2. Losses arising as a result of employment dispute in 2024 up until the publication date of annual report (including violations against the Labor Standards Act found during labor inspection); quantify the estimated losses and state any response actions, and state the reasons if losses can not be reasonably estimated

Losses due to employment dispute	Response measures
An employee had signed off work after the cut-off time for overtime request and did not submit overtime request afterwards; as a result, no overtime pay was made for the overtime work. On September 6, the Company was fined NT\$50,000 by the local authority for violation against Paragraph 2, Article 32 of the Labor Standards Act.	Employees have been briefed on rules concerning maximum daily work hours (including overtime) and overtime application (including follow-up submission). Additionally, line managers have been given access rights to the leave of absence system so that they are kept up-to-date on the overtime, attendance, and absence of subordinates for effective management.

VI. Cyber Security Management

1. Cybersecurity risk management framework, cybersecurity policy, management practices, and resources committed

(1) Cybersecurity risk management framework:

A cybersecurity management organization has been established to devise IT strategies, resolve major issues concerning cybersecurity management, and ensure that cybersecurity management practices continue to be effective. This organization comprises the following roles and their responsibilities are explained below:

- A. Cybersecurity Promotion Team: responsible for the development of cybersecurity policies and plans and resource coordination.



- B. Cybersecurity Enforcement Team: responsible for coordinating different departments toward the execution of cybersecurity management tasks.
- C. Chief Information Security Officer: responsible for supervising cybersecurity-related matters within the Company.
- D. Dedicated cybersecurity unit:
 - a. Responsible for planning, monitoring, and executing cybersecurity management tasks.
 - b. Establishment, revision, and implementation of cybersecurity maintenance plans.

(2) Cybersecurity policy:

The Company has established its cybersecurity policy based on on "Cyber Security Management Act," "Enforcement Rules of Cyber Security Management Act, and "Regulations on Cyber Security Management for Special Non-government Agencies Governed by Financial Supervisory Commission." The main purposes of the policy are to enhance cybersecurity management, ensure security of data, systems, equipment, and networks, and protect customers' interests. The policy is subject to evaluation by the "Cybersecurity Promotion Team" at least once a year to ensure conformity with relevant regulations, technologies, business practices, and the latest developments, and that cybersecurity practices continue to be effective.

(3) Management solutions and commitment of cybersecurity management resources:

A. Protection drill

Drills and reporting not only enable early discovery of cybersecurity threats and vulnerabilities, but also promote cybersecurity awareness among employees, thereby allowing the organization to mitigate cybersecurity threats and challenges and comply with the requirements of Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises, including "Prevention and control of spread of computer viruses and hacker invasion" mentioned in Paragraph 10, Article 6, and "Control of system recovery plan, disaster backup plan and testing procedures" mentioned in Paragraph 11. Related exercises organized in 2024 included: malicious social engineering drill, application system recovery drill, DDoS defense drill, cybersecurity incident reporting drill, and cybersecurity risk assessment.

B. Education and training

The Company observes cybersecurity trends and makes annual plans for cybersecurity training courses such as: Prevention Against Malicious Social Engineering, Cybersecurity Protection in IoT, Cybersecurity in Big Data, Security Challenges and Risks of RPA, Post-pandemic Remote Working, and Cybersecurity Challenge and Protection in Cloud Service. Additionally, the Company promotes cybersecurity awareness among employees on a monthly basis. In 2024, employees were required to undergo: 3 hours of cybersecurity awareness and course assessment for general users and managers; at least 15 hours of professional cybersecurity training for cybersecurity specialists (total of 3 people in 2024);



and at least 3 hours of professional cybersecurity training for IT staff. Cybersecurity specialists currently hold a total of 5 international certificates or proofs of competency on cybersecurity.

