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# Humanity and the Future

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# About This Report



## Humanity and the Future

At Kyobo Life, we firmly believe that people are our most precious asset, and that the company of the people, by the people, for the people, shall exist. Inspired by this philosophy, "Humanity and the Future," we express our sincere commitment to people-centered management.

## Report Overview

Kyobo Life has published a sustainability report every year since 2011. Following the previous report in July 2022, this is the thirteenth sustainability report, released in July 2023, that includes the Company's efforts and key achievements for sustainability. Kyobo Life will continue to actively incorporate opinions from its stakeholders in management.

## Reporting Principles

This report is based on the Global Reporting Initiative (GRI) Standards 2021, international reporting guidelines for sustainability. The financial information contained in this report is in accordance with the Korean International Financial Reporting Standards (K-IFRS).

## Reporting Period

This report covers activities and performance from January to December 2022 and includes some key achievements in the first half of 2023. For quantitative data, four-year data from 2019 to 2022 are included to identify trends based on time series.

## Reporting Scope

The scope of the report is domestic business sites, such as Kyobo Life headquarters and national FP branches, and does not include overseas offices. A separate explanation has been provided for matters that require discretion to the scope of the report.

## Report Verification

To ensure the reliability and completeness of the sustainability report, it has received third-party assurance from an external organization, and the contents of assurance are reviewed by management. This report was validated based on the AA1000AS v3 by Lloyd's Register Quality Assurance (LRQA), a global verification agency.

## Inquiries

This report was published in Korean and English, and can be viewed or downloaded on the Kyobo Life website(www.kyobo.com).

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## CEO Message



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*Kyobo Life will strive to create a sustainable future by faithfully practicing its sustainability management philosophy of "Pursuing joint development with all stakeholders."* ”

Dear stakeholders,

We are sincerely grateful for the attention and support you have sent to Kyobo Life in the past year.

In 2022, the economy was disrupted by the "three-highs": high prices, high interest rates, and high exchange rates caused by the tightening monetary policies of the world's major countries and the war between Ukraine and Russia.

Despite this challenging business environment, Kyobo Life has consistently pursued what we call an "ambidextrous management strategy" to secure new growth engines while transforming our insurance business through digital transformation.

By applying digital technology, we have innovated the core business processes, including subscription, payment, and customer complaint response. We have also significantly increased customer convenience by centralizing the interspersed customer-contact channels into the mobile platform. In addition, Kyobo Group's first two-sided market platform, "Nalcee," has been launched to secure a new growth engine. We have also created a Corporate Venture Capital (CVC) fund to invest in promising startups and promote collaboration with the companies we invest in.

## CEO Message

In 2022, Kyobo Life made various efforts to establish the foundation for our ESG management.

**In the Environmental (E) sector**, we have obtained ISO 14001, an international certification for environmental management systems. At the initiative of the Financial Supervisory Service, we conducted a project to measure climate risks in collaboration with Ewha Womans University. Moreover, we have entered into a MOU with the Ministry of the Environment and organized environmental protection training and plugging events for our employees.

**In the social (S) sector**, we became the first Korean company to be selected as the "No. 1 Family-Friendly Company" selected by the Ministry of Gender Equality and Family and obtained ISO 37001, an international certification for anti-bribery management systems. To enhance employee awareness and experience of diversity, equity, and inclusion (DE&I), we held DE&I conferences and set up a roadmap for empowering women in the workplace to implement various programs.

**In the Governance (G) sector**, the Sustainable ESG Committee was established within the board of directors to systematically promote sustainability management. To increase the diversity of board members, a female outside director was appointed. Furthermore, in June 2022, we issued a \$500 million sustainable bond, a type of ESG bond, to invest in projects aimed at creating eco-friendly and social value.

As a member of the United Nations Global Compact (UNGC), Kyobo Life expresses its steadfast support for the ten principles of the four major areas presented by UNGC and actively reflects them throughout the Company's management. Our implementation status is reported to stakeholders every year through the Sustainability Report.

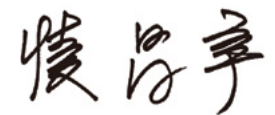
We are now living in an era where VUCA, which stands for volatility, uncertainty, complexity, and ambiguity, has become commonplace. In this business environment, Kyobo Life will pursue continuous growth by creating stable performance through innovation and securing future growth engines. Considering the enormous impact of businesses on the environment and society, we will comply with law and order, actively practice the mission of our business, and fulfill the ethical responsibilities of our corporate citizenship. Kyobo Life will strive to create a sustainable future by faithfully practicing its sustainability management philosophy of "Pursuing joint development with all stakeholders."

We ask for your continued interest and support for Kyobo Life.

Thank you.

July 2023

Chairman & CEO **Chang Jae Shin**



# About Kyobo Life

Since its foundation in 1958, Kyobo Life has been leading the development of the insurance industry with a dedication to life insurance for more than 60 years. Kyobo Life has established an institution of customer satisfaction management based on the core values of tenacity and creativity, customer centricity, honesty and integrity. The Company will continue to grow into the leading company delivering value in art and culture and hopes to contribute to creating a better world with all stakeholders.

## Company Profile

<b>Company Name</b>	Kyobo Life Insurance Co., Ltd
<b>Headquarters</b>	Kyobo Life Building, 1, Jong-ro, Jongno-gu, Seoul
<b>Date of establishment</b>	August 7, 1958
<b>Business areas</b>	Life Insurance, Retirement Pension, Trust
<b>Active countries</b>	South Korea, Japan, United States, United Kingdom, Myanmar
<b>Size</b>	3,762 employees 13,608 financial planners 568 domestic offices
<b>Affiliated companies</b>	<p><b>Finance (7)</b> Kyobo Securities Co., Ltd., Kyobo AXA Investment Managers Co., Ltd., Kyobo Lifeplanet Life Insurance Co., Ltd., Kyobo Asset Trust Co., Ltd., KCA Claim Adjustment Co., Ltd., Kyobo Life Asset Management Co., Ltd. (United States), Kyobo Life Asset Management Co., Ltd. (Japan)</p> <p><b>Non-financial (8)</b> Kyobo Book Centre Co., Ltd., Kyobo Realco Co., Ltd., Kyobo Information and Communication Co., Ltd., KCA Service Co., Ltd., Kyobo Hottracks Co., Ltd., Jeil Total Management Co., Ltd., Fortress Innovation Co., Ltd., Dplanex Co., Ltd.</p>

## Key Financial Performance

### Total assets

KRW **130.8806** trillion



### Net income

KRW **487.6** billion



### Insurance payment

KRW **11.9825** trillion



### RBC (Risk-based Capital)

**181%**



### ROE (Return on Equity)

**5.37%**



### Number of retained customers

**4.03** million



### Credit rating

#### Domestic

**AAA**

Nice Information Service (NICE)

**AAA**

Korea Investors Service (KIS)

**AAA**

Korea Ratings (KR)

#### Overseas

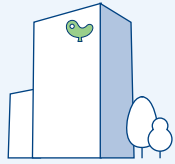
**A+**

Fitch Ratings

**A1**

Moody's

# Business Network



**Divisions** | **Supporting units**

7 | 69

**Branches and sales offices** | **Customer PLAZA<sup>1)</sup>**

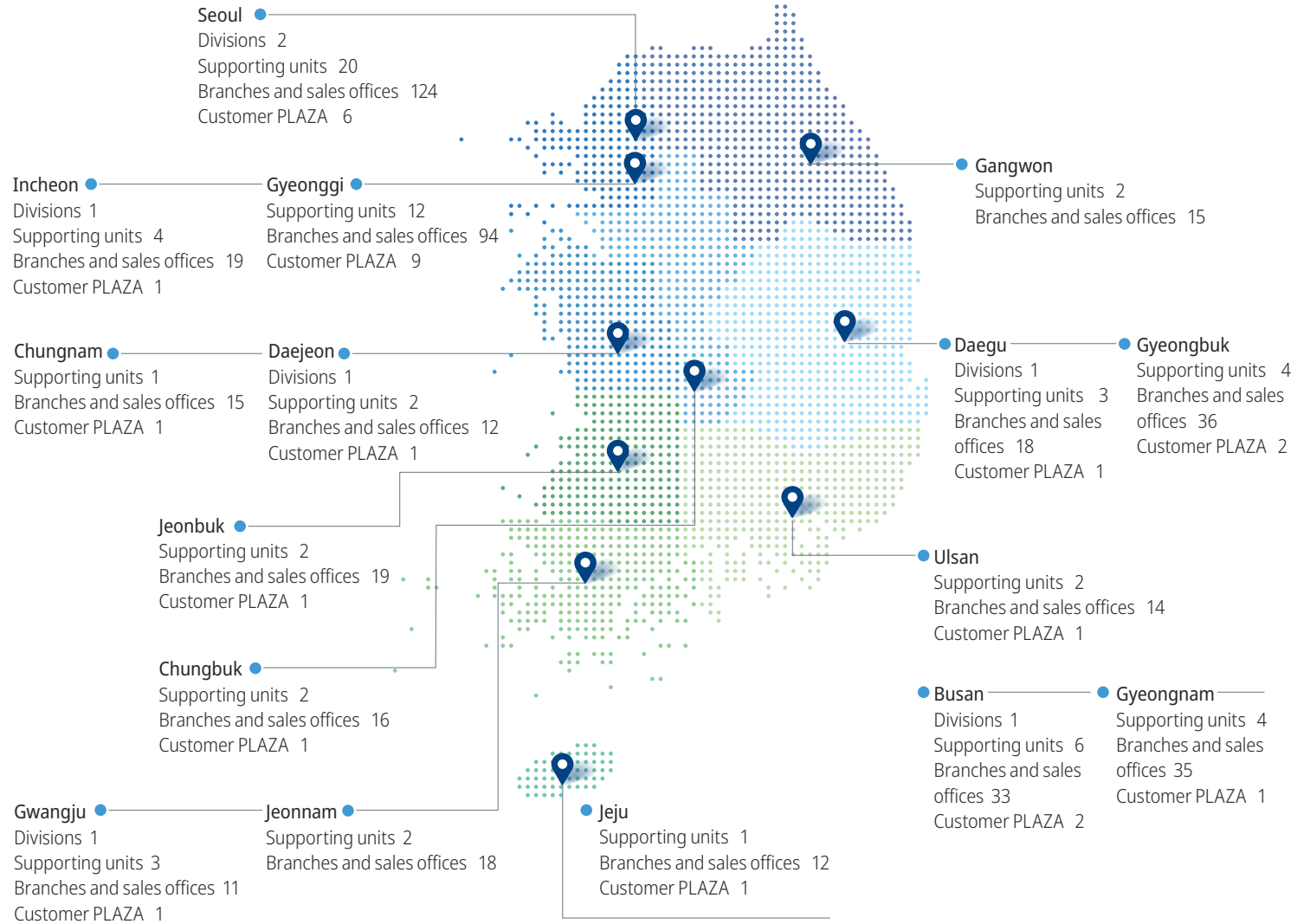
481 | 29

## Supporting units

FP	GFP	Direct
62	4	3

## Branches

FP	GFP	Direct
445	27	19



1) As of May 2023, excluding the reception channels

\* Overseas local subsidiaries (New York, Tokyo), overseas resident offices (London, Yangon)

# Vision 2025

In April 2021, in recognition of the ripple effect of digital transformation not only in insurance and finance but also in the industry as a whole, Kyobo Life declared Vision 2025 to ensure its survival and growth in a rapidly changing industry environment. To achieve Vision 2025, the Company aims to expand customer coverage, which is the essential value of life insurance, and extend its business areas into financial investment, art, and culture projects to become an innovative company that encompasses culture and finance.

## Vision 2025



## 2023 Management Directive and Major Initiatives

### Management Directive

Third year of DBS: In preparation for the VUCA<sup>1)</sup> environment, materialize a new growth engine for the digital era

### Major Initiatives

1. Improve adaptability for the VUCA environment
2. Strengthen competitiveness of insurance business through customer-oriented marketing
3. Provide upgraded customer experience by utilizing data
4. Accelerate open innovation (OI)<sup>2)</sup> to create strong business ecosystem
5. Create day-to-day innovations from a division level
6. Secure the experience of success by establishing platform for two-sided market
7. Strengthen stability of asset management for the VUCA environment
8. Internalize advanced consumer protection culture

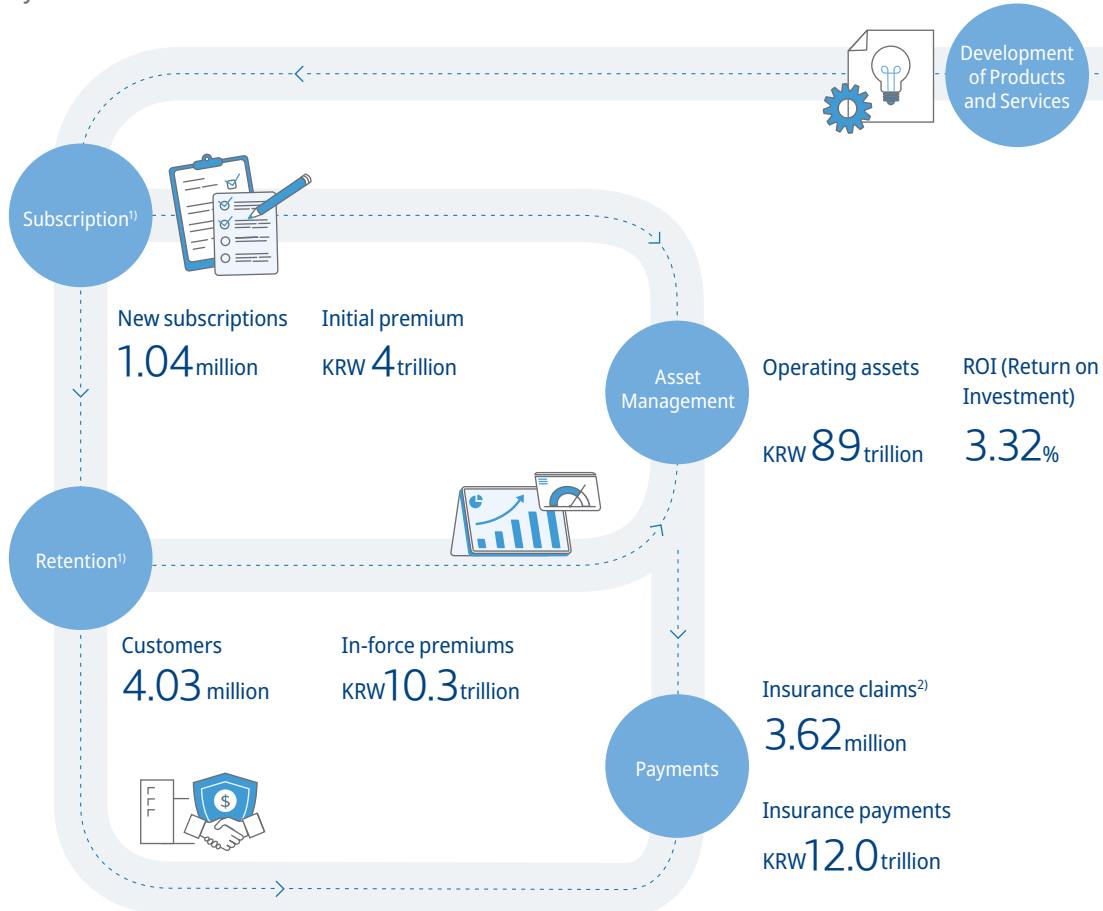
1) VUCA: Volatility, Uncertainty, Complexity, and Ambiguity  
2) OI: Open Innovation



# Business Areas

Based on distinguished product development capabilities, Kyobo Life provides a variety of insurance products and services, including whole life and term insurance, health and integrated insurance, education and children's insurance, annuity insurance, savings insurance, and other insurance products that reflect the needs of customers. The Company strives to help customers enjoy every day for the rest of their lives with a feeling of assurance. During this process, the premiums paid by the customer will be reliably operated from a long-term perspective for the payment of the insurance.

## Kyobo Life Value Chain



### Major Insurance Product in 2022

#### Whole life and term insurance

- Kyobo Practical Whole Life Health Insurance (non-dividend, guarantee cost type)
- Kyobo Customized Whole Life Health Insurance (non-dividend, guarantee cost type)



#### Health and cancer insurance

- (Non-dividend) Kyobo It's Okay Cancer Insurance (retention type)
- Kyobo Dementia Insurance (non-dividend)
- (Non-dividend) Kyobo It's Simple Health Insurance
- Kyobo Lifestyle Care Insurance (non-dividend)
- Kyobo Infection Care Insurance (non-dividend)



#### Annuity and savings insurance

- Kyobo Hybrid Pension Insurance 23.05 (non-dividend, accumulated type)
- (Non-dividend) Kyobo First Hybrid Pension Insurance
- Kyobo 1-Year Savings Insurance (non-dividend)



### Major Product Add-on Services of Kyobo Life

#### Major Product Add-on Services

##### Integrated Health Management

Healthcare programs with professionals in each field, such as specialists, nurses, nutritionists, psychological counselors, and exercise prescribers, from daily health promotion to disease management

- Kyobo Healthcare Service (for excellent customers in whole life and GI insurance)

##### Educational Support

Kyobo Book Centre-affiliated service to help children discover their dreams and talents with experts in each field to nurture character, leadership and followership skills

- Kyobo Educare Service (for education insurance and children's insurance customers)

##### Dementia Care

Preparation and diagnosis in advance, dementia prevention, and detailed care for symptoms at each process

- Kyobo Dementia Care Service (for dementia insurance customers)

##### Digital Health Promotion

Lifestyle improvement and coaching program via mobile app, providing health age analysis and individual counseling support

- Kyobo Health Coaching Service (for excellent customers of GI insurance)

1) Based on general and special accounts (excluding retirement pension and insurance)

2) Based on general and special accounts (insurance, repayments, and dividends)

# ESG Management

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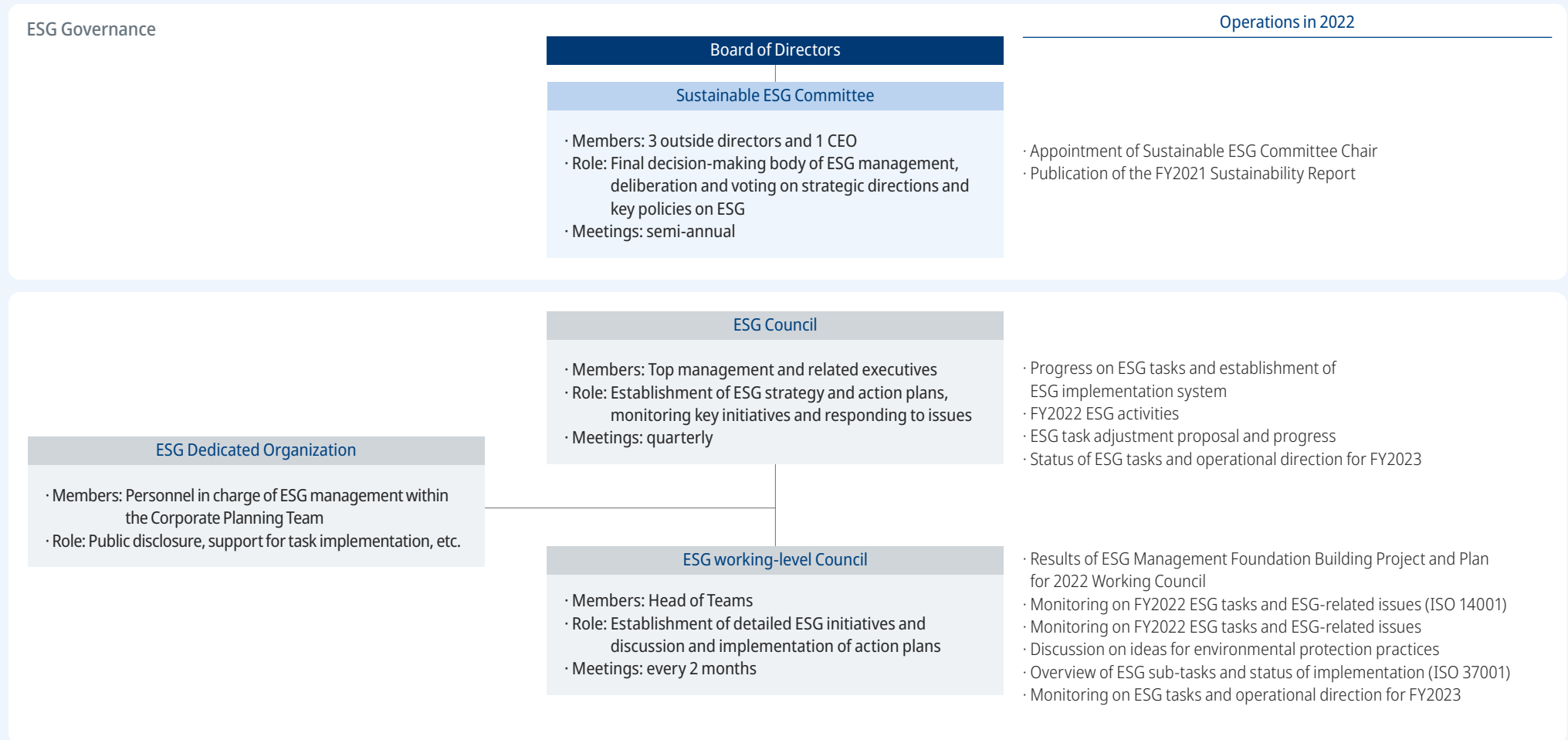
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# ESG Governance

## KYOBO'S APPROACH TO ESG

To systematically promote ESG management, Kyobo Life established the Sustainable ESG Committee under the board of directors (BOD) in March 2022. The Company selects ESG tasks and enhances execution capacity through the ESG Council and the ESG working-level Council. The ESG Council, comprised of key members of management, establishes action plans for major ESG issues of Kyobo Life and monitors their implementation. Major discussions of the ESG Council, held quarterly, are deliberated and resolved by the Sustainable ESG Committee.