C. Enhancement of cybersecurity awareness and facilities

A new web vulnerability (black box) scanner platform and a vulnerability reporting/tracking/management module have been developed this year to facilitate more intensive scanning of web vulnerability and to effectively track the patching of web vulnerabilities discovered. The Company completed integration and interfacing with F-ISAC's intelligence and vulnerability reporting system and completed connection setup between SOC's cybersecurity report and the F-SOC system during the year to improve the timeliness of cybersecurity joint defense and facilitate real-time sharing of intelligence across financial institutions

D. Commitment of cybersecurity management resources

Aside from the measures described above, the Company has also allocated budgets for the maintenance and operation of server rooms, networking equipment, firewalls, intrusion defense systems etc. as well as vulnerability scanning/patching/tracking and cybersecurity consultation. Approximately NT\$12,822 thousand were committed into cybersecurity management in 2024.

2. Losses and possible impacts as a result of major cybersecurity incident in 2024 up until the publication date of annual report, and response measures: None.



VII. Major Contracts

Nature of contracts	Parties involved	Contract start/end date	Main details	Restrictive clauses
Information technology service	Bank of Taiwan Co., Ltd.	January 1, 2024 to December 31, 2024	Information Technology Service Agreement for 2024	None
Information technology service	Bank of Taiwan Co., Ltd.	January 1, 2025 to December 31, 2025	Information Technology Service Agreement for 2025	None
Reinsurance contract	The Gibraltar Life Insurance Co., Ltd.	May 4, 1965 to indefinite	Reinsurance for life insurance	None
Reinsurance contract	Central Reinsurance Corporation	May 4, 1965 to indefinite	Reinsurance for life insurance and health insurance	None
Reinsurance contract	Swiss Re	April 29, 1980 to indefinite	Reinsurance for life insurance	None
Reinsurance contract	Munich Reinsurance Company	September 8, 1986 to indefinite	Reinsurance for life insurance	None
Reinsurance contract	General Reinsurance AG	February 26, 1997 to indefinite	Reinsurance for life insurance	None
Reinsurance contract	General Reinsurance AG	May 29, 2003 to indefinite	Reinsurance for health insurance	None
Reinsurance contract	Swiss Re	February 15, 2007 to indefinite	Reinsurance for accident insurance	None
Reinsurance contract	Central Reinsurance Corporation	January 1, 2024 to December 31, 2024	Reinsurance for accident insurance	None
Reinsurance contract	Central Reinsurance Corporation	January 1, 2024 to December 31, 2024	Catastrophe excess reinsurance for retained coverage of life insurance and accident insurance	Note
Reinsurance contract	The Gibraltar Life Insurance Co., Ltd.	June 3, 2014 to indefinite	Reinsurance for health insurance	None
Reinsurance contract	Swiss Re	September 18, 2015 to indefinite	Reinsurance for health insurance	None
Reinsurance contract	Munich Reinsurance Company	July 15, 2016 to indefinite	Reinsurance for health insurance	None
Reinsurance contract	SCOR	January 1, 2017 to indefinite	Reinsurance for life insurance	None
Reinsurance contract	SCOR	August 15, 2017 to indefinite	Reinsurance for health insurance	None

Note: Restrictive clauses are exclusions listed in the reinsurance contract, which include:

1. War, enemy invasion, military action of foreign enemy or war-like action (whether declared or undeclared), civil war, revolution, sedition, riot, military coup or occupation, martial law, terrorism, rebellion, or public disorder
2. Terrorist attack involving nuclear power, bio weapon, or chemical weapon
3. Incident caused by direct or indirect radioactive contamination
4. Reinsurance service
5. Insurance provided by credit card
6. Group occupational hazard insurance
7. Any form of liability insurance
8. Epidemic disease, infectious disease, and poisoning