# The ESG Roadmap

## KYOBO'S APPROACH TO ESG

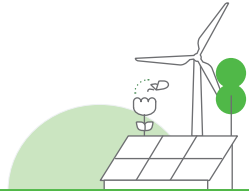
Kyobo Life has established the ESG roadmap that encompasses all ESG tasks to be implemented by 2025. In 2022, the Company implemented sector-specific ESG tasks on nine ESG-focused themes to build its foundation for the ESG management. In 2023, detailed tasks will be carried out with the goal of internalizing ESG management and enhancing its execution.

Focus Themes		2022	2023 ~ 2024	2025	Direction for Major Tasks	
		Build the Foundation for the ESG Management	Internalize ESG and Enhance the Executing Power	Generate the ESG Business Performance		
<p><b>E</b></p>	<ol style="list-style-type: none"> <li>Installation of an environmental management system</li> <li>Introduction and operation of financed emissions management system</li> <li>Establishment of a climate risk management system</li> </ol>	<b>Build the environmental management system</b> <ul style="list-style-type: none"> <li>Establish environmental policy</li> <li>Push forward with acquiring the certification of environmental management system</li> </ul>	<b>Enhance the environmental management system</b> <ul style="list-style-type: none"> <li>Calculation of financed emissions</li> <li>Development of climate risk measurement methodology</li> </ul>	<b>Strengthen the environmental management</b> <ul style="list-style-type: none"> <li>Establishment of medium-to long-term goals to respond to climate change</li> <li>Set detailed operation standards for managing climate risks</li> </ul>	<p>Respond to climate change, Enhance the environmental management</p>	
	<ol style="list-style-type: none"> <li>Diffusion of transparent and fair trading culture</li> <li>Respect for diversity and Enhanced management of human rights risks</li> <li>Creation of a safe and healthy workplace</li> <li>Strengthened management of customer data privacy protection</li> </ol>	<b>Build the mutual-growth system</b> <ul style="list-style-type: none"> <li>Build human right policy and check human rights</li> <li>Build a anti-harassment and bullying policy at work</li> </ul>	<b>Enhance the mutual-growth system</b> <ul style="list-style-type: none"> <li>Promote anti-corruption management system certification</li> <li>Promote personal information protection system certification</li> </ul>	<b>Strengthen the mutual-growth management</b> <ul style="list-style-type: none"> <li>Expand the scope of the mutual-growth management</li> </ul>		<p>Proliferate the mutual-growth culture</p>
	<ol style="list-style-type: none"> <li>Advancement of ESG investment system</li> <li>Systematization of ESG information disclosure</li> </ol>	<b>Build the ESG decision-making system</b> <ul style="list-style-type: none"> <li>Establishment of Sustainable ESG Committee</li> <li>Installation of sustainable investment policy</li> </ul>	<b>Enhance the ESG decision-making system</b> <ul style="list-style-type: none"> <li>Prepare the ESG reflection within the voting rights guidelines</li> <li>Elaborate a sustainable investment policy</li> </ul>	<b>Advance the ESG decision-making system</b> <ul style="list-style-type: none"> <li>Promote the ESG reflection within the voting right guideline</li> <li>Enhance the independence of committees in the BOD</li> </ul>		<p>Build the ESG decision-making system</p>

# ESG Highlights (~2022)

## KYOBO'S APPROACH TO ESG

### Environmental



#### Building eco-friendly business sites

Acquisition of ISO 14001 (Environmental management systems) certification

Establishment of paperless office environment

#### Green finance

Expansion of eco-friendly financial investment to KRW 6.4 trillion

Issuance of the industry's first ESG-certified hybrid securities

#### Global initiatives

Declaration to endorse Task Force on Climate-related Financial Disclosures (TCFD)

Joined Carbon Disclosure Project (CDP) as a signatory

### Social



#### Win-win cooperation

InnoStage ON (start-up cultivation program)

Kyobo DA-Win service

#### Consumer protection

Consumer-centered management (CCM) certification

Selected as the best company for financial consumer protection in the life insurance sector

#### Ethical management

Acquisition of ISO 37001 (anti-bribery management systems) certification

Operation of fair trade self-compliance program

### Governance



#### Building ESG governance

Establishment of the Sustainable ESG Committee (2022)

Operation of dedicated ESG organization

#### Securing board diversity

Establishment of board diversity policy

Appointment of female outside directors (2022)

#### Establishment of ESG policy

Establishment of policy in top 10 ESG issues (ESG Policy)

[ESG Policy of Kyobo Life](#)

# Climate Action - TCFD Report

## ENVIRONMENTAL

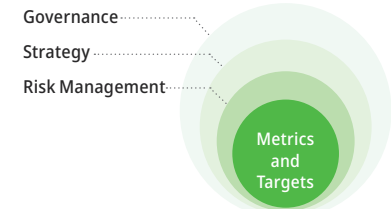
Kyobo Life is a financial company that manages the assets of its customers and is involved in national efforts to be carbon neutral. In January 2022, it declared support for TCFD and laid the foundation for measuring and managing greenhouse gas emissions and financed emissions. Kyobo Life will continue to advance its climate change management system around governance, strategy, risk management, indicators, and goals.

Advancement Plan for Climate Risk Management		2023	2024	2025
		<b>Formulation of the foundation for climate risk management</b>	<b>Advancement of climate risk management system</b>	<b>Installation of climate risk management system</b>
<b>Governance</b>		· Establishment of climate risk management governance (operation of the Risk Management Committee within BOD)	· Selection of key indicators for climate risk management at the board level	· Installation of climate risk management culture
<b>Strategies</b>		· Identification of climate risk factors	· Development of methodologies for scenario analysis · Establishment of response measures for each crisis based on the impact of climate risks	· Diffusion of climate risk management system to affiliates · Formation and implementation of scenario-based climate strategy
<b>Risk Management</b>		· Internal adoption of climate risk-related regulations · Analysis of key Indicators for climate risk management	· Development of climate risk management methodology · Monitoring of financed emissions and emissions intensities · Management of industry-specific climate risk limits · Application of climate risks in investment and screening processes	· Establishment of detailed rules for climate risk management · Installation of risk assessment and monitoring systems · Group-level climate risk management
<b>Indicators and Goals</b>		· Test calculation of PCAF-based financed emissions	· Preparation of financed emissions measurement and disclosure system	· Expansion of financed emissions disclosure and measurement targets · Advancement of financed emissions calculation model

### What are TCFD Recommendations?

To respond to climate change, the Paris Agreement declared a goal to limit the rise of average global temperature by 1.5°C compared to pre-industrialization. TCFD, a global consultative body on climate change established in 2015 by the Financial Stability Board (FSB) in a global movement for climate action, has issued recommendations for companies to disclose information on climate change. Financial institutions play a critical role in the industrial transition to respond to climate change, including financing the process. Both in Korea and abroad, financial institutions disclose information based on TCFD recommendations.

### Core Elements of Recommended Climate-Related Financial Disclosures



**Governance**: The organization's governance around climate-related risks and opportunities

**Strategy**: The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

**Risk Management**: The processes used by the organization to identify, assess, and manage climate-related risks

**Metrics and Targets**: The metrics and targets used to assess and manage relevant climate-related risks and opportunities

# Climate Action - TCFD Report

## ENVIRONMENTAL

### Governance

#### Management and Supervision of Board of Directors

Kyobo Life recognizes the impact of climate change on businesses and reports key details to committees within BOD. In 2022, the Sustainable ESG Committee was established within BOD to monitor the implementation of major ESG tasks, such as the establishment of a climate change management system. The Risk Management Committee recognizes, measures, monitors, and controls all risks in a timely manner and supervises them comprehensively.



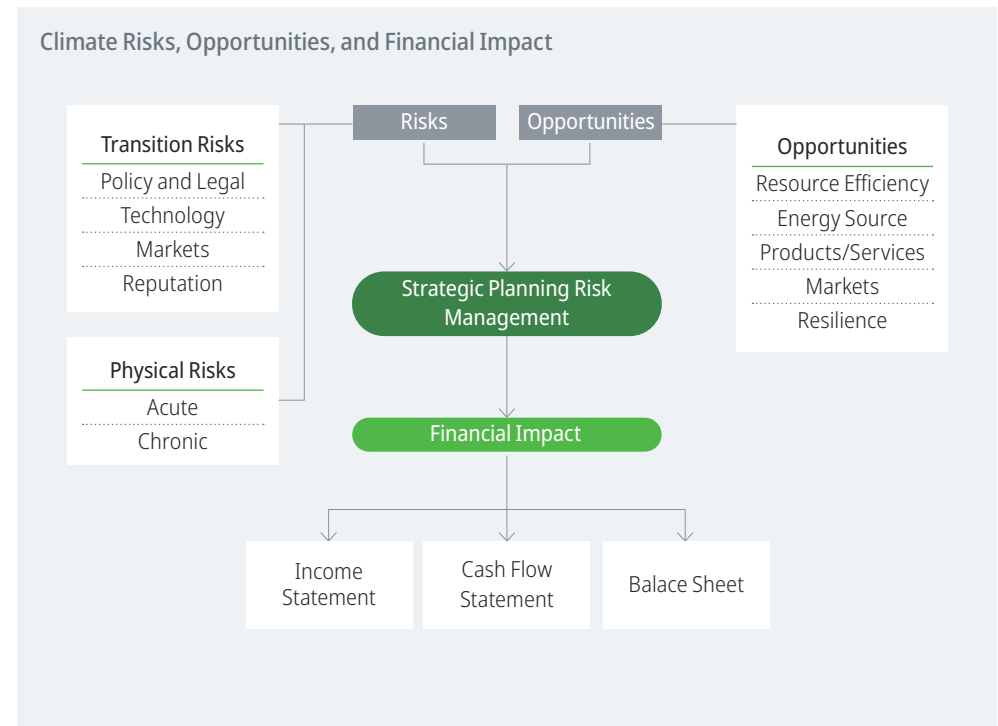
#### Role of Management

The CEO and key executives of Kyobo Life examine major initiatives related to climate risks as members of the ESG Council, who discuss major ESG issues and ESG management strategies. Major issues are reported to the Sustainable ESG Committee. In addition, the Chief Risk Officer (CRO) is in charge of climate risk management and reports to the Sustainable ESG Committee and the Risk Management Committee on major issues.

### Strategy

#### Climate Change Risks and Opportunities

Climate change creates both risks and opportunities toward businesses. Companies must understand how these risks and opportunities affect their financial conditions. They need strategic planning and risk management to identify related issues, which may determine the size of the financial impact. In accordance with the TCFD recommendations, Kyobo Life analyzes the potential financial impact by differentiating climate change risks and opportunity factors.



# Climate Action - TCFD Report

## ENVIRONMENTAL

### Analysis of Climate Change Risks

Kyobo Life manages climate change risks by categorizing them into physical risks that may arise from extreme weather events and transition risks associated with the transition to a low-carbon society. Physical risks lead to chronic changes such as frequent natural disasters, rising temperatures, and rising sea levels, which can have financial implications such as increased insurance payments and rising operating costs in the long run. In addition, transition risks likely result in a decline in the value of carbon-intensive investment assets, worsening the financial strength of a company.



### Climate Change-Related Risks and Financial Impact

Classification	Climate-related risks	Potential financial impact
Physical risks	<b>Short-term (acute)</b> <ul style="list-style-type: none"> <li>Increased frequency and severity of extreme weather events such as typhoons and floods</li> </ul>	<ul style="list-style-type: none"> <li>Reduced revenue and increased costs due to negative effects on the workforce (e.g., health, safety, absence)</li> <li>Amortization and early disposal of existing assets (e.g., damages to assets located in high climate risk areas)</li> <li>Increased operating costs (e.g., increased business and data center cooling costs, increased strategic costs)</li> <li>Increased costs related to capital expenditures due to equipment damage</li> <li>Increased premiums and reduced possibility of insurance subscription for assets in regions with high climate-related risks</li> </ul>
	<b>Long-term (chronic)</b> <ul style="list-style-type: none"> <li>Extreme changes in precipitation and weather patterns</li> <li>Rise in average temperatures</li> <li>Rise in sea levels</li> </ul>	
Transition risks	<b>Policy and legal</b> <ul style="list-style-type: none"> <li>Increased GHG emissions prices</li> <li>Reinforced obligations for environmental disclosure</li> <li>Environment-related litigation risks</li> </ul>	<ul style="list-style-type: none"> <li>Increased operating costs (e.g., increased compliance costs, increased insurance premiums)</li> <li>Asset damage, amortization, and early disposal of existing assets due to policy changes</li> <li>Increased costs and/or reduced demand for products and services due to fines and rulings</li> </ul>
	<b>Technology</b> <ul style="list-style-type: none"> <li>Transition to eco-friendly and low-carbon technologies</li> <li>Failure of investment in new technologies</li> <li>Cost of conversion to low carbon-emission technologies</li> </ul>	
	<b>Markets</b> <ul style="list-style-type: none"> <li>Changing customer behavior</li> <li>Uncertainty of market changes</li> <li>Increased raw material costs</li> </ul>	
	<b>Reputation</b> <ul style="list-style-type: none"> <li>Changes in customer preferences</li> <li>Increased climate-related concerns or negative feedback from stakeholders</li> </ul>	



# Climate Action - TCFD Report

## ENVIRONMENTAL

### Analysis of Climate Change Opportunities

Climate change also creates new business opportunities. Many companies are striving to expand their eco-friendly businesses by breaking away from existing carbon-intensive businesses, and Kyobo Life is also increasing the scale and scope of its investments in solar and wind power generation projects every year.



### Climate Change-Related Opportunities and Financial Impact

Classification	Climate-related opportunities	Potential financial impact
<b>Resource efficiency</b> 	<ul style="list-style-type: none"> <li>· Increased efficiency of energy and water resources</li> <li>· Use of eco-friendly transportation</li> <li>· Increased recycling practices</li> <li>· Expansion of eco-friendly architecture</li> </ul>	<ul style="list-style-type: none"> <li>· Reduced operating costs due to increased energy efficiency (e.g., lower costs, greater efficiency)</li> <li>· Increased revenue through a boost in production capacity</li> <li>· Higher value of fixed assets (e.g., higher value of high-grade energy-efficient buildings)</li> <li>· Reduced costs through workforce management and operational planning (e.g., increased satisfaction due to improved health and safety of employees)</li> </ul>
<b>Energy source</b> 	<ul style="list-style-type: none"> <li>· Use of green (low-carbon and renewable) energy</li> <li>· Leveraging incentives from government support policies</li> <li>· Use of new technologies</li> <li>· Participation in the carbon market</li> </ul>	<ul style="list-style-type: none"> <li>· Reduced operating costs (e.g., long-term cost savings through green energy use)</li> <li>· Reduced risk exposure for future fossil fuel price increases</li> <li>· Reduced sensitivity to carbon costs by decreasing GHG emissions</li> <li>· Return on investment in low-carbon technologies</li> <li>· Increased capital availability (e.g., increased investor preference for low-carbon practices)</li> <li>· Increased demand for products and services due to positive reputation</li> </ul>
<b>Products/service</b> 	<ul style="list-style-type: none"> <li>· Expansion and/or development of low-carbon related products/services</li> <li>· Development of insurance products for climate risks</li> <li>· Development of new products and services through R&amp;D and innovation</li> <li>· Diversification of business activities</li> <li>· Changing consumer preferences</li> </ul>	<ul style="list-style-type: none"> <li>· Increased income through demand for low-carbon related products and services</li> <li>· Increased revenue through new solutions to climate risks (e.g., products and services that transfer insurance risks)</li> <li>· Improved competitiveness to reflect changing consumer preferences</li> </ul>
<b>Markets</b> 	<ul style="list-style-type: none"> <li>· Access to new markets</li> <li>· Leveraging public sector incentives</li> <li>· Access to new assets and regions that require insurance coverage</li> </ul>	<ul style="list-style-type: none"> <li>· Increased revenue through access to new and emerging markets (e.g., partnerships with governments and development banks)</li> <li>· Diversification of business portfolio (e.g., green bonds and infrastructure)</li> </ul>
<b>Resilience</b> 	<ul style="list-style-type: none"> <li>· Expanded application of renewables and introduced energy efficiency metrics</li> <li>· Discovery of alternative sources and diversification of resources</li> </ul>	<ul style="list-style-type: none"> <li>· Increasing the market value of resilient assets (e.g., infrastructure, land, buildings)</li> <li>· Improving supply chain reliability and operational capabilities in a variety of situations</li> <li>· Increasing revenue with new products and services that ensure resiliency</li> </ul>

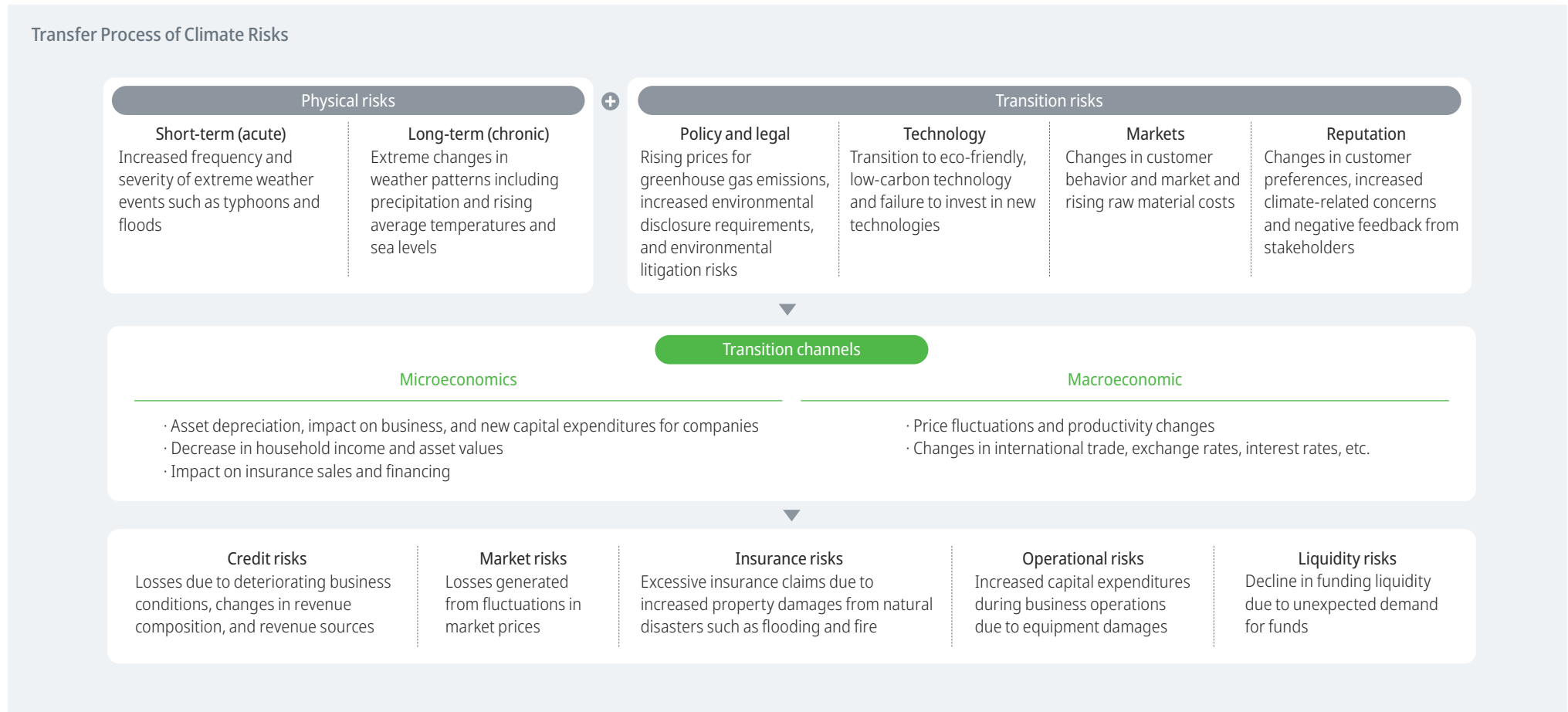
# Climate Action - TCFD Report

## ENVIRONMENTAL

### Risk Management

#### Transfer of Climate Risks

Climate risks can be categorized into physical and transition risks, each with complex chain reactions that can affect businesses, households, and others at both the micro and macroeconomic levels. In turn, climate risks affect a range of financial risks, including credit, market, insurance, operational, and liquidity risks. Kyobo Life has established a climate risk management roadmap to prevent the transfer of climate risks to financial risks.



# Climate Action - TCFD Report

## ENVIRONMENTAL

### Climate Risk Management Roadmap

To systematically manage climate risk, Kyobo Life has established the Climate Risk Management Roadmap. As a first step forward, Kyobo Life became the first in the insurance industry to participate in 'Frontier 1.5D', a project to develop a climate risk management model so to quantitatively measure the potential impact of physical and transition risks on Kyobo Life, in 2022. The Company is establishing a management system by applying climate change risks in its risk management regulations and defining roles for each organization.

### Climate Risk Management Roadmap

	STEP 1	STEP 2	STEP 3	STEP 4
	<b>Recognition of climate change risk management subjects</b>	<b>Calculation of financed emissions and analysis of high-risk areas</b>	<b>Establishment of monitoring and management processes</b>	<b>Reporting and disclosure</b>
<b>Main Points</b>	<ul style="list-style-type: none"> <li>Identification of risk factors resulting from climate change and recognition of climate risk management subjects</li> <li>- Physical risks - Transition risks</li> </ul>	<ul style="list-style-type: none"> <li>Calculation of financed emissions from assets and analysis of high-risk areas such as high-carbon emissions industries</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring of climate risk impacts and establishment of climate risk management processes</li> </ul>	<ul style="list-style-type: none"> <li>Reporting of current climate risk recognition and analysis to Risk Management Committee and external disclosure</li> </ul>
<b>Current Actions by Kyobo Life</b>	<ul style="list-style-type: none"> <li>Initiative to develop a climate risk management model (joint project with Ewha Womans University and Financial Supervisory Service, June 2022-May 2023)</li> </ul>	<ul style="list-style-type: none"> <li>Inspection of financed emissions for assets held</li> <li>- High-carbon emitting industries: electricity and gas supply, primary metal manufacturing (calculated as of December 2022)</li> </ul>	<ul style="list-style-type: none"> <li>Participation in the Joint Working Party on Climate Risk Stress Test (Financial Supervisory Service, September-December 2022)</li> <li>Internal adoption of climate risk-related regulations and establishment of R&amp;R (2023)</li> </ul>	<ul style="list-style-type: none"> <li>Regular reporting on climate risks to Risk Management Committee (2024)</li> <li>TCFD disclosure in the Sustainability Report (2023)</li> </ul>

### Case Study Participation in the Climate Risk Management Model 'Frontier 1.5D'

Kyobo Life is participating in the project to develop a climate risk management model, 'Frontier 1.5D' as the first insurance company in Korea alongside signing the business agreement with the Financial Supervisory Service, major Korean companies, the British Embassy in Korea, and Ewha Womans University. The project represents the commitment to the international agreement to limit global warming to 1.5°C above pre-industrial levels, and Kyobo Life is in charge of analyzing climate risk-related data and collaborating on research alongside participating companies. The development of a climate risk management model is expected to help in systematically forecasting and analyzing risks that may arise from climate change, such as increased insurance payouts due to higher mortality and disease rates from extreme weather events or adjustments to asset management portfolios as high-carbon company stocks and bonds decline in value during the transition to a low-carbon society.



Business Agreement Ceremony of Frontier 1.5D

# Climate Action - TCFD Report

## ENVIRONMENTAL

### Sustainable Investment Policy

As a good manager of client assets, Kyobo Life has endeavored to establish an ESG investment system for responsible asset management. In March 2022, the Company established its Sustainable Investment Policy to incorporate this direction in asset management. The Sustainable Investment Policy consists of the system, scope, and principles for sustainable investment and will be further refined to reflect changes in the business environment in the future.

 [Sustainable Investment Policy of Kyobo Life](#)

#### Principles of Sustainable Investment (Six Principles)

- Kyobo Life actively considers ESG-related risks and opportunities when making investment decisions to achieve mutual growth of the stakeholders over the long term.
- Kyobo Life restricts investment in sectors that have an adverse impact from the ESG perspective or in sensitive and cautionary sectors according to the investment process. Also, following the Coal Phase-out declaration, Kyobo Life does not invest in projects involved in building new coal power plants.
- Kyobo Life endeavors to invest in areas necessary to fulfill social responsibility and protect the environment and to increase participation in such projects.
- Kyobo Life continues to mutually cooperate with trade partners, customers and stakeholders in implementing the sustainable investment policy.
- Kyobo Life exerts continuous effort to enhance asset managers' awareness of sustainable business management and to develop their management capability.
- Kyobo Life strives to share the status and the direction of sustainable investment in a transparent manner and to faithfully report the ESG policy and the progress of implementation.

#### Scope and Process of Sustainable Investment

##### Scope of Sustainable Investment

Retail lending, Stocks, Bond, Alternative Investment etc.

##### Process

##### 1 Identification and Proposal of Investment Opportunities

Consideration of ESG factors in business and project identification/proposals

##### 2 Deliberation

Systematization of ESG impact assessment  
 - Own ESG Checklist  
 - Negative and positive screening

##### 3 Execution

##### 4 Monitoring

### Introduction of Own ESG Checklist

In 2022, Kyobo Life introduced an ESG Checklist applied to domestic companies for investment and project financing (PF) with a scoring method that reflects the characteristics of the evaluation target. ESG ratings have five grades, including A (Excellent), B (Good), C (Fair), D (Weak), and E (Poor). The grades are rated by checking the presence of industries that have harmful and negative impacts on the environment. The results of the ESG Checklist are used as a benchmark for ESG impact in company credit ratings and investment asset screening, and investments may be restricted based on the rating.

#### ESG Checklist Evaluation Items

##### E(Environmental)

- Environmental regulations
- Resource use
- Pollutant emissions
- Environmental innovation

##### S (Social)

- Working environment
- Fair trade
- Fair competition
- Community interests

##### G (Governance)

##### Company

- Shareholder rights
- Board of directors
- Auditing body
- Information transparency

##### PF

- Investment structure
- Cash flow
- Investor rights
- Information transparency

#### Case Study Negative/Positive Screening



Negative Screening

##### · Operation of socially responsible investment guidelines

- Refining the definition and scope of harmful companies (restriction of investment)
  - ① Tobacco (tobacco manufacturers worldwide)
  - ② Inhumane weapons (cluster munition, anti-personnel mines)



Positive Screening

##### · Securities

- Expansion of investment in international equity ESG ETFs, ESG bond funds, and ESG bonds

##### · Alternative Investments

- Continued expansion of investment in eco-friendly energy and social infrastructure in Korea and abroad

# Climate Action - TCFD Report

## ENVIRONMENTAL

### Establishing a Sustainable Bond Management System

The sustainable bond management system at Kyobo Life has been evaluated by Korea Ratings, DNV, and Nice Investors Service as meeting the International Capital Market Association's (ICMA) Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines.

 [Sustainable Bond Management System of Kyobo Life](#)

### Issuance of Sustainable Bonds

In September 2021, Kyobo Life became the first life insurance company in Korea to issue KRW 470 billion worth of new ESG-certified hybrid securities (sustainable bonds) domestically. In June 2022, Kyobo Life also issued USD 500 million worth of new ESG hybrid securities (sustainable bonds) overseas, with the proceeds to be invested in the green and social sectors. In addition, in May 2023, the Company issued KRW 500 billion worth of new ESG hybrid securities (sustainable bonds) in Korea. In particular, the sustainable bonds issued in 2021 were rated ST1<sup>1)</sup> in the ESG certification rating for domestic sustainable bonds by operating processes such as evaluation and selection of suitable projects, management of procured funds, and follow-up reporting at an excellent level.

1) ST1: The highest level of certification grade awarded by Korea Rating and Nice Investors Service after evaluating financial products that procured funds for the purpose of environmental management, socially responsible management, and sustainable management.

### Case Study Investment in Solar Power Business to Achieve RE100

Kyobo Life is investing in a business that builds and leases solar power plants on factory roofs and parking lots of five companies that are moving toward RE100 through self-generation. The project will build a 20.6 MW power plant to generate and supply approximately 26.3 GWh of electricity annually. Kyobo Life invests in a solar power project that applies the self-generation method, which has the highest carbon reduction effect among the various methods to achieve RE100. In addition to RE100-related projects, the Company will strive to expand investment in the green sector, e.g., renewable energy.

\*RE100 Campaign: Launched in 2014, RE100 is a global campaign to meet 100% of a company's electricity needs with renewable energy by 2050. In Korea, the Korean-style RE100 was launched in 2020, and as of the end of 2022, a total of 157 companies are participating in the initiative.



Solar Power Business

### Sectors for Allocation of Funds from Sustainable Bonds

Green		Social	
Renewable energy	Increasing energy efficiency	Accessible basic infrastructure	Housing projects for the vulnerable and low-income households
Pollution prevention and management	Sustainable water and wastewater management	Provision of basic accessible services	Socio-economic development and job creation
Eco-friendly buildings and transportation	Other products, production technology, and procedures for circular economy		

# Climate Action - TCFD Report

## ENVIRONMENTAL

### Expansion of Eco-friendly Investment

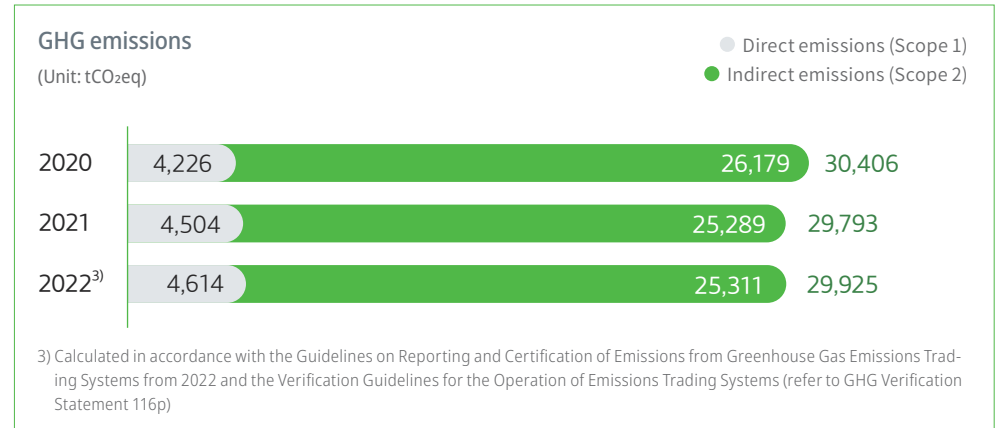
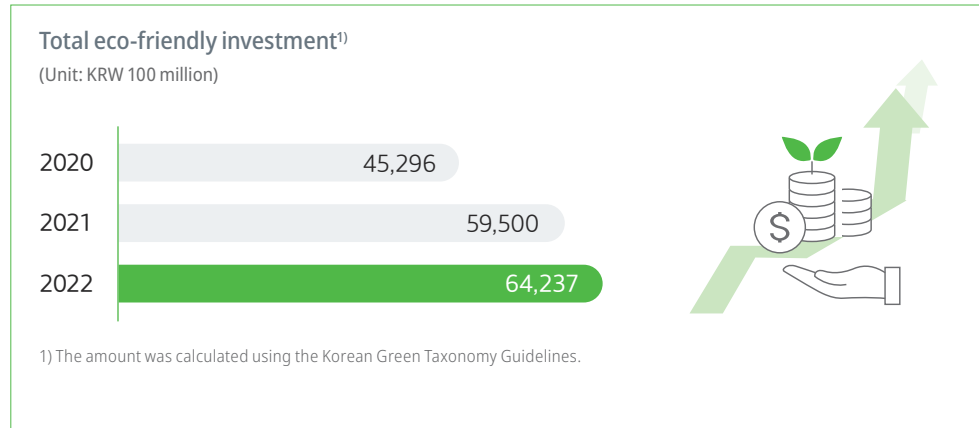
Kyobo Life's eco-friendly investments reflect the Korean Green Taxonomy Guidelines and include renewable energy production facilities such as solar and wind power, sewage and waste treatment facilities, eco-friendly transportation such as railroads, eco-friendly green-certified buildings, and green bond investments to improve energy efficiency and reduce air pollution. The Company began investing in solar power generation from 2007, followed by wind power generation in 2013, and fuel cell power generation in 2018. Kyobo Life will continue the ESG-oriented investment culture by expanding its scale of eco-friendly investment.

### Metrics and Targets

#### Monitoring of GHG Emissions

Kyobo Life is laying the foundation for measuring greenhouse gas emissions and monitoring its usage to meet reduction goals. In 2022, the Company established a greenhouse gas inventory<sup>2)</sup> and advanced our greenhouse gas measurement management system to a level that is in line with the national greenhouse gas goal management system. It has also calculated its own financed emissions for the listed equity, corporate bonds, project financing (PF), and mortgage asset classes, which currently represent 13.9% (KRW 12.34 trillion) of its total assets under management, based on the methodology suggested by the Partnership for Carbon Accounting Financials (PCAF). In the future, Kyobo Life plans to upgrade its financed emissions calculation model.

2) GHG inventory: a list of greenhouse gas emissions by source



# Environmental Management

## Environmental Policy

In March 2022, Kyobo Life established and disclosed the environmental policy to comply with environmental laws and regulations and global initiatives and to practice eco-friendly management. In accordance with its environmental policy, the Company will systematically manage environmental indicators such as greenhouse gas emissions and energy use and strive to install environmental management by expanding eco-friendly investments.

Environmental Policy

### Environmental Policy

**Kyobo Life complies with environmental laws and policies to contribute to preserving the environment; The following guidelines have been established and implemented to ensure sustainable growth.**

- Kyobo Life voluntarily complies with environment related laws, regulations and international agreements, and fulfills its social responsibilities.
- Kyobo Life monitors greenhouse gas emissions and use of energy to minimize impact on the environment while conducting its business, and engages in activities to improve the environment.
- Kyobo Life endeavors to expand green finance and environmentally friendly investment to reinforce eco-friendly business management.
- Kyobo Life provides education on environmental management to strengthen the environmental management capability of the executives and employees, and to spread the environmental management culture.
- Kyobo Life shares its green activities and achievements with the stakeholders in a transparent manner.

## Environmental Management Certification

In August 2022, Kyobo Life obtained ISO 14001 certification, an international standard for environmental management systems. To establish a systematic environmental management system, the Company conducted various activities such as identifying major environmental issues, establishing environmental improvement goals, checking obligations to comply with environmental laws and regulations, and conducting education and training. By obtaining ISO 14001, the Company has become more proactive in complying with environmental laws and regulations, laid the foundation for environmental management, and gained an ability to respond effectively to the environmental needs of its stakeholders.



Photo of the ISO 14001 Certificate Awarding Ceremony

## ENVIRONMENTAL

## Environmental Management Goals and Performance Management

Each year, Kyobo Life sets goals for water, electricity, and gas usage and waste emissions and manages them through regular monitoring. In 2022, it set targets to reduce energy consumption by 2% and waste disposal by 3% compared to the previous year. Moreover, it established and implemented management plans for key environmental indicators such as hours of environment-related training, number of legal violations, and corrective actions.

### Management Plan for each Key Environmental Indicator


<p><b>Water usage</b></p> <ul style="list-style-type: none"> <li>• Limiting the unnecessary use of water</li> <li>• In-house promotional broadcast to employees</li> </ul>	<p><b>Electricity usage</b></p> <ul style="list-style-type: none"> <li>• Using energy-saving products</li> <li>• Ensuring lights are turned off after work</li> </ul>
<p><b>Gas usage</b></p> <ul style="list-style-type: none"> <li>• Maintaining proper office temperature</li> </ul>	<p><b>Waste emissions (volume-based waste fee system)</b></p> <ul style="list-style-type: none"> <li>• Minimal use of disposables</li> <li>• Sorting and recycling waste</li> </ul>
<p><b>Waste emissions (mixed waste)</b></p> <ul style="list-style-type: none"> <li>• Sorting and collection of recyclables</li> </ul>	<p><b>Waste emissions (for recycling)</b></p> <ul style="list-style-type: none"> <li>• Waste sorting boxes stationed on all floors for recycling</li> </ul>
<p><b>Training time</b></p> <ul style="list-style-type: none"> <li>• Annual planning and implementation of statutory training</li> <li>• Learning history management</li> </ul>	<p><b>Number of legal violations</b></p> <ul style="list-style-type: none"> <li>• Proactive and regular monitoring of applicable laws</li> </ul>
<p><b>Number of corrective measures</b></p> <ul style="list-style-type: none"> <li>• Self-monitoring and auditing</li> </ul>	

# Environmental Management







## ENVIRONMENTAL

### Building a Paperless System





Often called the “man and paper industry,” the insurance business consumes a lot of paper in its operations. Considering such nature of business, Kyobo Life is practicing environmental conservation by establishing a paperless system from insurance subscription to renewal to payment claims. First, the Company has developed an electronic application system that allows users to use mobile phones or tablets when signing up for insurance. Through constant mobilization, the system has been replacing the paper application form. In addition, customer notices, which used to be sent in paper, are being transitioned to electronic media such as KakaoTalk and e-mail. For customers visiting Customer Plaza, the Company is reducing paper usage by introducing an electronic document system that provides electronic versions of paper forms for purposes such as accident claims. The introduction of the paperless system not only saves paper but also reduces the risk of information leakage from losing physical documents, enhancing security and increasing customer confidence.



#### Building a Paperless System

	As-is		To-be
<b>Subscription</b>	Paper application 	▶	Electronic application 
<b>Renewal</b>	Customer notice sent by postal mail 	▶	Customer notice sent by electronic media 
<b>Payment</b>	Signature form for customers 	▶	Signature on electronic documents 

#### Performance of Paperless System (2022)

-  Number of electronic applications  
31,587 (monthly average)
-  Reduced amount of paper used for customer notice  
375,113 sheets
-  Number of customer notice conversions  
342,941
-  Reduced amount of paper used by electronic document system in Customer Plaza  
1,795,000 sheets



# Environmental Management

## ENVIRONMENTAL

### Eco-friendly Campaign

#### Environmental Protection Campaign: Eco Together

From April to July 2022, Kyobo Life held the Eco Together campaign to help employees practice environmental protection in their daily lives. The Company encouraged employees through activities such as Earth Day quizzes, listing practices for Earth Day, holding an internal contest for environmental protection ideas, and offering prizes through a lottery for employees who actively participated in the event. Through these opportunities, Kyobo Life sought to raise the environmental awareness of its employees and encourage them to develop the habit of environmentally friendly practices.



Everyday Practice of Environmental Protection by Kyobo Life Employees

### 2022 Save the Paper Campaign

Kyobo Life held 2022 Save the Paper campaign from September to November 2022 to impart the habit of saving papers in the workplace and build consensus on environmentally friendly practices. The campaign targeted all employees at the headquarters with the goal of reducing office paper consumption by at least 10% during the campaign period (more than 40% of annual usage). To further reduce paper consumption in the offices, Kyobo Life will set an annual goal and gradually expand the scope of participation in 2023 to foster a paperless culture by encouraging employees to participate voluntarily.

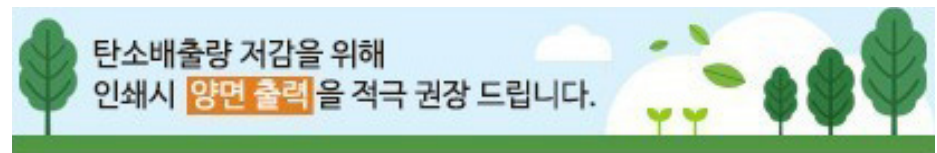


Provision of Tool for the Vitalization of Save the Paper Campaign

#### Case Study

#### Applied Case of Office Paper Saving Idea from 2022 Save the Paper Campaign

On Kyobo Life's intranet Ezmore, a pop-up window was used to induce employees to print documents double-sided.



# Protection of Consumer Rights

SOCIAL

## Consumer Protection System

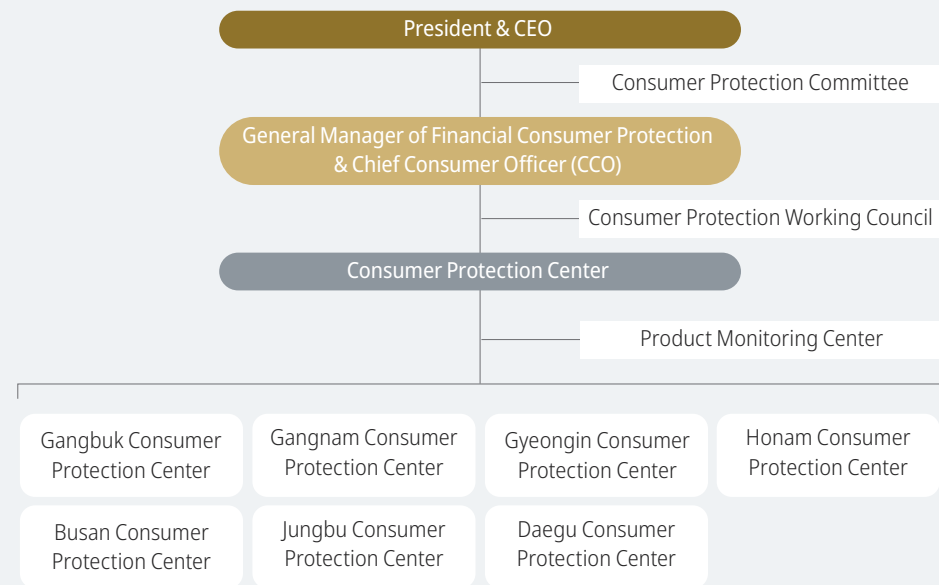
In order to protect the rights and interests of consumers through customer-centered business practices, Kyobo Life has established a consumer protection system by appointing the Chief Consumer Officer (CCO) as the general manager of financial consumer protection directly under the CEO. Consumer protection centers are also located in seven regions across the country, where dedicated CS managers attentively accommodate customers to ensure accurate and prompt responses to their complaints. In addition, the Company has designated establishing an advanced consumer protection culture as one of the key initiatives for 2022 and has begun to strengthen the inspection of internal control for consumer protection.