- V. Review of Financial Position, Operating Results, and Risk Management Issues**
 - I. Financial Status**
 - II. Financial Performance**
 - III. Cash Flow**
 - IV. Effect of Major Capital Spending on Financial Position and Business Operation in the Most Recent Year**
 - V. Investment Policy in the Most Recent Year, Main Causes of Profit or Loss Incurred, Improvement Plans, and Investments Planned For the Next Year**
 - VI. Risk Management Issues in the Last Year Up Until the Publication Date of this Annual Report that Were Subject to Evaluation**
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- VI. Miscellaneous**
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- VII. Any of the Situations Might Materially Affect Shareholders' Equity or the Price of the Company's Securities**

V. Review of Financial Position, Operating Results, and Risk Management Issues

I. Financial Status

Material changes in assets, liabilities, and shareholders' equity in the last two years; describe the causes and impacts of such variations, and response plans for material impact.

Unit: NT\$1,000

Aspect	2024	2023	Difference	Variation %
Cash and cash equivalents	9,731,472	14,916,315	(5,184,843)	(34.76)
Receivables	3,124,509	3,525,568	(401,059)	(11.38)
Financial assets and loans	462,068,641	442,123,737	19,944,904	4.51
Reinsurance contract assets	28,686	23,663	5,023	21.23
Property, plant, and equipment	873,582	891,406	(17,824)	(2.00)
Right-of-use assets	31,246	18,374	12,872	70.06
Intangible assets	131,651	106,614	25,037	23.48
Other Assets	27,902,902	24,534,250	3,368,652	13.73
Total Assets	503,892,689	486,139,927	17,752,762	3.65
Payables	1,345,556	738,850	606,706	82.11
Financial Liabilities	4,468,460	22,010	4,446,450	20,201.95
Lease Liabilities	31,479	18,554	12,925	69.66
Insurance liabilities and reserve for insurance contracts with financial instrument features	440,113,397	440,334,354	(220,957)	(0.05)
Liability reserves	705,398	673,544	31,854	4.73
Other liabilities	24,127,668	16,623,326	7,504,342	45.14
Total liabilities	470,791,958	458,410,638	12,381,320	2.70
Share capital	49,500,000	49,500,000	0	0.00
Additional Paid-in Capital	360,301	360,108	193	0.05
Retained Earnings	(18,603,217)	(20,290,386)	1,687,169	8.32
Other equity items	1,843,647	(1,840,433)	3,684,080	200.17
Total Shareholders' Equity	33,100,731	27,729,289	5,371,442	19.37

Explanation to significant variations amounting to NT\$10 million and 20% or above:

1. Cash and cash equivalents decreased year-on-year mainly due to increases in surrender payout, survival payout, and settlement for extension of foreign currency derivatives.
2. Right-of-use assets and lease liabilities increased year-on-year mainly due to the expiry and renewal of certain office leases in the fourth quarter.
3. Intangible assets increased year-on-year mainly due to higher volume of computer software purchased this year.

4. Payables increased year-on-year mainly due to increases in unsettled financial products, which resulted in higher balance of investments payable at end-of-period. Furthermore, the higher number of investment-linked insurance products sold this year also increased the balance of investments payable in separate accounts.
5. Financial liabilities increased year-on-year mainly due to the additional currency forwards and currency swaps undertaken to cover foreign investment exposures, and exchange rate variation.
6. Other liabilities increased year-on-year mainly due to the strengthening U.S. dollar, which increased unrealized gain on exchange for foreign assets that had to be met with additional reserve for foreign exchange valuation according to applicable rules.
7. Other equity items and total equity increased year-on-year mainly due to reclassification of other comprehensive income using the overlay approach and valuation of financial assets at fair value through other comprehensive income; both of which increased other equity.

II. Financial Performance

Main causes of significant changes in revenues, operating profits, and profit before tax in the last 2 years; expected sales volume and basis of estimation; possible impacts on the Company's future financial/business performance; and response plans.