## Consumer Protection Charter

In 2014, Kyobo Life established the Consumer Protection Charter, which clarifies the Company's efforts for consumer protection. It contains Kyobo Life's commitment, basic directions, and behavioral principles for consumer protection. In May 2022, on the first anniversary of the enforcement of the Act on the Protection of Financial Consumers, Kyobo Life hosted an event where it declared the 2022 Consumer Protection Charter and Pledge to Practice Consumer Protection. It also revised the Consumer Protection Charter to include a statement that it will provide customer value to all customers from a consumer protection perspective, including the financially vulnerable, without discrimination.

[Consumer Protection Charter of Kyobo Life](#)

Consumer Protection Organization Chart



Declaration of the 2022 Consumer Protection Charter and Pledge to Practice Consumer Protection



# Protection of Consumer Rights

SOCIAL

## Activities to Practice “Complete Insurance Subscription”

Kyobo Life promotes various activities to ensure customers fully aware of the main contents, advantages, and disadvantages of the product before signing a contract. Employees and financial planners electronically sign the Pledge for Complete Subscription on the first business day of each month to renew their commitment to customer service. In addition, when the customers enroll in products, a guide and summary of the insurance terms and conditions are provided to facilitate their understanding of the main contents of the insurance terms and conditions. Following the implementation of the law on financial consumer protection<sup>1)</sup>, Kyobo Life offers Complete Subscription Consulting at Sales Sites where the consumer protection department and sales sites cooperate to find problems and derive improvement plans to enhance the effectiveness of consumer protection and become a trusted company. It also regularly conducts training on the Act for employees and financial planners.

1) Act on the Protection of Financial Consumers

### Status of Incomplete Subscription Sales

Classification	Unit	2020	2021	2022
Number of incomplete subscriptions	cases	875	521	593
Rate of incomplete subscription sales	%	0.15	0.10	0.10

## Prevention of Unfair Trading Behavior

Kyobo Life ensures that all advertisements and guide materials for insurance products are approved by compliance officers in advance. In 2022, the Company carried out capacity building for the advertisement production and deliberation departments and conducted regular inspections on the unapproved guidance materials. Kyobo Life will continue to monitor advertising regulation trends and operate an advertising deliberation system accordingly to create a fair trading order.

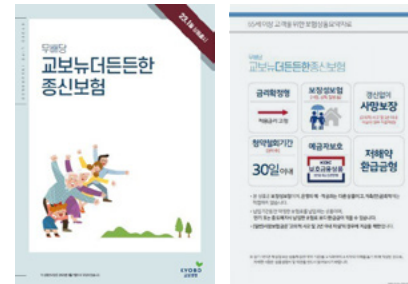
### Product Advertisement and Insurance Guidance Materials

Classification	Unit	2020	2021	2022
Deliberation of product advertisement and insurance guidance materials	cases	863	1,313	1,286
Violations related to product advertisement and insurance guidance materials	cases	0	0	0
Monetary loss due to violations related to product advertisement and insurance guidance materials	KRW million	0	0	0

## Protection of Consumers with Disabilities and Elderly Consumers

### Provision of Information to Protect Elderly Financial Consumers

Kyobo Life has enhanced the guidance for elderly customers to improve their convenience. For customers aged 65 and over, a summary of critical information for selecting an insurance product was added to the brochure. For customers aged 70 and over, information mail for insurance contract management was provided in large fonts.

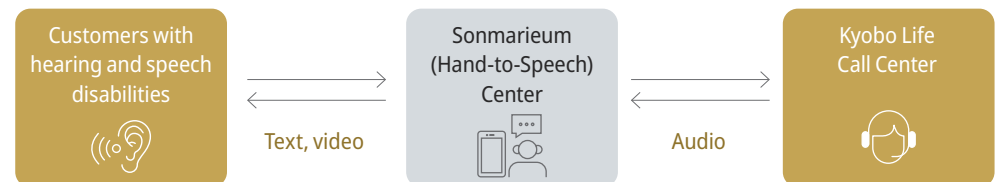


Product Guide for Customers over 65

### Counseling Services for Hearing and Speech-impaired Customers

Kyobo Life provides services through Sonmal Eeum Center (Hand-to-Speech Center) of the National Information Society Agency to ensure that customers with hearing and language disabilities can conveniently use financial services. When the customers with hearing and language disabilities communicates to the sign language interpreter of the Hand-to-Speech Center through text or video, the interpreter proceeds to relay the content to the Kyobo Life customer service representative through speech. This service enables customers to better understand insurance products, payment of insurance premiums, and insurance claims.

### Consultation Process for Hearing and Speech-impaired Customers

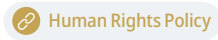


# Human Rights Management

## SOCIAL

### Human Rights Policy

Kyobo Life supports global norms and guidelines on human rights, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labor Organization’s Core Conventions, and the OECD Due Diligence Guidance for Responsible Business Conduct. The Company has established its own human rights policy based on these principles. This Human Rights Policy applies to all employees of Kyobo Life, and all stakeholders in trading relations are encouraged to comply with it.



### Employee Human Rights Due Diligence

Kyobo Life conducted its first human rights due diligence in 2022 to prevent human rights risks that may arise in its business operations. The human rights due diligence was based on a checklist of seven areas, including non-discrimination in employment, humane treatment of workers, and prohibition of forced labor. The checklist was organized around internal regulations and domestic laws and systems on key human rights issues and was used for self-assessment by the relevant departments. The human rights due diligence did not identify any significant human rights risks, but matters that needed to be clarified in the Company’s policies, such as the hiring of minors, were discovered, and the relevant regulations were revised.

### Result of the Human Rights Due Diligence

Key Human Rights Issues	Key Responses
<b>Non-discrimination in employment</b>	<ul style="list-style-type: none"> <li>Discrimination based on gender, religion, and disability is prohibited in accordance with human rights policy and internal control standards</li> <li>Operation of employee training (statutory training) and a system of punitive measures when grievances reported</li> </ul>
<b>No gender-based discrimination in employment</b>	<ul style="list-style-type: none"> <li>Implementation of blind recruitment process (exclusion of job applicants' personal information, such as physical conditions and place of origin)</li> <li>Prohibition of unjustified sexual discrimination in accordance with human rights and diversity policies</li> <li>Absence of categorization between men and women in employment regulations and labor contracts</li> </ul>
<b>Non-discrimination against temporary workers</b>	<ul style="list-style-type: none"> <li>Prohibition of unfair discrimination against fixed-term or short-term workers in accordance with human rights and diversity policies</li> </ul>
<b>Non-discrimination against foreign workers</b>	<ul style="list-style-type: none"> <li>Respect for religions and cultures of foreign workers in accordance with the human rights and diversity policies and prohibition of unfair discrimination with such basis</li> </ul>
<b>Work hours</b>	<ul style="list-style-type: none"> <li>Specification of working hours and labor contracts in company regulations (employment regulations, personnel regulations)</li> <li>Workers' autonomous use of rest times as prescribed in regulations and labor contracts</li> </ul>
<b>Wages</b>	<ul style="list-style-type: none"> <li>Calculation and remittance of wages higher than the minimum wage in accordance with statutory regulations</li> <li>Through the human resources management system, overtime, night, and holiday work history of workers are verified to grant compensatory working hours</li> </ul>
<b>Provision of quality welfare benefits</b>	<ul style="list-style-type: none"> <li>Operation benefits programs such as Dasomi Day Care at Kyobo Life (p.34)</li> <li>Registration and operation of a retirement pension program where part or all of the retirement benefits of an employee is received by the respective employee (p.83)</li> </ul>
<b>Maternity protection</b>	<ul style="list-style-type: none"> <li>Provision a maternity protection system such as the operation of women's lounges in the headquarters building (p.34)</li> </ul>
<b>Prevention of workplace harassment and sexual harassment</b>	<ul style="list-style-type: none"> <li>Statutory training on sexual harassment and harassment in the workplace every year (additional training until the end of the year for employees who enter or return after the training schedule)</li> <li>Upon reception of report on workplace harassment or sexual harassment by the Employee Grievance Center, referral to the Employee Grievance Resolution Support Division of the Human Resources Support Team</li> <li>→ Investigation by a representative of the Human Resources Support Team (an attorney or labor attorney) and request for disciplinary measures in case of workplace harassment/sexual harassment</li> </ul>
<b>Freedom of association and collective bargaining</b>	<ul style="list-style-type: none"> <li>Based on collective agreement, regular hosting of management status briefings with Labor-Management Council</li> </ul>
<b>Guarantee of collective bargaining and enforcement in good faith</b>	<ul style="list-style-type: none"> <li>As of 2022, 69.8% of all employees have joined the union and 100% apply the collective agreement</li> </ul>
<b>Prohibition of forced labor</b>	<ul style="list-style-type: none"> <li>Workers are free to enter into and terminate their employment contracts, and retaliation from the Company is prohibited if they express their intention to retire</li> </ul>
<b>Prohibition of employing minors</b>	<ul style="list-style-type: none"> <li>Kyobo Life does not employ minors under the age of 15 in accordance with Article 64 of the Labor Standards Act. Parental consent is obtained when hiring workers between the ages of 15 and 18</li> </ul>
<b>Safety and Health</b>	<ul style="list-style-type: none"> <li>Safety inspections of the office building, Safety and health inspection days (p.37)</li> </ul>
<b>Protection of pregnant women and people with disabilities</b>	<ul style="list-style-type: none"> <li>Provision of a lactation room in the female employee's locker room and operation of elevators with tactile paving for people with disabilities</li> </ul>
<b>Support for workers affected by industrial accidents</b>	<ul style="list-style-type: none"> <li>Establishment of safety and health management policy and operation of Occupational Safety and Health Committee</li> </ul>
<b>Strict management of personal data</b>	<ul style="list-style-type: none"> <li>Annual inspections of the management and protection status of personal (credit) data, which are reported to the CEO and board of directors, then reported to the Financial Security Institute</li> </ul>

### Process of Human Rights Due Diligence



# Human Rights Management

SOCIAL

## Human Rights Education

Kyobo Life conducts regular human rights training for all employees. In 2022, the Company provided workplace disability awareness training, workplace sexual harassment prevention training, and workplace harassment prevention training for an hour each to all employees and temporary workers, and every training audience completed the training.

### Participation in Human Rights Education

Classification	Unit	2020	2021	2022
Human rights training time per person	hours	3	3	3
Participation rate in the sexual harassment prevention training	%	100	100	100
Participation rate in disability awareness training	%	100	100	100
Participation rate in workplace anti-harassment training	%	100	100	100

\* Target audience: employees (including part-timers) and dispatch personnel

\*\* Workers who work less than 60 hours per month within the training schedule, overseas workers, and third-party dispatch workers are excluded from the target audience.



Human Rights Education for Employees

## Grievance Redress and Consultation System for Employees

Kyobo Life operates a department dedicated to receiving and resolving employee grievances that may arise at work. By actively resolving the grievances and pain points of its employees, the Company provides a work environment where they can be immersed in work and strives to create a desirable organizational culture that enables each member of the organization to fulfill their vision. In recent years, it has renewed the grievance redress system to enhance the security of the grievance redress process and improve the convenience of users. In particular, in the event of workplace harassment or sexual harassment, which are increasingly becoming social problems, Kyobo Life promptly responds to ensure that victims are not subjected to unreasonable treatment by taking measures to protect them. This includes immediately changing their workplace according to the victims' requests and granting them paid leaves. The Company also conducts objective fact-finding investigations and takes action against offenders in accordance with relevant laws and procedures.

### Grievance Submission Channel

Grievance redress and consultation service in the company intranet Ezmore

Appointments via internal phone call to the Employee Grievance Center, e-mail on Ezmore, mail, and in person  
Tel. 02-721-2598



### Grievance Redress Process



# Human Rights Management

## SOCIAL

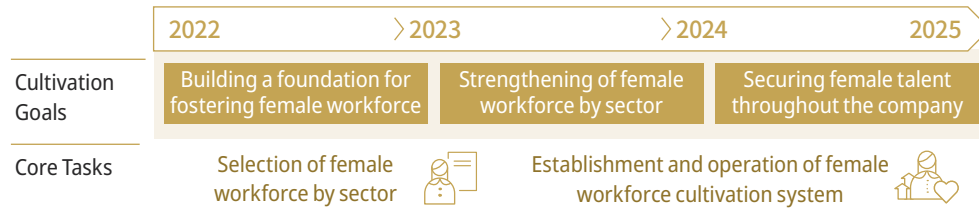
### Enhancing Diversity

#### Empowering the Female Workforce

To foster leading women of the future, Kyobo Life systematically selects and nurtures female employees in each division. The Women Workforce Development Program, first launched in 2022, selected 28 female employees and supported their capacity building in leadership, ways of working, and basic abilities. The Company organized a Leadership Skill-Up program to enhance understanding of women’s leadership and psychological issues in organizations, and sprint practices based on the design thinking methodology<sup>1)</sup> to help them derive various ideas that can be applied in the workplace. Starting in 2023, Kyobo Life plans to expand the program to the sales field to further enrich the pool of talented next-generation women.

1) A program that utilizes “design thinking,” a creative mindset tool used by designers in the design process that quickly solves given problems in team projects.

#### Roadmap for Cultivating Female Workforce



Design Thinking Sprint Practice Activities

#### DE&I Conference

Kyobo Life held the Diversity & Inclusion (D&I) Forum, which has been held since 2012 and expanded to Diversity, Equity & Inclusion (DE&I) in 2022 to improve employee awareness of diversity. Approximately 400 employees participated in the DE&I Conference in a hybrid online/offline format. Programs such as the DE&I special lectures, panel forums with external speakers, and sharing of female leaders’ stories promoted awareness of diversity, equity, and inclusion. Both Kyobo Life members and external guests were invited to further enhance the advocacy of DE&I.

#### DE&I Conference Highlights

Classification	Details	Lecturer/Moderator
Empathy for DE&I (Sharing Examples)	Women leaders share their experiences of success by embracing differences • Innovators who change the world with new ideas and challenges • I am the reason I am who I am today • A person who enjoys work is a happy person!	Kim Hui-Jeong, CEO, Tictocroc Jeon Eun-Hui, Team Leader, Kyobo Life Han Jeong-Su, Director, Kyobo Securities
Understanding DE&I (Special Expert Lecture)	Understanding the meaning and need for DE&I considering psychological characteristics and relationships • The path to positive and constructive relationships through embracing diversity • Understanding intergenerational psychology and conflict within an organization	Heo Tae-Gyun, Professor, School of Psychology, Korea University
Practice and Application of DE&I (Panel Forum)	Exploring ways to change one’s mind and practice DE&I • Real-life Tips for creating an organizational culture that upholds DE&I • Parting with the familiar and accepting the unfamiliar	Seon Hyun-Ju, Adjunct Professor, Kookmin University (Chair) Lee Mi-Young, Executive Vice President, Kyobo Life (Panel) Kang Hyun-Young, Manager, Kyobo Life (Panel) Han Jung-Soo, Director, Kyobo Life (Panel)



2022 DE&I Conference

# Talent Development

## SOCIAL

### Ideal Talent at Kyobo Life

#### “EXCELENT KYOBO”

##### Honest and Sincere - Ethic

A person who fulfills their rights and duties as a member of the organization with an honest heart and the belief that "nothing is free or secret in the world," and has a sincere work attitude to accomplish their roles and responsibilities as a good manager of customer assets.



##### Challenging and proactive - eXecution

A person who is always creative, constantly pursuing innovation with the "strength of mind to cut through raw wood with bare fingers," has an "inventive pioneering spirit," and takes risks and boldly takes on challenges to new changes



##### Customer-oriented - Customer Focus

A person who is a serious insurance professional and always takes the initiative to put customer interests first



##### Engaged and collaborative member - Engagement

A person who sees wide, far, and high, actively participates in the organization, and works in collaboration with other organizations and people to create corporate value



##### World-class specialist - Leading-edge expertise

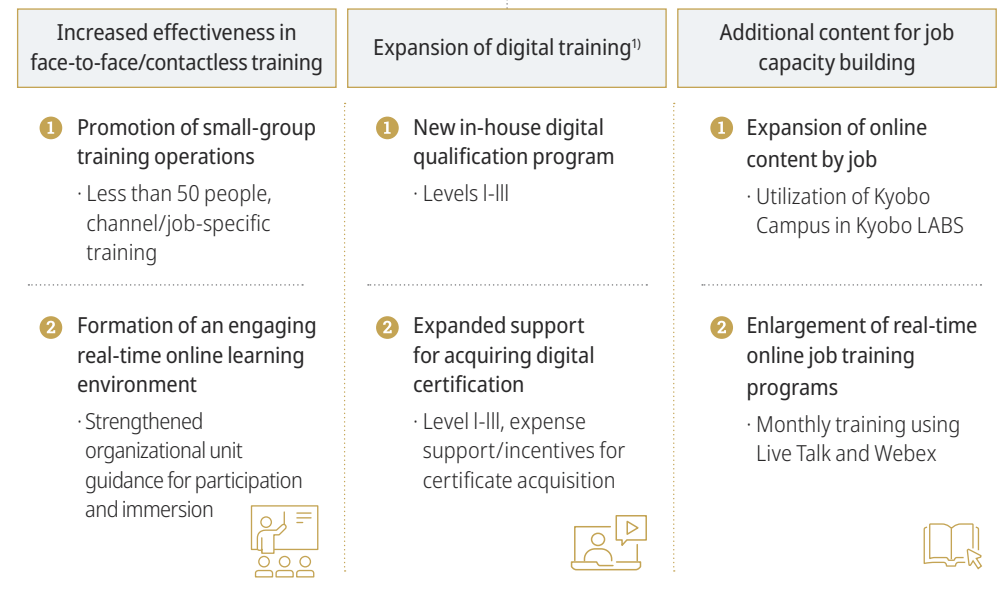
A person who is recognized as a leading-edge expert with an international sense in their field of work, passionate about their work, and continuously develops their own and organization's core competencies through continuous learning and self-development



### Direction of Talent Development

In 2022, Kyobo Life established a digital talent development system to lay the foundation for fostering digital talent and strengthen support activities for the development of digital-based organizational capabilities. In addition, the Company provided various learning programs that reflected the needs of its employees, including constant, mutual learning support using various learning platforms, creating job-related video content, offering mini-classes, and selecting and supporting Kyobo creators.

#### Direction of Training Operations in 2022



<sup>1)</sup> Nurturing Digital Talent



# Talent Development

SOCIAL

## Constant and Mutual Learning Platform Support

Kyobo Life has established learning platforms such as K-stagram, Bookstagram, and Kyobo LABS to support active, constant, and interactive learning among its members.

### Key Learning Platforms

**K-stagram** Support for sharing knowledge/experience between organizations using social media

#### Knowledge Channel K

A space to learn in-house knowledge and field-specific external content

#### Kyoboin Story

A space to share experiences and anecdotes inside and outside the Company



**Bookstagram** Support for learning through reading and mutual exchange of opinions between members of the organization

#### Book support

May apply for up to 6 books per year at any time

#### Scrapbook activities

Promotion of the reading experience among members through sharing book reviews (clippings)

#### Book club

Mutual learning through discussion with the members who applied for the same books



**Kyobo LABS** Support for various video-based constant learning, such as job knowledge, digital technology, and management

#### Kyobo Campus

Provision of job knowledge directly applicable to the current business, video content with job class-specific knowledge

#### Microlearning

Provision of video content to acquire knowledge/information in various fields such as digital, insurance, finance, and marketing



## Leadership Training

Kyobo Life operates digital leadership programs, book club discussions, and reverse mentoring to build the digital leadership, management, and leadership capacity of executives and organizational leaders. A separate development system for executive candidates is offered to equip them with the required leadership capabilities, and group training, contactless coaching, and self-directed learning are provided for organization leaders at sales sites.

### Key Leadership Training Programs

Target	Main Points
Executives and organization Leaders	<ul style="list-style-type: none"> <li>· Digital leadership program</li> <li>· Executives and team leader book club discussions</li> <li>· Invited lectures by book authors (customer experience innovation, trends and marketing)</li> <li>· Reverse mentoring</li> </ul>
Executive candidates	<ul style="list-style-type: none"> <li>· Action learning (problem-solving skills through team building)</li> <li>· Data-based decision-making, knowledge of company management, basic abilities</li> </ul>
Organizational leaders at sales sites	<ul style="list-style-type: none"> <li>· Management and leadership capacity building program</li> <li>· Contactless coaching programs, mentoring</li> <li>· Self-directed learning: utilization of Wisdom College, Kyobo LABS, Book Clip content</li> </ul>
Common applications	<ul style="list-style-type: none"> <li>· Special expert lectures for trend and insight, constant support for microlearning</li> </ul>

## Degree and Certificate Support Program

Kyobo Life supports the acquisition of certificates and degrees to strengthen employees' job expertise. Regular curricula are available for obtaining certificates in financial planning (AFPK, CFP) and insurance contract management, and the Company supports costs, including tuition, learning materials, and exam fees for obtaining additional certificates and degrees related to improved performance. In addition to supporting employees who acquire digital-related certifications, Kyobo Life also offers a master's program to nurture digital professionals.

# Increased Work Satisfaction

SOCIAL

## Welfare Benefits

Kyobo Life operates a welfare system related to security of life, health and cultural experiences, and housing security to improve employees' satisfaction in work and quality of life, as well as to provide a rewarding and fulfilling work environment that facilitates their concentration in work.

### Employee Welfare Benefits

#### Living stability

Statutory social insurance, tuition assistance for children, personal pension support, employee life insurance, provision of expenses for congratulations and condolences, uniforms, workplace daycare, childcare allowances, and travel expenses



#### Housing stability

Monthly rent, transportation expenses for long distances, appointment and transfer expenses, and return transportation expenses



#### Healthy cultural life

Health screenings, resorts, in-house clubs



#### Cafeteria system

Welfare points



## Maternity Protection Support

To support employees' childcare needs, Kyobo Life has been operating industry's first in-house workplace daycare center since 2013 and provides childcare allowances for employees with preschool children. In addition, the Company operates programs to protect maternity, such as prenatal checkups and fertility treatment leave.

### Key Provisions for Maternity Protection

Classification	Main Points
Prenatal diagnosis leave	· Granted based on weeks of pregnancy
Leaves and absences for fertility treatment	· Granted 3 days or less per year for leaves and 2 months per year or 6 months per year in vitro procedures for leaves of absence
Reduced working hours during pregnancy	· Reduced working hours of 2 hours per day for female workers within 12 weeks and after 36 weeks of pregnancy  *However, under the COVID-19 situation, working hours are reduced for the entire duration of pregnancy to protect the health of pregnant women
Leave before and after childbirth	· 90 days of pre-and post-natal leave are granted to pregnant women before and after childbirth  · When combined with annual leaves, the number of paid leave days before and after childbirth is equivalent to the number of annual leave days (up to 10 days)
Reduced working hours during childrearing	· Workers may apply for reduced working hours to raise children under 8 years of age or under grade 2 in elementary school
Parental leave	· Female workers who are pregnant and workers whose children are under 8 years of age or under grade 2 in elementary school may apply to use the leave of absence to raise children
Daycare at the workplace	· Operation of Dasomi Day Care at Kyobo Life  · Provision of childcare allowance for preschoolers and children not attending daycare at the workplace
Women-only lounge	· Space and supplies for lactation

## Increased Work Satisfaction

### SOCIAL

### Flexible Work Arrangements and Unreasonable Extended Work Report Center

Kyobo Life has implemented flexible working hours for its employees to achieve a harmonious work-life balance and work with improved productivity and energy. Three types of arrangements are available: selective, flexible, and flextime, the last of which was added in 2023. To protect employees from unreasonable overtime, night, and holiday work, the Company operates the Reporting Center for Undue Overtime Work on the intranet and takes measures such as investigating facts and reflecting the result in the performance review of organizational leaders.

#### Flexible Work Arrangements Highlights

Classification	Main Points
Selective	A system in which workers adjust their working hours within a certain period of time to the extent that the average working hours do not exceed legal working hours
Flexible	A system in which the Company adjusts working hours within a certain period of time to the extent that the average working hours do not exceed legal working hours
Time-difference commuting	A system in which the commute time is adjusted while maintaining predetermined working hours



### Fair Performance Evaluation System

Kyobo Life evaluates the work performance of all employees fairly and operates a performance management system to facilitate their improved performance and capacity building. Before the start of each business year, the Company establishes and guides employees' performance evaluation criteria for each sales channel. For employees at the headquarters and business organizations, Kyobo Life establishes individual goals in advance in consultation with the organizational leader and conducts semi-annual performance evaluations based on them. In addition, there is a system for exchanging feedback from organizational leaders and colleagues throughout the performance evaluation process, which consists of goal setting, progress review, and performance evaluation. In particular, the Company stresses the role of coaching and feedback from organizational leaders by conducting performance management coaching and feedback capacity-building training every year for smooth communication between senior and junior members. Furthermore, Kyobo Life measures individual competency to evaluate core competency elements and levels by job, job group, and job classification and utilizes them as a reference for improving individual competency. To assess the exemplary role of organizational leaders as expected by the Company, such as the responsibility for group performance and the level of practice, employee perspective surveys involving multi-faceted evaluations are conducted among their junior staff.

### Building Stable Labor-Management Relations

Kyobo Life is committed to building a stable and cooperative labor culture. It became the first corporation in the financial industry to be selected as a company with excellent labor culture three times in a row. Key management information and discuss labor-management issues are shared through regular Labor and Management Council meetings, and autonomous labor union activities are ensured. This practice has successfully formed a culture of mutual communication and trust between labor and management. As of 2022, 69.8%, or 2,450 of the 3,508 total employees who are eligible, have joined the union, and the collective agreement covers 100% of the workforce.

#### Operation of the Labor-Management Council

Classification	Frequency	Description
Labor-Management meetings	Frequently	· Discussion of labor issues
Labor-Management Council	Quarterly	· Sharing of management performance and business outlook
Management Status Briefing	2 times a year	· Explanation of management status and Q&A

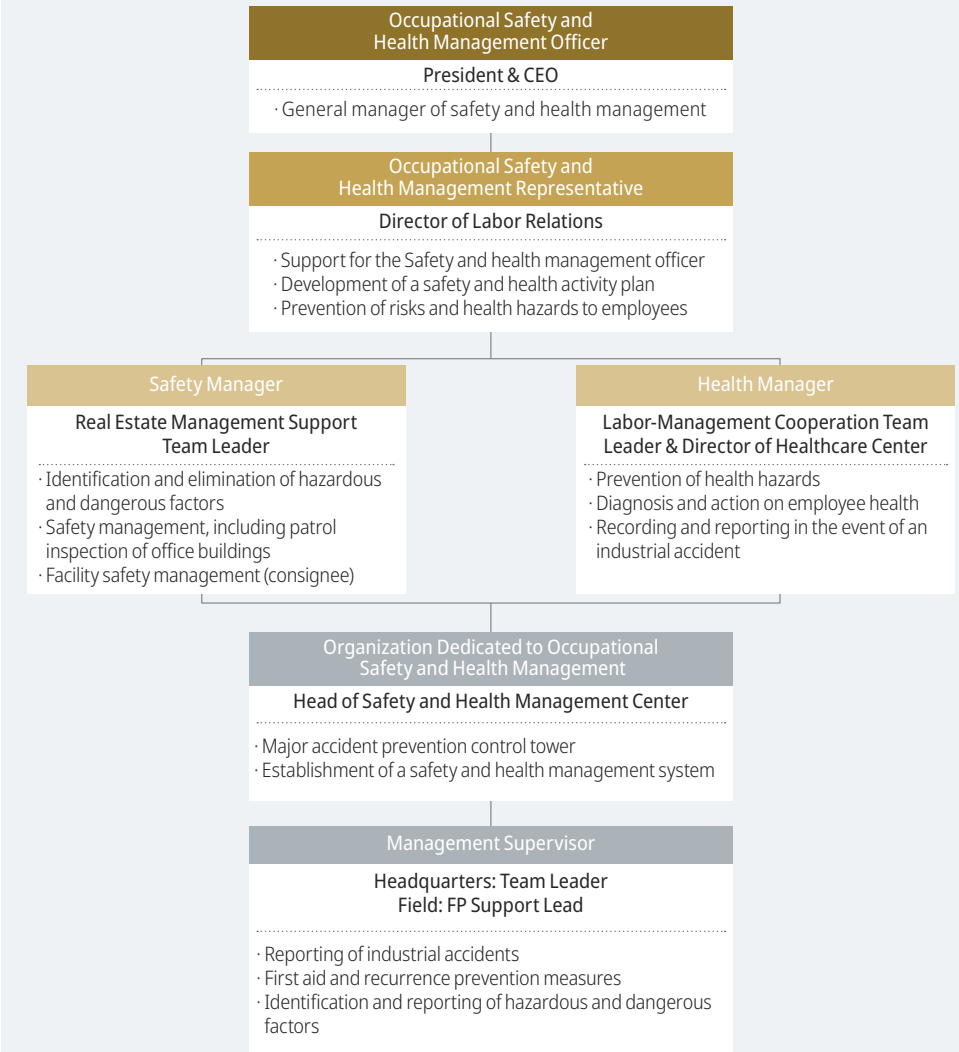
# Safety and Health

SOCIAL

## Safety and Health Management System

In accordance with Article 24 of the Occupational Safety and Health Act, Kyobo Life operates an Occupational Safety and Health Committee composed of employee members and employer members. It appoints safety and health management officers in accordance with Article 15 of the same Act. The Occupational Safety and Health Committee is a body that deliberates and resolves issues such as establishing an occupational accident prevention plan, conducting worker safety and health training, inspecting and improving the working environment, and strives to create a safe and healthy workplace. In February 2022, Kyobo Life established the Safety and Health Management Center, an organization dedicated to safety and health. The Company established safety and health management policies to conduct inspections, provide training, and operate the Occupational Safety and Health Committee. In addition, Kyobo Life has established and operates safety and health management regulations for all employees. It strives to prevent industrial accidents by conducting various safety and health activities for contracting work in the workplace by establishing a safety and health system for contracting work under the Safety and Health Management Regulations. In 2023, Kyobo Life is pursuing ISO 45001 certification, an international standard for occupational health and safety management systems, to establish a systematic safety and health management system.

Organization Chart for Safety and Health Management and Key Roles of Persons in Charge



### FY2022 Management Policy on Occupational Health and Safety

In order to provide a safe and healthy workplace for the employees, Kyobo Life complies with laws and regulations related to safety and health, and strives to create a safe and healthy work environment.

1. The Company exerts utmost efforts to create a safe and healthy workplace.
2. The Company complies with laws and regulations related to safety and health.
3. The Company seeks to enhance the level of safety and health through voluntary participation and cooperation of the staff.
4. The Company continues to eliminate dangerous risk factors by developing and implementing plans pertaining to safety and health.
5. The Company supports suppliers with activities promoting safety and health to prevent occupational accidents.

# Safety and Health

## SOCIAL

### Safety and Health Management Activities

To provide a safe and healthy working environment for its employees, Kyobo Life conducts annual safety inspections and risk assessments of office spaces. The Company eliminates hazardous and dangerous factors in the office environment, such as replacing old equipment. Through monthly safety and health inspection days, it also provides safety management training to raise safety awareness. In 2022, after Kyobo Life members actively participated in the Eulji Drill as part of its effort to proactively respond to emergencies, the Company was selected as a meritorious organization and awarded a citation from the Minister of the Interior and Safety. In addition, it has installed automated external defibrillators in all office buildings, provided training on CPR and AED use, and sponsored health screenings for employees. Kyobo Life will continue to promote the health of our employees and create a workplace where everyone is happy.

#### Key Safety and Health Management Activities

	Classification	Main Points
Safety	Removal of hazardous and dangerous factors	<ul style="list-style-type: none"> <li>Replacement of old elevators in corporate-owned office buildings</li> <li>Replacement and repair of Kyobo Tower exterior wall tiles</li> <li>Replacement of old equipment piping at corporate-owned office buildings in Masan and Iksan</li> </ul>
	Conducting safety inspections	<ul style="list-style-type: none"> <li>Inspection of safety conditions such as electricity and fire facilities at own/rented office buildings</li> <li>Conducted risk assessment of seven base offices</li> </ul>
	Safety management training	<ul style="list-style-type: none"> <li>Quarterly production and supply of posters and stickers related to safety and health at the head office/sales sites</li> <li>Constant in-house satellite broadcasting training on safety and health                             <ul style="list-style-type: none"> <li>- Training on CPR, use of fire extinguishers and fire hydrants, and response to elevator accidents</li> </ul> </li> <li>Monthly operation of safety and health inspection days                             <ul style="list-style-type: none"> <li>- Disaster accident cases and response processes, accident prevention guidelines</li> </ul> </li> </ul>
Health	Promoting employee health	<ul style="list-style-type: none"> <li>Half-yearly inspection of hazardous environments in office spaces (fine dust, carbon monoxide)</li> <li>Installation of AED at rented offices by FP Support Group</li> <li>Quarterly training in CPR and AED use</li> </ul>
	Sponsoring employee health screenings	<ul style="list-style-type: none"> <li>Support for regular health screening every year for all employees (over age 40, comprehensive examination)</li> </ul>

### Employee Health Support Campaign

Kyobo Life conducts health promotion campaigns to support corporate-wide employee health and provides various support to encourage participation. In 2022, Kyobo Life organized a fitness project that encouraged employees to walk and promote their health. A total of 894 employees participated in the campaign, which rewarded employees who met their target steps through the health care app Kare over a 10-week period. In 2023, the Company is also organizing various campaigns to improve the health of its employees. Wearable devices were provided to applicants with chronic diseases, and it operated the “Wise Health Care” program to help people have healthy habits for 12 weeks with services such as exercise management, weight management, blood pressure management, and health counseling. This program was operated in conjunction with a volunteer plogging program, which operates during business hours and awarded prizes to participants who achieved their step goals. In addition, Kyobo Life is planning a campaign to quit smoking, hold health quizzes, and produce health promotion videos. In addition, Kyobo Life supports comprehensive medical examinations for employees and their spouses, and provides vaccinations for employees through Kyobo Healthcare Clinics in seven locations nationwide.



Employee Fitness Project



Smart Healthcare Campaign Cases

# Ethical Management

## SOCIAL

### Kyobo Members' Code of Work Ethics

Through the Kyobo Members' Code of Work Ethics, Kyobo Life presents the upright behavior and standards of values that employees shall uphold. The Kyobo Members' Code of Work Ethics is centered on the Kyobo Members' Charter of Work Ethics and includes the Kyobo Members' Practicing Guidelines of Work Ethics and its Detailed Rules.

#### Kyobo Members' Code of Work Ethics

##### Classification

- Kyobo Members' Charter of Work Ethics
- Kyobo Members' Practicing Guidelines of Work Ethics
- Detailed Rules under Kyobo Members' Practicing Guidelines of Work Ethics

##### Purpose and Overview

- Declaration of intention to practice work ethics based on core purpose, core values, and compliance with laws and regulations
- Basic standards and principles of work ethics and conduct for employees under the Charter of Work Ethics
- Specific rules of conduct for the Practicing Guidelines of Work Ethics



### Commitment to Kyobo Members' Code of Work Ethics

Every year, Kyobo Life holds an event for Kyobo Members' Commitment to the Code of Work Ethics that encourages all employees to take the Code to heart and promise to fulfill work ethics at the workplace. In 2022, all employees signed electronic signatures through the in-house intranet Ezmore at the beginning of the year.

#### Commitment to Kyobo Members' Code of Work Ethics

Classification	Unit	2020	2021	2022
Number of Kyobo Members that Committed to Kyobo Members' Code of Work Ethics	persons	4,014	3,949	3,923

### Ethical Management Communication

Kyobo Life continuously provides training and communicates with all employees to promote a clean and ethical organizational culture. All departments organize monthly Ethics Compliance Self-Education Days for all employees and discuss various topics such as the practice of work ethics and the prevention of financial accidents. As necessary, additional training for each department is prepared by the Compliance Support Team. In 2022, all employees completed 100% of their work ethics training.

#### Ethical Management Communication Activities

Classification	Main Points
Ethics Compliance Self-Education Day	Mandatory education on various ethics compliance topics for all employees
On-Boarding Program for organizational leaders	Introducing Compliance Support Team's organization and jobs for the organizational leaders who transferred to headquarters
Compliance ethics training for new employees	Training on understanding internal control and compliance for new employees
Workshop for compliance support	Compliance training for employees in charge of compliance support
Training of compliance with fair trade laws	Training on fair trade for department staff in charge
Publication of ethics compliance webtoons	Regular publication of webtoons with ethics compliance practices to facilitate employee understanding of issues that may seem difficult and boring

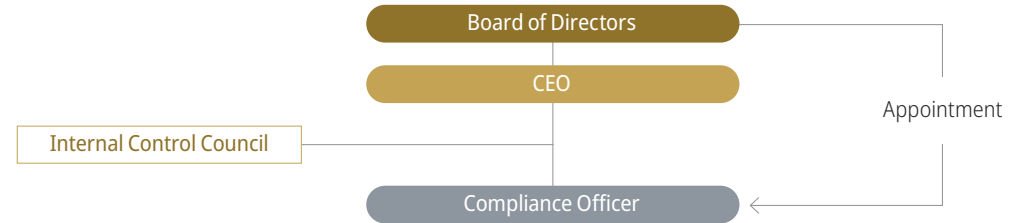
# Ethical Management

## SOCIAL

### Internal Control System

Kyobo Life has established "Internal Control Standards" that mandate employee compliance during the course of their business to comply with laws, conduct sound management, and protect shareholders and stakeholders. The Company has also appointed a compliance officer to examine the level of compliance with Internal Control Standards and regularly report the results of investigating violations to the Audit Committee and the board of directors once a year. Each year, the compliance officer evaluates the operating conditions of internal control, derives matters requiring improvement and assists frontline departments in the process, and reports the results of the improvement to the board of directors. The Internal Control Council, chaired by the CEO, discusses important matters related to internal control.

### Internal Control Organization Chart



### Operational Evaluation of Internal Control



### Evaluated Categories

Common categories (3)	Classification by job (5)
<ul style="list-style-type: none"> <li>Controlled environment and controlled culture</li> <li>Accounting, information and communication systems</li> <li>Self-Evaluation and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>General management</li> <li>Insurance sales</li> <li>Preservation of contract and payment</li> <li>Asset management</li> <li>Insurance accounting</li> </ul>

### Improvement Tasks (2022)

Evaluated categories	Description
Controlled Environment and Controlled Culture	<p>Response to strengthened financial supervisory regulations on internal control</p> <p>Response to financial supervisory regulations such as the requirement to reflect matters related to solvency ratio management in internal control standards and the strengthening of internal control systems in the financial sector</p> <p>Establishment of solvency ratio calculation and management standards under the Insurance Business Act</p> <p>The "Solvency Ratio Calculation and Management Work" standard was established as insurance companies are required to document and manage matters related to the calculation, verification, and management of solvency ratios upon the introduction of K-ICS.</p>
Accounting, Information and Communication Systems	<p>Advancement of anomaly detection system to prevent customer information breach</p> <p>As personal information processing systems are expanding and abnormal symptom patterns are diversifying, it is necessary to implement countermeasures such as linking new personal data processing systems, enhancing detection scenarios, and improving the explanatory handling process in response to the latest customer information leakage threats.</p>
Insurance Sales	<p>Reviewing and strengthening the internal control system for consumer protection</p> <p>The Act on the Protection Of Financial Consumers and the Consumer Protection Standards require compliance with laws and regulations and the practice of full membership. It is necessary to strengthen the operation of the consumer protection internal control system, including monitoring sales sitges to check compliance with the Internal Consumer Protection Control Standards and conducting feedback from a consumer protection perspective after the product launch.</p>

# Ethical Management

## SOCIAL

### Compliance Program (CP)

Kyobo Life operates a Compliance Program (CP) to autonomously comply with fair trade laws and regulations. Through this, the Company offers clear behavioral standards for legal compliance to employees and partners and strives to preempt legal violations. The compliance officer serves as the supervisor of the CP and reports the status of operations to the board once a year. Kyobo Life members also pledge to practice and establish an active culture of CP. Furthermore, checklists are applied to ensure that the provision of unfair profit and conflicts of interest do not occur when trading with affiliates.

### Anti-Money Laundering System

In accordance with the recommendations of the Financial Action Task Force (FATF), an international anti-money laundering organization, Kyobo Life has established regulations such as the Anti-Money Laundering Business Regulations and the Anti-Money Laundering Business Manual, which serve as the basis of the Company's business operations. The Internal Control Council, chaired by the CEO, serves as the council for anti-money laundering activities. In 2022, the responsibilities for compliance with the internal control policy related to anti-money laundering and remedial measures for vulnerabilities were reported once to the board. In addition, Kyobo Life has a system that improves the Customer Due Diligence (CDD) system and prevents the financing of terrorists by regularly updating the watchlist and suspending transactions of such persons upon real-time comparison.

### Major Anti-Money Laundering Activities (2022)

Classification	Main Points
Improvement and strengthening of the Customer Due Diligence (CDD) process	<ul style="list-style-type: none"> <li>• New contract monitoring system for nationals of FATF-designated high-risk money laundering states</li> <li>• Development of customer verification processes for contactless financial transactions related to the digital channel integration project</li> <li>• Advanced process of differential customer identification based on customer risks (high, medium, and low)</li> <li>• First in the life insurance industry to apply blockchain technology to mobile driver's licenses for customer verification</li> </ul>
Digitization of anti-money laundering business using RPA (Robotic Process Automation)	<ul style="list-style-type: none"> <li>• Application of RPA in reconciliation and inspection of deposit and withdrawal transaction ledgers regarding currency transaction report</li> </ul>
Cyber training on anti-money laundering	<ul style="list-style-type: none"> <li>• Training on anti-money laundering laws and systems, Customer Due Diligence (CDD) systems, Suspicious Transaction Reporting (STR), and Currency Transaction Reporting (CTR) for employees in 2022</li> </ul>

#### Checklist Items for Transactions with Affiliates

##### Trading partner

- Is the company subject to control due to the provision of unfair profit?