Aspect	2024	2023	Amount of variation	Variation (%)
Operating revenues	29,108,586	25,526,649	3,581,937	14.03
Operating costs	27,148,213	25,336,111	1,812,102	7.15
Operating Expenses	1,227,102	1,119,723	107,379	9.59
Operating profit (loss)	733,271	(929,185)	1,662,456	178.92
Non-operating income and expense	34,628	(59,203)	93,831	158.49
Pre-tax profit (loss) from continuing operations	767,899	(988,388)	1,756,287	177.69
Income tax expense (benefit)	(863,828)	(890,041)	26,213	2.95
Current net profit (loss) from continuing operations	1,631,727	(98,347)	1,730,074	1,759.15

Explanation to variations exceeding 10%:

1. Operating revenues increased: mainly due to cessation of the sale of in-kind benefit products and the initiatives undertaken by the Company to promote mortgage life insurance and variable-interest life insurance; both of which contributed additional premiums, thereby increasing operating revenues compared to the previous year.
2. Non-operating income and expense increased: mainly due to increase in sundry income.



III. Cash Flow

Analysis of cash flow changes in the most recent year, improvement plans for liquidity shortage, and liquidity analysis for the coming year.

1. Analysis of cash flow variations in the last year

Unit: NT\$1,000

Aspect	2024	2023	Difference	Variation %
Net cash inflow (outflow) from operating activities	(5,129,217)	(8,592,356)	3,463,139	40.30
Net cash inflow (outflow) from investing activities	487,131	(629,182)	1,116,313	177.42
Net cash inflow (outflow) from financing activities	(542,757)	8,274,174	(8,816,931)	(106.56)
Net cash inflow (outflow)	(5,184,843)	(947,364)	(4,237,479)	(447.29)

Analysis and explanation of variations:

1. Net cash outflow from operating activities decreased mainly due to lower adjustments to income, expense, and loss (i.e. net gain); increase in debt instruments measured at cost after amortization; and increase in the refund of income tax collected.
2. Net cash inflow from investing activities increased mainly due to a decrease in lending and the absence of investment property acquisition.
3. Net cash outflow from financing activities increased mainly due to repayment of bill repurchase and bond liabilities and the absence of cash issue capital.

2. Liquidity analysis for the next year

Cash and cash equivalents balance at the end of 2024 was reported at NT\$9,731,472 thousand; the Company expects strong liquidity in the coming year.

IV. Material capital expenditures in the last year and impact on financial/business performance: None.

V. Investment policy in the most recent year, main causes of profit or loss incurred, improvement plans, and investments planned for the next year: None.

VI. Risk management issues in the last year up till the publication date of this annual report that were subject to evaluation:

1. Impact of interest rate, exchange rate, and inflation on the Company's earnings, and response measures.

- (1) Central banks of major countries are currently divided on monetary policy. Although the US Fed has initiated its rate-cut cycle, the pace of cuts has been slow due to stubborn inflation and economic and political uncertainties worldwide. Faced with the high interest rate environment, the Company will continue increasing the intensity of its credit risk management efforts, and adopt an appropriate asset and liability management strategy combined with dynamic adjustments to increase return of capital. More attention will be directed toward generating recurring earnings with limited cash flow and improving the efficiency of capital utilization.
- (2) The U.S. economy has outperformed other major economies in the world in recent years, albeit with rigid inflation. Subsequent tariffs and trade policies of the Trump administration may affect the Fed's interest rate decisions and exacerbate volatility of the NTD exchange rate. In the future, the Company will make dynamic adjustments to its foreign currency hedging strategy in response to changes in global politics and economic development. Depending on exchange rate trends and hedging costs, the Company will actively adjust its hedge ratio, enhance control over exchange rate risks, and optimize currency allocation for assets and liabilities to minimize the effect of exchange rate variation on corporate profits.
- (3) Inflation in Taiwan has been relatively stable and the housing market is showing signs of cooling. However, there is concern that electricity and utility prices may rise in the future, and how they affect inflation is remain to be seen. The downtrend of U.S. inflation has stalled, and it will inevitably determine how the Fed cuts rates in the future, and affect the Company's foreign investment strategies. Through the use of diverse investment instruments, the Company aims to diversify investment risks and lessen potential impacts.