##### Types of transactions

- What are the types and forms of transactions? (monetary or asset)



##### Trading terms

- What are the differences between the normal price and the transaction price, and their reasonable grounds?



##### Contract form

- What are the specific grounds and information on competitive bids and private contracts?



##### Contract conclusion

- Is the contract subject to consultation or deliberation and voting by the board of directors?



##### Data retention

- Are the key documents and materials retained for more than 2 years from the expiration of the contract?





# Ethical Management

## SOCIAL

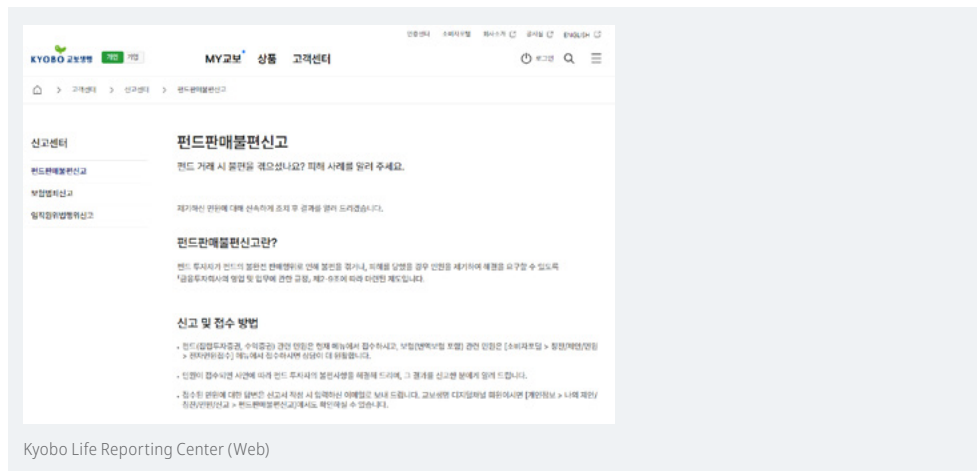
### Reporting Channels

#### Whistleblower Policy

Kyobo Life operates a whistleblower policy that receives consultations and reports from employees on business ethics so that concealed or potentially fraudulent activities can be detected and resolved at an early stage. Conduct subject to whistleblowing includes bribery and gratuity, financial misconduct, human rights violations, HR-related misconduct such as evaluations, sexual harassment, assault, and breaching of customer data. Reporting can be done in one's name or anonymously, and the information can only be viewed by compliance officers. Kyobo Life upholds the whistleblower protection regulations and ensures that they are not at any disadvantage in personnel matters.

#### External Stakeholder Grievance Redress System

Kyobo Life actively listens to and reflects the grievances of various stakeholders in its management activities. The Report Center is available on the website for anonymous reporting of insurance crimes and employee misconduct. Various complaint channels are also open to receiving complaints about Kyobo Life's products and services.



#### Certification of the Anti-corruption Management System

In October 2022, Kyobo Life obtained ISO 37001 certification, an international standard for anti-bribery management systems. ISO 37001 stipulates requirements for policies and control procedures to prevent corruption risks arising from corporate activities, and Kyobo Life has established an anti-corruption management system that complies with the standard to acquire this certification. The Company will continue to improve the issues identified during the certification process.

#### Audit Results from the Anti-Corruption Management System Certification

Classification		As-Is	To-Be
Governance	Reporting structure	CEO (responsible for insurance business)	Reporting to the board of directors
Identification/ improvement of corruption risks	Standardization	Conceptual definitions (based on third-party practices)	Specific definitions (reflecting the Code of Business Ethics)
	Level of analysis	Regulatory response/ level of compliance with company regulations (focused on compliance with anti-graft laws, business ethics)	Strengthened linkage to external issues (reflecting external issues such as large-scale embezzlement cases)
Operation of an anti-corruption management system	Improvement activities	Partial training, inspection, and improvement (centered on departments at headquarter)	Company-wide training, inspection, and improvement (expanded scope utilizing 240 compliance officers)
	Establishment of standards	Anti-corruption management manual (reflecting certification requirements)	Anti-corruption business guidelines (detailed guidelines for each job outside of certification requirements)
	Reporting method	Need to enhance related IT systems	Integration into the internal control operating assessment system
Applicable departments	Internal review personnel	8 (key departments at headquarters)	Over 50 (all departments at headquarters)
	Internal review personnel	Fostering 8 at this time (representatives at key departments)	Over 50 (all compliance support representatives at headquarters)



ISO 37001 Certificate Awarding Ceremony



# Information Security and Personal Data Protection

## SOCIAL

### Information Security Inspections

To fulfill its commitment to information security, Kyobo Life conducts its own security management inspections and audits. The Company regularly conducts information security audits, information protection management inspections, and personal data management inspections to raise the security awareness of its employees. A breach accident response manual is also in place to minimize damage in the event of customer information breaches. To improve the ability of employees to respond to accidents, the Company performs crisis response drills assuming a customer data breach once a year in accordance with the manual. Immediate action is taken on any inadequacies in need of improvement discovered through the drills.

### Crisis Response Process for Customer Information Breach



### Security Inspection Items

	Inspection purpose	Inspection cycle
<b>Internal and external information security audit</b>	<ul style="list-style-type: none"> <li>Periodic inspections on the adequacy of information protection (security system) operations</li> <li>The results of the inspection on the management and protection of personal credit information are reported to the CEO and the board of directors in accordance with relevant laws and regulations<sup>1)</sup>, then submitted for evaluation by the Financial Security Institute (Financial Services Commission)</li> </ul>	<ul style="list-style-type: none"> <li>Internal: once a year (constantly if signs of a security accident occur)</li> <li>External: once a year</li> </ul>
<b>Information protection inspection</b>	<ul style="list-style-type: none"> <li>Designation of the IT Security Inspection Day to check the compliance of employees with the security inspection items</li> <li>Emergency response training on response to APT, hacking, and DDoS attacks with external security experts</li> <li>Regular vulnerability inspections and improvement measures on electronic financial infrastructure, such as the website</li> </ul>	<ul style="list-style-type: none"> <li>IT Security Inspection Day: once a month</li> <li>Emergency response training: at least once a year</li> <li>Vulnerability inspections and measures: at least once a year               <ul style="list-style-type: none"> <li>Inspections and measures on the vulnerability of electronic financial infrastructure: once a year</li> <li>Inspections and measures on the vulnerability of websites: 1 semi-annual</li> <li>Inspections and measures on the vulnerability of new business systems: constantly</li> </ul> </li> </ul>
<b>Personal data management inspection</b>	<ul style="list-style-type: none"> <li>Regular inspections by sector to raise awareness of staff in charge of handling personal data and prevent accidents, and frequent inspections of important matters such as store closures</li> <li>Analysis of security solutions and employee inquiry of customer information to detect and verify abnormal signs during business operations</li> <li>Regular inspections and reporting of the adequacy of destruction (sorting) of customer information</li> <li>Crisis response training for breach of customer information</li> </ul>	<ul style="list-style-type: none"> <li>Self-inspection of customer information protection: once a month</li> <li>Security inspection of departments at headquarters and sales sites: semi-annually</li> <li>Security inspection of insurance agencies and consignees: once a quarter</li> <li>Self-evaluation of customer information protection: once a quarter</li> <li>Inspection for abnormal signs: once a month</li> <li>Inspection of waste destruction (sorting): once a quarter</li> <li>Crisis response training for breach of customer information: once a year</li> <li>Inspection of personal data protection during closure and relocation of stores, Customer Plaza: constantly</li> </ul>

<sup>1)</sup> Related laws: Article 20, Paragraph 6 of the Credit Information Use and Protection Act

# Information Security and Personal Data Protection

**SOCIAL**

## Information Security Certification

Kyobo Life acquired the ISO 27001 certification for the first time in the Korean insurance industry in 2007 and has maintained it since. ISO 27001 is the most prestigious international standard certification in the field of information security, and certification is granted upon strict examination of 114 standard control items in a total of 14 areas, including information security-related policies and responses to accidents. It confirms that Kyobo Life is equipped with an information protection system capable of preventing and effectively responding to information security threats. In 2022, the Company conducted a diagnosis of ISMS-P (Personal Information and Information Security Management System), to build a higher level of information security system. In 2023, it plans to perform additional enhancements and certification audits.

## Employee Training on Information Protection

Kyobo Life provides educational materials on the latest trends and issues in information security to all employees and partners. It conducts online information security training for employees, semi-annual information security training for employees and financial planners, and security diagnosis days every month. For each tier, the duration of mandatory training on information security is specified differently depending on the level of work. In particular, the expert capacity of information security personnel is ensured through external security seminars and invitation training of information security experts. In addition, security pledges are required of all employees, financial planners, and partners. Due to the rise in information breaches following the recent increase in remote work, additional security pledges are required from employees working from home.

### Total Completion Time of Tier-specific Information Protection Training

Executives	Employees	Staff in charge of information technology	Staff in charge of information protection
More than 3 hours <sup>1)</sup>	More than 6 hours	More than 9 hours	More than 12 hours

1) More than 6 hours for Chief Information Security Officer



ISO 27001 Certificate

## Efforts and Implementation for Personal Data Protection

Kyobo Life has established the Personal Data Policy to clarify the security management measures and responsibilities for all personal (credit) information related to customers that may occur in the business of consigning personal data. The Personal Data Policy applies to all domestic and overseas branches, affiliates, subsidiaries, partners, and consignees, including the headquarters. In addition, through the Financial Services Commission's constant evaluation of personal (credit) information, the level of personal (credit) information protection is comprehensively inspected to diagnose the management and protection of personal (credit) information. The result is then processed for systematic operation and management onwards. In the event of an accident in violation of the policy, Kyobo Life responds with the principle of zero tolerance. The Company conducts regular inspections to verify compliance with the policy and also investigates the headquarters, sales sites, agencies, and consignees.

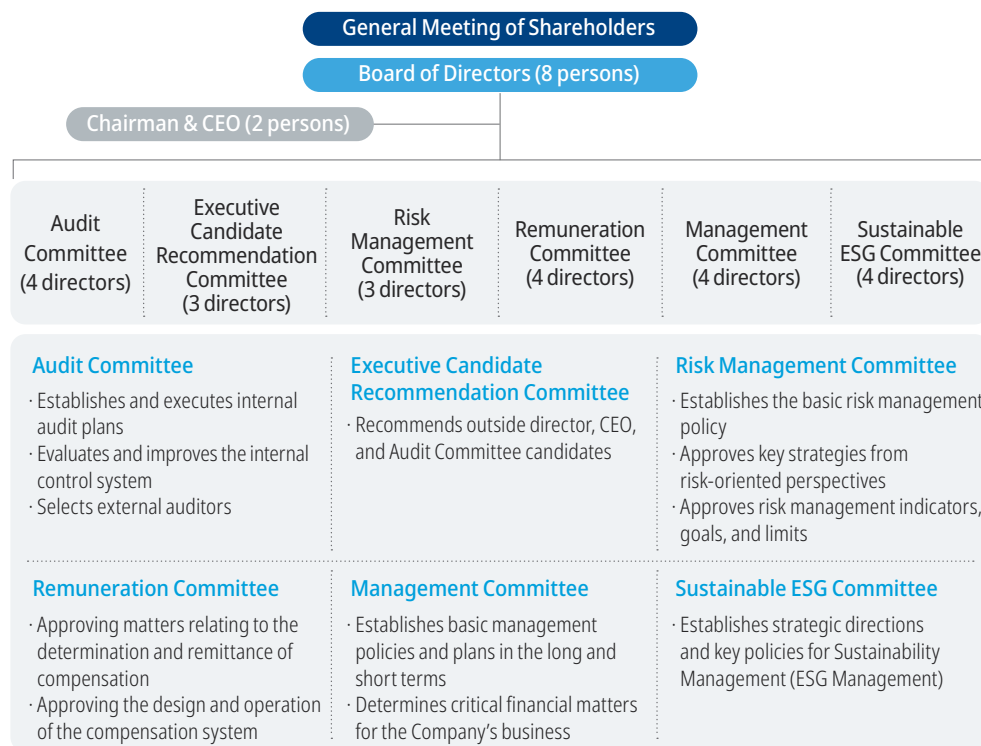
# Governance

## GOVERNANCE

Kyobo Life is building a stable, efficient, and transparent governance structure for continuous growth and protection of the rights and interests of its stakeholders, including its shareholders. To ensure checks and balances between members, the Company has delegated authorities for decision-making to the BOD and business implementation to the management, and management reports the status of business implementation to the board. Moreover, outside directors with proven independence and expertise in various fields comprise the majority of the Board. The Company transparently discloses key policies, standards, and procedures related to governance, including the Articles of Incorporation, Regulations on Corporate Governance, and Regulations on the BOD, on the Kyobo Life website.

[2022 Annual Report of Governance and Compensation System](#)

### Governance Organization Chart



### Committees under the Board of Directors (BOD)

Kyobo Life operates six committees under the BOD: Audit Committee, Executive Candidate Recommendation Committee, Risk Management Committee, Remuneration Committee, Management Committee, and Sustainable ESG Committee. The Company has divided the authority and responsibilities of each committee in accordance with the regulations. To ensure independence and expertise, the composition and operation of committees, including the composition ratio of outside directors and the appointment of experts, are based on the stipulations in relevant laws and regulations. In March 2022, the Sustainable ESG Committee was established to discuss and vote on important matters regarding the sustainability strategy and direction of Kyobo Life. As for improving the board members' understanding of sustainability, a briefing session for outside directors was held on the status of FY 2022 ESG implementation tasks prior to convening the Sustainability ESG Committee in March 2023.

### Board Activities and Operations

The board of directors meets regularly once a month and temporarily if necessary. Agendas are shared with directors in advance of board meetings, and, if necessary, respective executives provide preliminary explanations of the agenda to ensure directors' understanding. In 2022, the BOD met nine times, with an attendance rate of 98.7%.<sup>1)</sup> The BOD processed a total of 53 agendas, including 28 for voting and 24 for reporting.

1) Non-standing Director Hari R. Rajan was absent one time at the 8th meeting due to personal reasons, and all other directors were in attendance.

### Operation of BOD

Classification	Unit	2020	2021	2022
Total number of board meetings	times	9	9	9
Number of regular board meetings	times	9	9	9
Number of temporary board meetings	times	0	0	0
Number of agendas for voting	cases	59	60	53 <sup>2)</sup>
Number of agendas for reporting	cases	25	28	24
Number of resolutions	cases	34	32	28

2) Excludes one case in which a resolution was postponed and reintroduced, and resolved in the next board meeting

# Governance

## GOVERNANCE

### Composition of the Board of Directors

The board of directors is the chief decision-making body of Kyobo Life that decides on the execution of the Company's management goals and key tasks. As a controlling body, it supervises and supports the management of the Company's operations. As of March 2023, there are eight directors, including two inside directors, five outside directors, and one non-standing director, and the proportion of outside directors is 62.5%. The Chair of the board of directors is elected annually by board members in accordance with the Articles of Incorporation and Corporate Governance Regulations, and in March 2023, CEO Shin Chang-jae was elected as the Chair.

### Composition of the Board of Directors

Title	Gender	Name	Career	Roles within the board	Board Skill Matrix				
					Finance	Management	Law	Financial Accounting	Digital
CEO	Male	Shin Chang-Jae	<ul style="list-style-type: none"> <li>· (Current) Chairman &amp; CEO, Kyobo Life (Business Planning and Management Support) and Chair of the board of directors</li> <li>· (Current) Chair, Tasan Cultural Foundation</li> <li>· (Former) Associate Professor, College of Medicine, Seoul National University</li> </ul>	(Chair) Management Committee Sustainable ESG Committee  (Member) Executive Candidate Recommendation Committee	○	○	-	-	-
CEO	Male	Pyun Jung-Bum	<ul style="list-style-type: none"> <li>· (Current) President &amp; CEO, Kyobo Life (Insurance Business)</li> <li>· (Former) Strategic Planning, Kyobo Life</li> <li>· (Former) Channels, Kyobo Life</li> </ul>	(Member) Management Committee	○	○	-	-	○
Outside director	Male	Ji Beom-Ha	<ul style="list-style-type: none"> <li>· (Current) Professor, Faculty of Management and Economics, Handong University</li> <li>· (Former) Dean of Business Management, King's College, New York</li> <li>· (Former) President of Korea FP (Financial Planning) Society</li> </ul>	(Chair) Audit Committee Risk Management Committee  (Member) Remuneration Committee Sustainable ESG Committee	○	○	-	○	-
Outside director	Male	Lee Chul-Joo	<ul style="list-style-type: none"> <li>· (Current) Vice President, Affinity Equity Partners</li> <li>· (Former) Director, UBS Capital</li> </ul>	(Member) Audit Committee	○	-	-	○	-
Outside director	Female	Mun Hyo-Eun	<ul style="list-style-type: none"> <li>· (Current) CEO, ATC Partners</li> <li>· (Former) Vice President, Kakao (Formerly Daum Communications)</li> <li>· (Former) Special Appointed Professor, Institute for Leadership Development, Ewha Womans University</li> </ul>	(Chair) Remuneration Committee  (Member) Risk Management Committee Management Committee Sustainable ESG Committee	-	○	-	-	○
Outside director	Male	Kim Du-Cheol	<ul style="list-style-type: none"> <li>· (Current) Professor Emeritus, College of Conversion Technology, Sangmyung University</li> <li>· (Current) Member of the Life Insurance Social Contribution Committee</li> <li>· (Former) Vice President, Cheonan Campus, Sangmyung University</li> </ul>	(Chair) Executive Candidate Recommendation Committee  (Member) Audit Committee Risk Management Committee Management Committee	○	-	-	○	-
Outside director	Male	Lee Du-Bong	<ul style="list-style-type: none"> <li>· (Current) Attorney, Lee Du-bong Law Firm</li> <li>· (Former) Chief Prosecutor, Incheon District Prosecutor's Office</li> <li>· (Former) Chief Prosecutor, Daejeon High Prosecutor's Office</li> </ul>	(Member) Audit Committee Executive Candidate Recommendation Committee Remuneration Committee Sustainable ESG Committee	-	-	○	-	-
Non-standing directors	Male	Hari R. Rajan	<ul style="list-style-type: none"> <li>· (Current) Corsair Capital, Partner</li> <li>· (Former) J.P. Morgan Chase, Investment Professional</li> </ul>	-	○	-	-	○	-

\*As of March 31, 2023

# Governance

## GOVERNANCE

### Board Expertise and Diversity

Kyobo Life has a BOD with expertise in a variety of fields and seeks diversity in gender, age, background, nationality, race, religion, and ethnicity to avoid representing a specific background or the interests of a few groups. As of March 2023, the board of directors is composed of two inside directors, five outside directors with expertise in fields such as finance, digital, management, and law, and one non-standing director. In particular, in 2022, the Company established a board diversity policy and appointed a new female outside director. It is also maintaining more than 20% of the candidates for outside directors as female candidates.

[Board Diversity Policy](#)

### Board Independence

Kyobo Life comprises a majority of all directors as outside directors in accordance with Article 5 of the Governance Regulations. If a person who is not an outside director is elected as Chair of the board, as an institutional instrument to enhance the board's independence, a Senior Outside Director is elected. The Senior Outside Director convenes and presides over meetings of outside directors, supports them in the performance of their duties, and provides support to enhance the accountability of outside directors. With the exception of the Management Committee and the Sustainability ESG Committee, all committees are chaired by outside directors, and a majority of the members are outside directors. Moreover, "Qualifications for Outside Directors," Article 8 of the Corporate Governance Regulations, stipulates that persons who have formed close interests with the Company, such as those with special relations with the largest shareholder, cannot fulfill their duties as outside directors and shall not be appointed as outside directors. An outside director at Kyobo Life may not serve as an outside director, non-standing director, or non-standing auditor of two or more other stock-listed corporations in accordance with Article 8, Paragraph 3, Item 4 of the Enforcement Decree of the Act on Corporate Governance of Financial Companies.

[2022 Annual Report of Governance and Compensation System \(P. 102\)](#)

### Appointment Process of Outside Directors

Kyobo Life operates a fair and transparent appointment process for outside directors through stipulation of the procedures for recommending outside director candidates in the Corporate Governance Regulations. The appointment of outside directors involves not only the qualification requirements stipulated by relevant laws and regulations but also whether they meet active qualifications such as expertise, ethics, responsibility, impartiality, independence, and loyalty. In particular, each year, the Company ensures that the candidates fulfill professional requirements such as understanding the structure and role of the financial market and having expertise, including knowledge of the life insurance industry. They are then disclosed through the annual report of the governance and remuneration system. Every year, for the outside directors currently in office, the Company actively reviews whether they meet eligibility requirements, including expertise, and publishes the relevant content. In December 2022, the Executive Candidate Recommendation Committee re-elected the outside director candidate group and reported the status of their management to the board to ensure the group has diversity and expertise. Kyobo Life will continue to manage the candidate group by receiving recommendations of prospective candidates with qualifications and expertise through various routes.