2. Policies on high-risk and highly leveraged investments, loans to external parties, endorsements/guarantees, and trading of derivatives; describe the main causes of any profits or losses incurred and future response measures.

- (1) The Company engages in derivative transactions strictly in compliance with Regulations Governing Derivatives Transactions Conducted by Insurance Companies and the Articles of Incorporation. All transactions are undertaken for hedging purpose and are intended to minimize the effect of market volatility on investment returns.
- (2) The Company makes use of capital strictly in accordance with relevant laws. Every investment proposal is rationally and carefully assessed before execution. The Company places conservatism and stability at the top of its priority and does not engage in any high-risk or highly leveraged investment.



3. Future research and development plans and projected expenses.

Refer to 1. (1) 3. New products planned for the future under Section 18 - Operational Overview.

4. Financial impacts and response measures in the event of changes in local and foreign regulations

The FSC has introduced supervisory measures on the stabilization of indicative yields and the prohibition of negative CSM in an attempt to improve capital structure, asset-liability matching, and exchange rate risk management among insurance companies, which could make products less appealing to the market and more difficult to sell. In response, the Company will adjust its strategies for niche and investment-linked products accordingly after taking into consideration the insurance liability structure, asset allocation, and return on capital.

The FSC continues to introduce new supervisory policies in an attempt to help insurance companies adopt IFRS 17 with minimal impact. Insurance companies are being required to adjust product portfolio, strengthen capital structure, and enhance management over assets, liabilities, and exchange rate risks. The Company will adopt a margin-driven approach when planning and developing future products, shifting attention to products that offer higher profit margins and positive contributions to CSM.

5. Financial impacts and response measures in the event of technological or industrial changes (including cybersecurity risks).

- (1) Technological advancement and industry change may have profound impacts on the financial and business performance of a corporation. The Company responds to the potential impacts by adopting digital transformations with an emphasis on improving system and operating efficiency. Through Robotic Process Automation, the Company introduces automated business processes driven by software bots and AI to take over complex and highly repetitive tasks that used to be completed manually, which in turn minimizes input errors, increases work speed, and reduces cost.
- (2) Considering how ransomware and distributed denial of service (DDoS) may disrupt operations and give rise to financial losses, loss of reputation, and other forms of cybersecurity risk, the Company has taken the initiative to execute cybersecurity control measures in accordance with ISO 27001 - Information Security Management System standards and progressively enhance cybersecurity defense in line with FSC's "Financial Information Security Action Plan 2.0," which emphasizes on: enhanced cybersecurity monitoring, intensive data governance, strengthened financial resilience, and cybersecurity joint defense.

6. Crisis management, impacts, and response measures in the event of a change in corporate image:

Any corporate crisis occurred will be handled according to the Company's "Operational Crisis and Extraordinary Event Resolution Guidelines."



7. **Expected benefits, risks, and response measures in relation to mergers and acquisitions: None.**
8. **Expected benefits, risks, and response measures associated with plant expansion: None.**
9. **Risks and response measures associated with concentrated sales or purchases: None.**
10. **Impacts, risks, and response measures following a major transfer of shareholding by directors, supervisors, or shareholders with more than 10% ownership interest: None.**
11. **Impacts, risks, and response measures associated with a change of management: None.**
12. **Major litigations, non-contentious cases, or administrative litigations involving the Company or any director, supervisor, President, person-in-charge, major shareholder with more than 10% ownership interest or subsidiary, whether concluded or pending judgment, that are likely to pose significant impact to shareholders or security prices of the Company. Disclose the nature of dispute, the amount involved, the date the litigation first started, the key parties involved, and progress as of the publication date of this annual report: None.**
13. **Other key risks and response measures: None.**

VII. Other material issues: None.



VI. Miscellaneous

I. Affiliated enterprises

1. Affiliation Chart



2. Affiliation Report

(1) Statement

聲 明 書

本公司民國一一三年度（自民國一一三年一月一日至一一三年十二月三十一日止）之關係報告書，係依「關係企業合併營業報告書關係企業合併財務報表及關係報告書編製準則」編製，且所揭露資訊與上開期間之財務報告附註所揭露之相關資訊並無重大不符。

特此聲明

公司名稱：臺銀人壽保險股份有限公司



負責人：張志宏



民國 一 一 四 年 三 月 十 一 日

(2) Auditor's review of the Affiliation Report



安侯建業聯合會計師事務所

KPMG

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關係報告書會計師複核意見

臺銀人壽保險股份有限公司董事會 公鑒：

臺銀人壽保險股份有限公司民國一一三年度關係報告書，業經本會計師依金融監督管理委員會證券期貨局(原行政院金融監督管理委員會證券期貨局)民國八十八年十一月三十日台財證(六)字第04448號函之規定予以複核。此項複核工作，係對臺銀人壽保險股份有限公司民國一一三年度關係報告書是否依照「關係企業合併營業報告書關係企業合併財務報表及關係報告書編製準則」之規定編製，且所揭露資訊與本會計師於民國一一三年度查核之同期間財務報表附註所揭露之相關資訊有無重大不符，出具複核意見。

依本會計師複核結果，並未發現上述關係報告書之編製有違反「關係企業合併營業報告書關係企業合併財務報表及關係報告書編製準則」之規定，亦未發現前述關係報告書所揭露資訊與其同期間財務報表附註所揭露之相關資訊有重大不符之情事。

安侯建業聯合會計師事務所

會計師：

陳富仁



陳奕任



證券主管機關：金管證審字第1080303300號

核准簽證文號：金管證審字第1100333824號

民國一十四年三月十一日

(3) Relationships between controlling and controlled entities

December 31, 2024

Name of controlling entity	Means of control	Shares held and pledged by the controlling entity			Directors, supervisors, or managers appointed by the controlling entity		
		No. of shares held	Shareholding percentage	Shares pledged	Title	Name	Remarks
Taiwan Financial Holding Co., Ltd.	Controlling entity with 100% share ownership	4,950,000,000 shares	100%	None	Chairperson	Chih-Hung Chang	New onboard since August 25, 2023
					Independent Director	Chiung-Feng Ko	New onboard since May 28, 2020
					Independent Director	Fang-Chi Lin	New onboard since May 28, 2020
					Independent Director	Shun-Shan Yeh	New onboard since December 28, 2023
					Director	Chi-Sheng Liu	New onboard since August 25, 2023
					Director	Hsiu-Hsia Tsai	New onboard since January 5, 2017
					Director	Tzong-Cheng Lu	New onboard since March 3, 2014
					Director	Che-Chun Lin	New onboard since May 28, 2020
					Director	Hui-Yun Hsia	New onboard since May 28, 2020

(4) Transactions between controlled and controlling entities

- A. Trading of inventory: none.
- B. Trading of property: none.
- C. Financing arrangements: none.
- D. Lease of assets: none.
- E. Other major transactions:

Unit: NT\$1,000

a.	Current Income Tax Assets		
	<u>Name of Related Party</u>	<u>Summary</u>	<u>December 31, 2024</u>
	Taiwan Financial Holding	Tax refund	1,798,567
b.	Operating Expenses		
	<u>Name of Related Party</u>	<u>Summary</u>	<u>2024</u>
	Taiwan Financial Holding	General and administrative expenses	168

(5) Endorsement/guarantee between controlled and controlling entities: None.


II. Private placement of securities in the last year: None.

III. Other supplementary information: None.

VII. Any of the Situations Might Materially Affect Shareholders' Equity or the Price of the Company's Securities: None.

BankTaiwan Life Insurance



Chairperson

Chih-hung Chang



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