#### Highlights of the Outside Director Appointment Process

##### Management of outside director candidates

Monitors change in the eligibility of candidates within the outside director candidate group, selects new candidates, and organizes new candidates through the withdrawal of existing candidates

##### Outside director candidate recommendations

Inspects the fulfillment of eligibility requirements for the candidate, the supporting department for the outside director, and the Outside Director Candidate Recommendation Committee, and selects the final candidate for recommendation

##### Introduction of agendas and voting on resolutions at the general meeting of shareholders

Appoints the outside director through the introduction and resolution of the final outside director candidate at the general meeting of shareholders

#### Qualifications for Outside Directors

- 1 A person with expertise and practical experience in finance, economics, management, law, or accounting
- 2 A person who has met the eligibility requirements set forth in the relevant laws, such as the Act on Corporate Governance of Financial Companies

# Governance

## GOVERNANCE

### Evaluation of the Board of Directors

Kyobo Life conducts a BOD evaluation at the beginning of each year to determine whether the board is adequately fulfilling its roles and responsibilities as required by laws and regulations. The evaluation items include the board convening procedures, the level of prior agenda provisions, the frequency of board meetings, and the effectiveness of checking the management. In 2022, the board of directors has been confirmed to faithfully perform its role, such as implementing the matters determined in the laws and Articles of Incorporation and checking the performance of management.

### Evaluation of Outside Directors

Kyobo Life conducts the evaluation of outside directors around January each year in accordance with the procedures and methods set by the board. Based on the annual activities of the outside directors, they are evaluated by themselves, other directors, BOD and committee support organizations. They receive a comprehensive evaluation rating consisting of the evaluation items such as expertise, ethics, responsibility, fairness, independence, and loyalty. In the internal evaluation in 2022, all outside directors received excellent overall ratings.

[2022 Annual Report of Governance and Compensation System \(P. 53\)](#)

### Remuneration System

Kyobo Life designs and operates a maintenance system to harmonize the Company's performance and the resulting risk structure. The Remuneration Committee deliberates and resolves matters related to the adequacy of the design and operation of the remuneration system. In particular, the Committee constantly checks the linkage of the remuneration system to financial conditions and risks, as well as compliance with laws and regulations. In 2023, the management independently conducted an evaluation of the adequacy of the design and operation of the remuneration system and confirmed that it complies with relevant laws and regulations, such as the Act on Corporate Governance of Financial Companies. Information about the Kyobo Life Remuneration system is disclosed through the annual report of the governance and remuneration system.

[2022 Annual Report of Governance and Remuneration System \(P. 85\)](#)

### Remuneration System for Directors

Directors' remuneration is paid transparently and fairly, within the limits of directors' remuneration approved annually at the general meeting of shareholders. In the case of registered directors, profitability indicators, soundness indicators, long-term performance indicators, and leading performance indicators are comprehensively considered evaluation items when determining the remuneration, and the remuneration amount and criteria are disclosed transparently through business reports.

[2023 Business Report \(P.522-527\)](#)

### Management Evaluation and Performance Remuneration

Kyobo Life measures management performance using financial and non-financial indicators. At the beginning of each year, the Company establishes individual performance goals to achieve corporate management performance. They are evaluated for measuring individual contributions to the achievement of the Company's performance and reflected in performance remuneration.

#### Key Performance Indicators for Executives

Financial indicators	Non-financial indicators
<ul style="list-style-type: none"> <li>· <b>Profitability indicators</b> - new contract value, total converted initial premium, return on assets</li> <li>· <b>Soundness indicators</b> - RBC ratio</li> <li>· <b>Growth indicators</b> - Maintenance premiums</li> </ul>	<ul style="list-style-type: none"> <li>· <b>Customer satisfaction indicators</b> - customer satisfaction, excellent customer acquisition</li> <li>· <b>Leading performance indicators</b> - Digital innovation, ESG, etc.</li> </ul>

### Deferring, Adjusting, Redeeming, and Payment Confirmation Criteria for Management Performance Compensation

Kyobo Life pays 40 to 60 percent of the performance-based remuneration calculated based on the results of the performance evaluation as a lump sum cash payment, and the remainder is paid in cash over a three-year deferral. During the period of deferred remuneration, if past financial performance is found to be significantly below target or if losses are incurred due to potential risks to financial performance, the total variable remuneration is adjusted by reducing, suspending, or recovering deferred remuneration commensurate with the extent of liability.



# Risk Management

## GOVERNANCE

Kyobo Life systematically classifies and preemptively manages financial and non-financial risks that may affect corporate management. To develop the Company's corporate value in the medium to long term, it adopts an Asset Liability Management (ALM) policy that takes into account both liabilities and assets. To ensure financial soundness, Kyobo Life has set total and individual risk limits at the beginning of each business year and monitors their compliance. It also conducts risk reviews of important decisions in advance to manage more risks before the final decision.

### Risk Management Principles

Kyobo Life has established risk management principles that include appropriate risk management guidelines and procedures, and is actively managing possible risks based on it.

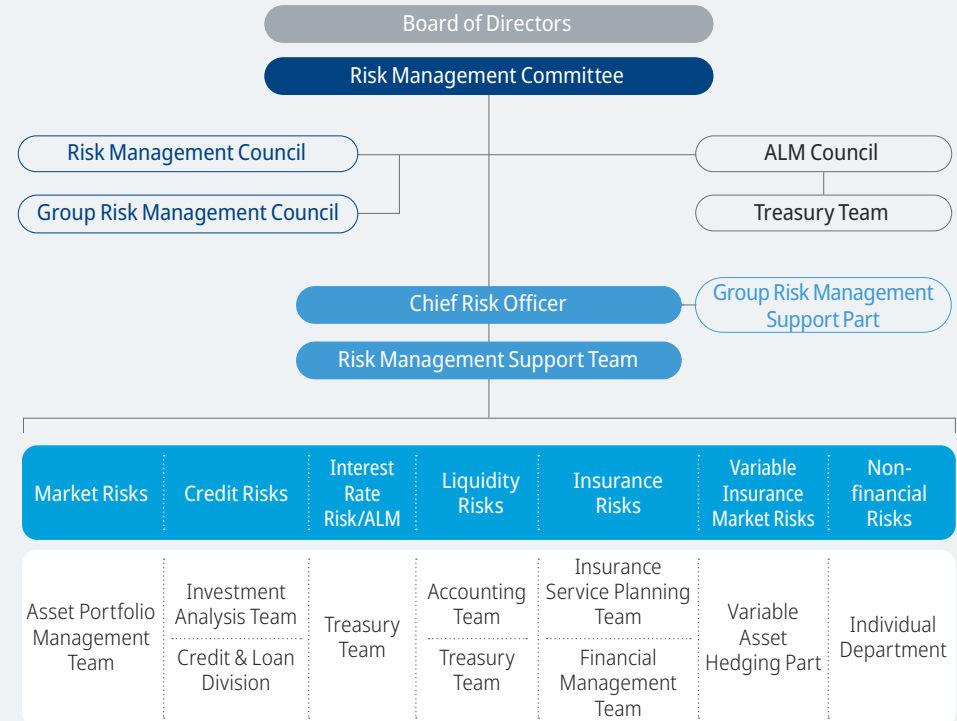
#### Risk Management Principles

1. Risk management must be Company-wide and independent.
2. Risks must be accurately recognized, measured, and evaluated in advance, and appropriate controls must be taken.
3. To prevent excessive risks, risk tolerance limits shall be set and managed. They must be reflected in the formulation, execution, and evaluation of short and long-term business plans for efficient risk management.
4. Risks must be distributed appropriately to prevent the concentration of risks in certain sectors.
5. Major changes in risks shall be comprehensively recognized and monitored in connection with subsidiaries.
6. To clarify the responsible parties, risk management shall be documented.
7. Risk levels shall be set and managed in line with management goals and strategies to ensure that profitable sales activities are not contracted by excessive control.

### Risk Management System

Kyobo Life identifies risk factors that may affect its business through business environment analysis, business strategy and performance analysis. The Company responds proactively and strategically to possible risks. Risks are largely divided into financial and non-financial risks, and each detailed risk factor is classified and managed by issue. The departments in charge and related departments cooperate closely to identify and evaluate risks. Among these, critical matters requiring decisions are reported to the Risk Management Committee through the Risk Management Council.

Risk Management Organization Chart



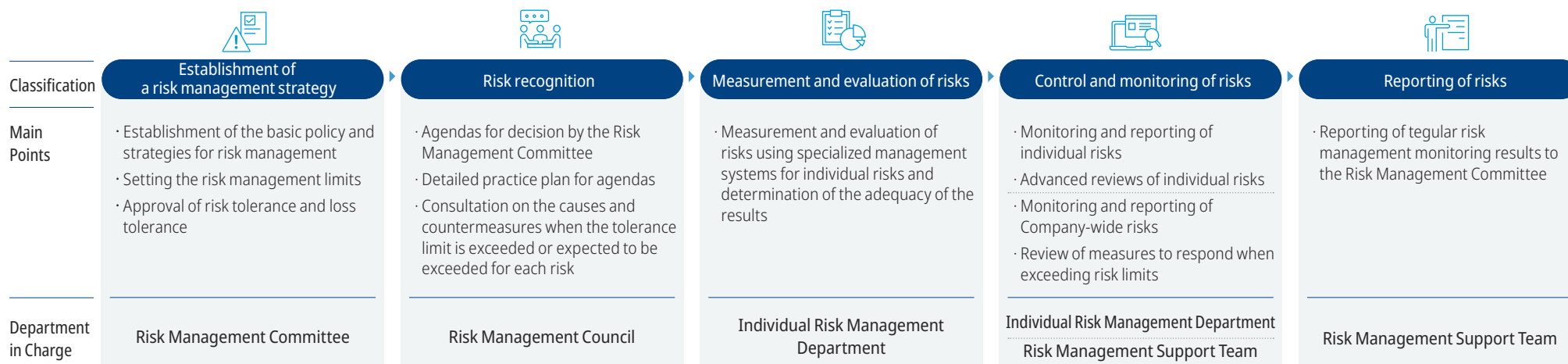
# Risk Management

## GOVERNANCE

### Risk Management Process

The corporate risk management process at Kyobo Life consists of a Plan-Do-See system. Risk limits are established, mainly by the department dedicated to risk management, then investment, product development, and sales are executed within limits, and the progress is monitored.

#### Highlights of the Risk Management Process



#### Risk Management Areas

	Classification	Definition	Management method
Financial risks	Market risks	The risk of incurring losses due to the decline of stock and bond prices from fluctuations in stock prices, interest rates, and exchange rates	Sets and monitors market risk limits and loss limits for securities and derivatives
	Credit risks	The risk of incurring losses due to the insolvency of trading partners or default of individuals	Sets and monitors credit risk limits and transaction limits by borrower, group, and industry
	Interest rate risks	The risk of incurring losses due to the difference in interest rates and maturities between assets and liabilities	Sets and monitors interest rate risk limits and target durations
	Insurance risks	The risk that more benefits will be paid than originally planned, causing losses to the Company	Sets and monitors insurance risk limits and risk-profit ratio goals
	Liquidity risks	The risk of incurring losses from selling assets at low prices to fund shortfalls	Sets and monitors minimum liquidity limits and liquidity management indicators
	Variable market risk	The risk of incurring economic losses in variable insurance assets and liabilities due to fluctuations in market variables	Applies stress test scenarios, hedges net assets of variable insurances through trading derivatives, sets and monitors limits and management indicators
Non-financial risks	Operational, strategic, and reputational risks	The risk of incurring losses due to failure to respond properly, such as management strategy, laws, processes, and IT systems	Conducts self-diagnosis of scenario-based business environment changes and risks, sets and monitors key risk indicators

# Risk Management

## GOVERNANCE

### Response to the New Risk Management System

Kyobo Life has systematically prepared relevant infrastructure and systems in response to the introduction of IFRS17 and K-ICS in 2023. In 2022, the Company issued hybrid securities abroad to raise capital and set plans to transform the risk management system to comply with new systems such as IFRS17 and K-ICS. The initiative for the transformation is actively underway in 2023. Pursuant to the Act on the Supervision of Financial Conglomerates, Kyobo Life was notified of its designation as one of seven financial conglomerates. Accordingly, the Company has established an internal control and risk management system with its major affiliated financial companies.

In 2019, Kyobo Life introduced the Own Risk and Solvency Assessment (ORSA), a system introduced by the supervisory authorities as part of the development of the risk management system for insurance companies. This is a system in which insurance companies assess their own risks and solvency, and Kyobo Life conducts self-assessments every year and reflects the results in its management.

#### What are IFRS17 and K-ICS?

IFRS17 is a new international accounting standard for insurance contracts, effective January 1, 2023. It requires insurance liabilities to be evaluated at a market price as it reflects the most current and optimal assumptions at the time of settlement. K-ICS is another new solvency system launched in January 2023 that evaluates insurance liabilities at the market price rather than at cost.

### Response to New Risk Management Systems

New system	Response system	Progress
IFRS17 and K-ICS	<ul style="list-style-type: none"> <li>· Operation of a dedicated organization to minimize the financial impact of the introduction of IFRS17 and K-ICS</li> <li>· Declaration of an emergency management system</li> <li>· Plan to transform the risk management system in line with new systems</li> </ul>	<ul style="list-style-type: none"> <li>· Development and execution of implementation tasks for expanding available capital and reducing required capital</li> <li>· Reclassification of securities accounts</li> <li>· Issuance of hybrid securities (2017, 2021, 2022)</li> <li>· Establishment and stabilization of an accounting settlement system in line with IFRS17</li> <li>· Transition into a risk management system in line with new systems</li> </ul>
Integrated supervision system for financial conglomerates	<ul style="list-style-type: none"> <li>· Notice of designation of seven financial conglomerates, including Kyobo Financial Conglomerate, by the Financial Services Commission</li> <li>· Establishment of an internal control and risk management system for the financial conglomerate with major affiliated financial companies such as Kyobo Securities and Kyobo Life Planet Life Insurance</li> </ul>	<ul style="list-style-type: none"> <li>· Implementation of internal control, risk management policy, and soundness management, and regular report and disclosure of related information</li> <li>· Establishment of “Internal Control Standards of Financial Conglomerates” and “Risk Management Regulations of Financial Conglomerates” as basic policies for internal control and risk management of financial conglomerates</li> </ul>
ORSA System	<ul style="list-style-type: none"> <li>· Recognition and evaluation of all risks by the insurance company on its own, inspection of the current and future capital adequacy considering the management plan and crisis situation, and their application to the management policy.</li> </ul>	<ul style="list-style-type: none"> <li>· Execution of own evaluations since the introduction of ORSA in 2019; reporting of the outcomes to the board of directors and their application to business operations</li> <li>· Major Improvements in 2022                             <ul style="list-style-type: none"> <li>- Enhanced internal models for insurance and interest rate risks</li> <li>- Utilized an early warning model for financial crisis based on unstructured big data and upgraded the reputation risk monitoring system</li> <li>- Improved the variable hedge management system for the introduction of new systems (K-ICS, IFRS17)</li> </ul> </li> </ul>

# 2022 Activities for Stakeholders



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# History of Management Philosophy to Promote Sustainability

Since its foundation, Kyobo Life has maintained a management philosophy that promotes sustainability. Daesan Shin Yong-ho, the founder of the company, founded Korea Education Insurance in 1958 with the founding philosophy of "formation of the national capital" and "promotion of national education," and this human-oriented management philosophy led to the creation of the Kyobo Life CI (Company Identity) in 1995 and Kyobo Members' Charter of Ethics in 2000. In 2011, the company materialized its sustainability management philosophy as "pursue the mutual growth with all stakeholders," and the following year, it stated it in the preamble of the company's Articles of the Company, leading to stakeholder-centered sustainability management. In 2022, the company established and disclosed an ESG policy based on this philosophy. Kyobo Life will continue to make sincere efforts for shared development with all stakeholders.



### Founding of Korean Education Insurance

The founding philosophy that yearned for the prosperity of Korea

1958

Promotion of National Education  
Formation of the National Capital

Opening Ceremony for Foundation (1958.8.7)



### Declaration of Kyobo Members' Charter of Ethics

Established the industry's first ethics charter in response to increasing demands for ethical management

Declaration Ceremony of Charter of Ethics (2000.4.15)

"Pursuing joint development with all stakeholders with customers as a priority"

### Revised the Preamble of the Articles of the Company

Reflected the sustainability philosophy in the preamble of the Articles of Association

"A company that seeks long-term joint development of the Company's stakeholders"



A Symbol of Mutual Growth with Stakeholders (increase burner in executive meeting room, 2012.9~)



Keynote Speech at the ICSB (International Council for Small Business) Forum "Human-Centered Entrepreneurship" (2018.5.10)

Changed Company Name to Kyobo Life  
Declaration of Kyobo Life CI

1995



Three red lines: representing the mutual prosperity of customers, employees, and shareholders



Birthday Celebration of Kyobo Life (1995.4.3)

### Established a Sustainability Management System

Consisting of sustainability philosophy, commitments, and principles for each stakeholder

Materialization of the sustainability philosophy: Pursue the mutual growth with all stakeholders



Published the Industry's First Sustainability Report, Humanity and the Future (2011.7.12)

2000

2011

2012

### Enacted and Disclosed ESG Policy

Stated the commitment to implement the sustainability philosophy in the preamble of ESG Policy

"Based on the sustainability philosophy, Kyobo Life will actively practice sustainability management to create a bright future for the next generation."

2022

# Sustainability Management System

Kyobo Life established a sustainability management system in 2011 based on its sustainability philosophy of "Pursue the Mutual Growth with All Stakeholders." Based on international standards for stakeholder identification and engagement (ISO 26000, AA1000SES, GRI Standards), the Company has categorized its stakeholders as customers, financial planners, employees, investors, partners and ecosystem players, and government and communities, and included commitments and principles for each stakeholder.

## Mapping of Stakeholders



	Definitions	Stakeholder Group
<b>Core Stakeholders</b>	A group essential to the survival of the Company	Employees, customers, shareholders, investors, and financial planners
<b>Strategic Stakeholders</b>	A group that is essential to the Company for responding to specific issues	Government and related institutions, communities, suppliers, and ecosystem players
<b>Other (Environmental) Stakeholders</b>	The rest of the group, excluding core and strategic stakeholders	Other stakeholders, excluding core and strategic stakeholders

## Sustainability Philosophy "Pursue the Mutual Growth with All Stakeholders"

Stakeholders	Commitment	Definitions
<b>Customers</b> 	A Company that Provides Optimum Insurance Coverage and Ongoing Services	An individual or group that subscribes to or is a potential subscriber to products created through the economic activities of Kyobo Life
<b>Financial Planners</b> 	A Company that Succeeds Together with Our Financial Planners	An individual or activity group entrusted by Kyobo Life to perform ancillary tasks for the brokerage of the signing of an insurance contract and its retention
<b>Employees</b> 	A Company that Grows Together with Our Employees	An individual or activity group affiliated with Kyobo Life that provides certain work or services and receives corresponding compensation
<b>Investors</b> 	A Company that is Attractive to Investors	An individual or group that provides capital for the purpose of seeking profit specific to Kyobo Life
<b>Ecosystem Players</b> 	A Company that Cooperates with Ecosystem Players (Affiliates and Partners, etc.)	Individuals or groups belonging to the business ecosystem of Kyobo Life through transactions, investments, partnerships, etc. with Kyobo Life
<b>Government and Communities</b> 	A Company that Grows Together with the Government and Communities	Local communities that directly and indirectly affect and are affected by Kyobo Life's corporate activities

# Company that Provides Optimum Insurance Coverage and Ongoing Services to Customers

## Principles

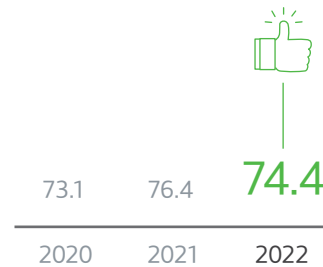
We will listen to the customers and manage the company from the customers' perspective

We will enhance service quality from underwriting to persistency and to benefits payment

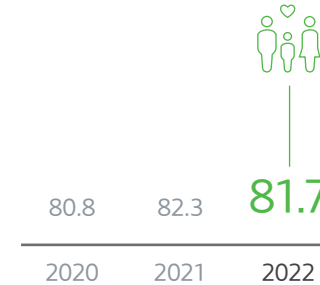


## Key Performance Data

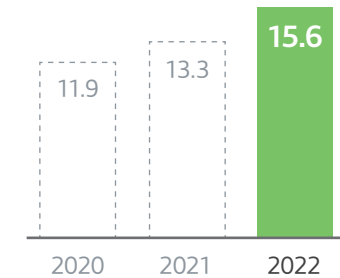
Customer Satisfaction Score  
(Unit: points)



Persistency Ratio (13th month)<sup>1)</sup>  
(Unit: %)



Market Share<sup>2)</sup>  
(Unit: %)



1) Persisted contract amount in the 13th month / Total subscribed contract amount in the 13th month × 100 (Overdue twice, accumulation basis)

2) Based on imported premiums

## Communication Channels



Customer satisfaction survey (annually)



Customer panel system (once a quarter)



VOC (Voice of Customers) system (at all times)



Website/YouTube channel (at all times)

# Improved Core Insurance Work Processes

By combining digital technology and big tech, Kyobo Life improved core insurance work processes such as subscription, payment, and customer complaint response. To make insurance subscription simple and easy and insurance payment quick and accurate, Kyobo Life has identified room for improvement in the existing system to significantly advance the subscription and payment review deadlines.

## PreAnswer Search Service (K-PASS)

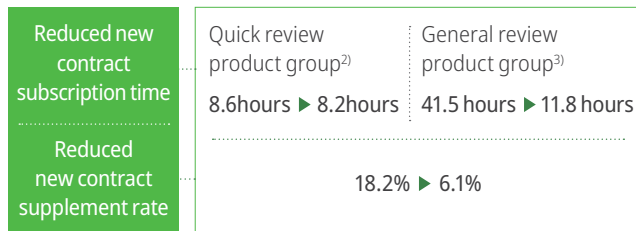
PreAnswer Search Service (K-PASS), a service that digitizes the insurance application process, has been in effect since September 2022. In the past, customers filled out medical history at the time of subscription and insurance examiners provided screening results after a certain period of time. Now, the system provides results immediately after automatic screening through scenario-based electronic manuals for each medical condition. Through shortened time for insurance subscription and reduced new contract supplement rates, this has enhanced the convenience of insurance subscription for customers.

## Enhanced Convenience of Insurance Subscription for Customers

- Faster and more accurate screening through K-PASS
- Real-time information provided before application through K-PASS, such as eligibility and terms



### Key Performance of K-PASS<sup>1)</sup>



1) Based on the performance in April 2023 compared to August 2021  
 2) Small-amount guarantee products such as pensions and savings  
 3) Traditional life insurance products such as life insurance and CI

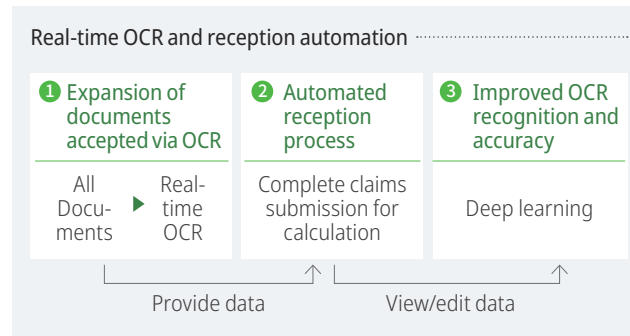
## Advancement of OCR Technology for Insurance Claim Documents

### Claim Documents

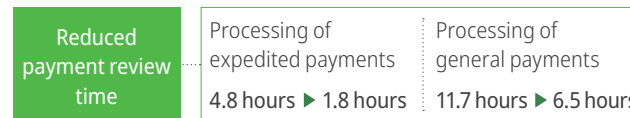
In September 2022, Kyobo Life upgraded its existing OCR<sup>4)</sup> system based on deep learning in order to make prompt and accurate claims payments. This has improved the speed and accuracy of claims review by expanding the scope of documents accepted for OCR and automating the accident claims process.

4) Optical Character Recognition (OCR): The process of converting text in images into a machine-readable text format

## Process Improvements



### Performance of Advancement of OCR Technology for Insurance Claim Documents<sup>5)</sup>



5) Based on the performance of April 2023 compared to August 2021

## Improved Customer Complaint Response Process

Kyobo Life sought to improve the customer complaint-handling process to provide more prompt and accurate responses. The Company upgraded the system to identify expedited cases that can be handled immediately by the sales sites and call centers and simplified the cross-departmental consultation process to ensure that customer requests are treated quickly. This allowed the reduction of processing time from the existing 5 days to 1 day.

## Improvements to the Customer Complaint Response System

	Before improvement	After improvement
Reception	Individual reception via FP, call centers, Customer Plaza, website, mobile, and fax	Integrated the reception process through VOC management support
Allocation/survey	Manual allocation	Automated allocation
Process completed	Used real-time collaboration tools to coordinate online consultations	Used real-time collaboration tools to coordinate online consultations



# Innovated Customer Experience

## Opened Integrated Digital Channels

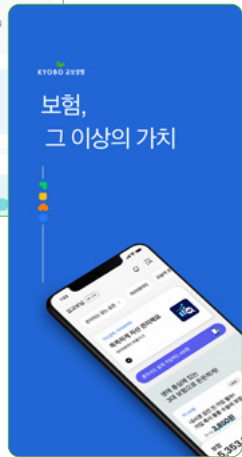
In September 2022, Kyobo Life integrated services that were previously provided separately through mobile apps and mobile/PC websites into a mobile-centered channel to enhance customer convenience. Customers now have the same access to all services in any environment, whether via the mobile app or mobile/PC websites and can conveniently access insurance retention as well as non-financial services.



## MyData Service

In July 2021, Kyobo Life became the first company in the insurance industry to obtain a license to manage personal credit information (MyData) and launched MyData services in January 2022. Kyobo Life's MyData services provide advanced financial and health-centered core services. The Company is providing differentiated services by enhancing insurance's inherent coverage analysis and retirement planning services, and enhancing the completeness of my data's financial services through open banking connections.

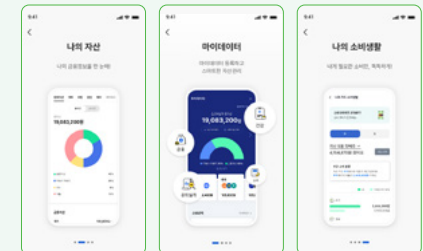
### Reorganization of Kyobo Life's Digital Channel



- Integration of financial services**  
 Finance (insurance, retirement pension) and MyData into one service
- Contract information at a glance**  
 Information on insurance, retirement pension, and loans can be viewed/processed on one screen
- Open to everyone**  
 Accessible without discriminating between members and non-members, financial and non-financial services
- Identical service anywhere**  
 Same service is provided on all three channels (PC and mobile web, mobile app)
- Diverse and easy ways of verification**  
 Addition of 9 verification methods and security media (Naver, facial recognition, digital OTP and more)
- Reinforced linkage to MyData**  
 Enhanced features such as asset management by linking MyData to the integrated app

### Core Services

- Finance**
  - My Assets**  
 Provides convenient integration of total assets and financial information
  - Spending history**  
 Shows details about total spending and visualizes trends to show consumption habits
  - Customized retirement plan**  
 CUI<sup>1)</sup> integrates basic customer information and provides reports through retirement readiness diagnosis in an easy and friendly way
  - Credit score**  
 Manages credit score and recommends ways to raise it through financial information under My Data
- Health**
  - Insurance diagnosis**  
 Analyzes customer's current health conditions based on medical examination data and suggests future medical expenses and insurance coverage
- Education**
  - Financial education**  
 Allows identification of financial style and provides personalized financial education content
  - Culture**
    - Art & Culture**  
 Offers live music and art content that follows the lives and works of artists



1) CUI: Conversational user interface

# Company that Succeeds Together with Our Financial Planners

## Principles

We will respect and trust the Financial Planners as our business partners

We will establish fair standards and help the Financial Planners engage in their sales and service activities with peace of mind

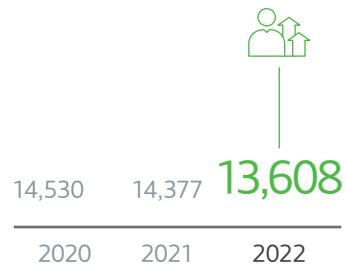
We will support the Financial Planners grow into the insurance expert



## Key Performance Data

### Number of Financial Planners

(Unit: persons)



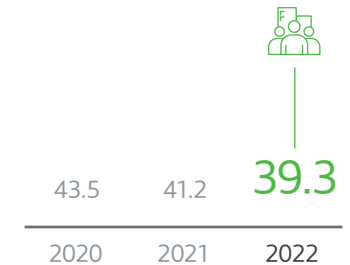
### Financial Planner Satisfaction Survey (DSI)

(Unit: points)



### Financial Planner Settlement Ratio (13th month)

(Unit: %)



## Communication Channels



Financial Planner Satisfaction Survey (annually)



Consultant Complaint Support Center (at all times)

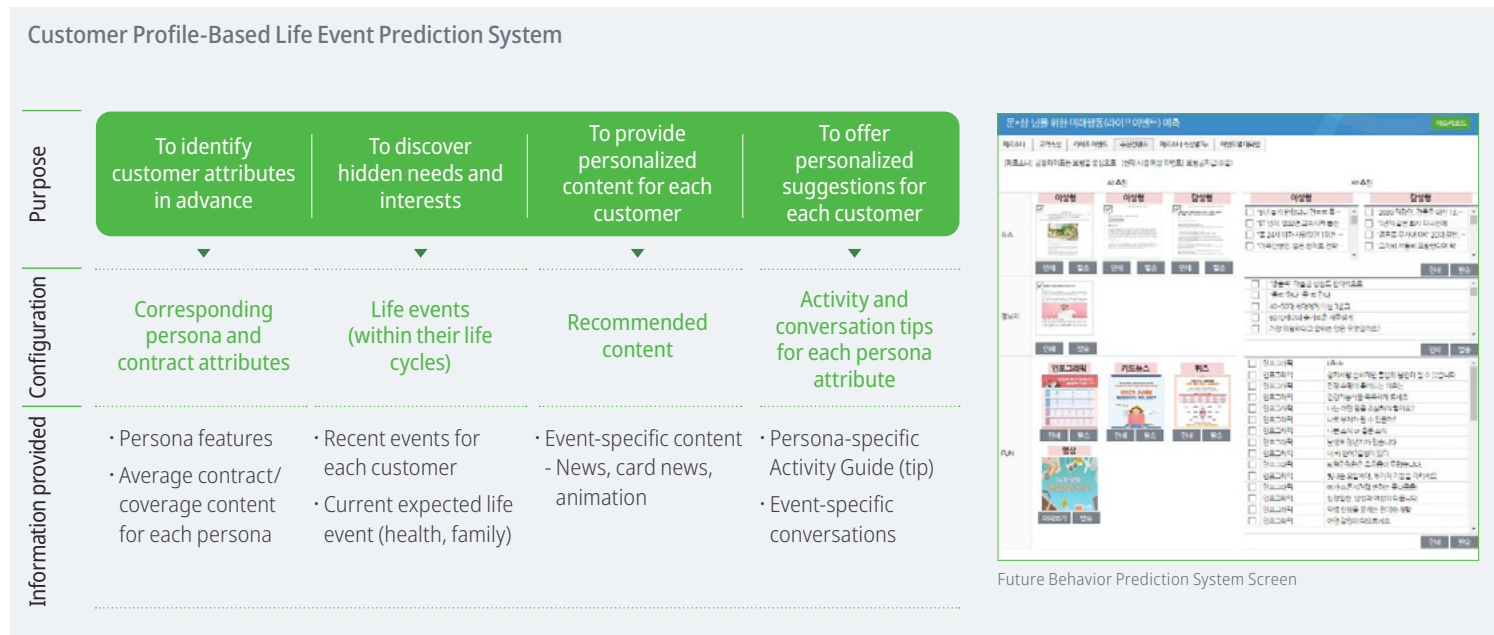


Excellent Financial Planners Meeting (semi-annually)

# Customer Profile-Based Life Event Prediction System

Since 2011, Kyobo Life has been offering "Lifelong Care Service," a retention service for subscribers. Financial planners meet with clients on a regular basis and provide various retention services for their policies, including filing claims, reviewing coverage, and explaining healthcare information. In January 2022, Kyobo Life established a data-driven personalized diagnosis service, "Life Event Prediction System," based on customer profiles to provide better life insurance services. Based on 90 personas<sup>1)</sup> that characterize their customers, financial planners are now able to proactively identify their hidden needs and interests and provide them with the information they need at the right time. In addition to the financial planners' utilization performance of the system, face-to-face visits and additional subscription performance have continued to increase. The service will be developed in conjunction with the market segmentation strategy in the future.

1) Persona: a fictional character designed to represent the various types of users in the target group who may use the product or service



Future Behavior Prediction System Screen

## Case Study

### Best Practice Case of Future Behavior Prediction System:

FP Park, Seongsu FP Branch

“ While personas are accumulated as big data at Kyobo Life, organizing customer information once again through the Life Event prediction model builds a set of big data for me. ”

#### Q. How is the Life Event Prediction System helpful?

When I meet with a customer and talk to them about their characteristics, I can introduce the term "persona" and explain how a certain persona fits their personality. This leads to a smooth conversation and allows customers to discuss their situation with ease.

#### Q. Does the outcome of the system match the tendencies of your regular customers?

The Life Event Prediction System picks up many areas that I may not catch. For instance, I thought this customer would prefer saving, but the persona diagnosed that she was more interested in guarantees. When I brought it up, that was actually the case. Things may not look as they seem, and the systematic diagnosis gave more confident results.

# MDRT Culture Promotion Activities

Kyobo Life promotes MDRT<sup>1)</sup> culture in various ways. Kyobo Life organizes "Kyobo MDRT Day" events annually to help financial planners build self-esteem and create a more mature MDRT culture through capacity building and information and knowledge-sharing programs. The 2022 Kyobo MDRT Day event was held online due to COVID-19, and featured a variety of programs such as lectures by external speakers, sharing of best practices, and the MDRT Culture Declaration Ceremony under the slogan, "Let's work cheerfully with bright and positive energy." Every year, Kyobo conducts "Kyobo MDRT Mentoring" support to motivate participation in MDRT challenges by providing congratulatory grants to mentors and mentees who are selected as MDRT achievers and challengers and simultaneously become MDRT members.


1) MDRT (Million Dollar Round Table): an association of professional financial planners in the life insurance industry who prioritize the interests of their customers

### MDRT Culture at Kyobo Life

- 1 Achieve greater success by being generous to customers
- 2 Work with passion about life insurance to achieve one's goals with a sense of duty.
- 3 Be cheerful, optimistic and perform challenging work dynamically.
- 4 Show a passion commitment to learning (training).
- 5 Seniors lead juniors with genuine heart, and juniors show respect to seniors.
- 6 Aim for long-term, continuous success.
- 7 Provide a lending hand to neighbors in difficulty (social volunteer work).


### 2022 Kyobo MDRT Day Event

#### Sharing MDRT Culture




**Communication** .....  
President & CEO

#### Sharing Information and Knowledge




**MDRT Speak** .....  
Touching MDRT Story




**FP sessions and sales ideas** .....  
Experience and know-how

#### Capacity Building




**Special Lecture by an External Instructor (I)** .....  
Professor Heo Tae-Gyun  
(Psychology, Korea University)



**Special Lecture by an External Instructor (II)** .....  
Former Golf Player Pak Se-Ri

#### Motivation



**Encouragement** .....  
Kyobo MDRT Cultural Declaration Ceremony

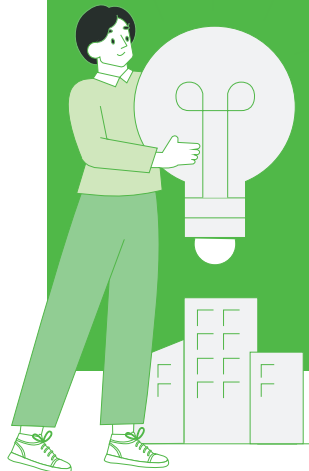
# Company that Grows Together with Our Employees

## Principles

We will continue our corporate culture of joy, pride and trust

We will provide employees equal opportunities and reward them based on fair performance evaluation

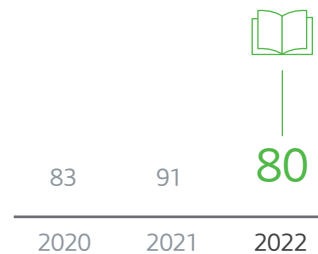
We will help our employees to become the experts



## Key Performance Data

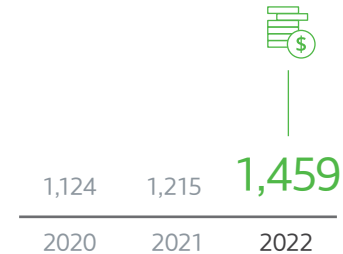
### Training Time per Person

(Unit: hours)



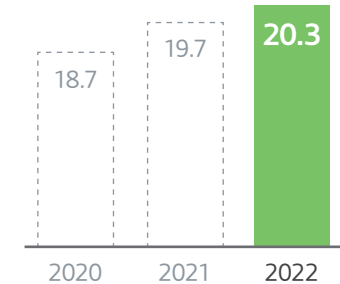
### Education and Training Cost per Person

(Unit: KRW 1,000)



### Ratio of Female Management<sup>1)</sup>

(Unit: %)



1) Number of women managers/total number of managers\*100

## Communication Channels



Labor-Management Council (once a quarter)



Management Status Briefing (semi-annually)



Employee Grievance Redress Center (at all times)

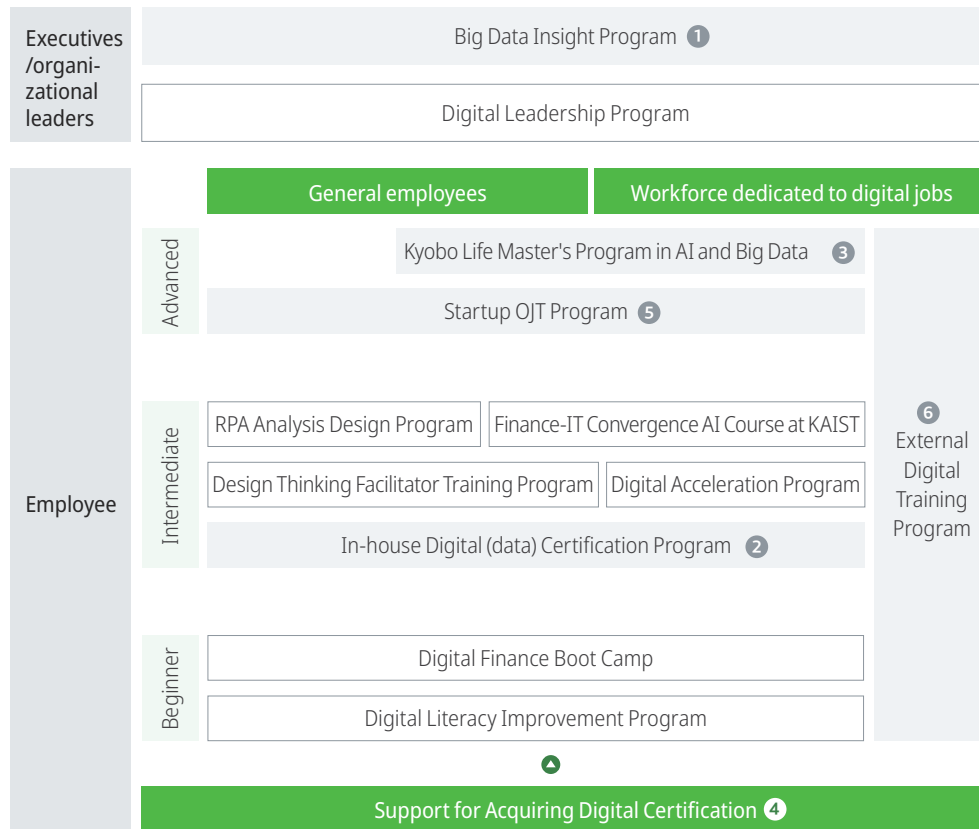


In-house Idea Proposal Center (at all times)

# Nurturing Digital Talent

In 2022, Kyobo Life set its talent development direction to "expand digital experience" and provided a digital talent development program centered on strengthening digital literacy and data analysis capabilities. In particular, the internal digital qualification certification course was divided into three courses, beginner, intermediate, and advanced, to offer level-specific training for all employees. Industry-academia partnership programs were also operated in partnership with various specialized educational institutions to foster talents capable of leading digital innovation. Since 2021, the Company has installed the Finance-IT Convergence AI Course at KAIST, and in 2022, it signed an MOU with Yonsei University's Graduate School of Information to launch Kyobo AI Big Data Master's Program. Kyobo Life will continue to support systematic and specialized digital training to help employees lead digital transformation in the workplace.

## Kyobo Digital School



## Digital Curriculum in 2022

Executives/organizational leaders	
① Big data Insight Program	Program development for executives/organizational leaders to improve their data-driven decision-making skills *Understanding data and business, understanding data analysis techniques, data analytics, etc.
Employee	
② In-house Digital (data) Certification Program	Data analysis capacity building of all organizations through level-specific in-house digital certification programs · Level I (Beginner): Able to process and analyze basic statistical data · Level II (Intermediate): Able to utilize basic data analysis algorithms · Level III (Advanced): Able to utilize advanced algorithms and analyze business
③ Kyobo Life Master's Program in AI and Big Data	In cooperation with Graduate School of Information at Yonsei University, Kyobo Group opened a specialized master's degree program *Implementation of projects utilizing data from Kyobo Life and affiliates: 2 years (6 semesters)
④ Support for Acquiring Digital Certification	New digital certification categories and expansion of support for acquisition to secure a pool of digital talents · Level I (Beginner): Data analytics paraprofessionals · Level II (Intermediate): Data architecture experts · Level III (Advanced): Data analytics professionals (ADPs)
⑤ Startup OJT Program	Experience in the way of working and horizontal organizational culture, discovery of new business ideas at startups *Selection of candidates > Dispatch to startups > OJT activities > Internal adaptation of way of working and culture
⑥ External Digital Training Program	Support for self-directed digital professional competency development through training support linked to digital jobs *On and offline training for digital jobs such as data science, programming, etc.

# Improvements to the Organizational Culture

## Work Diet

Kyobo Life operates a Work Diet program to create a work environment that enables employees to focus on innovative work by reducing the burden of work with relatively low importance or unnecessary work. The 2022 Work Diet was concentrated on customer and channel support. Priorities were set by eliminating, simplifying, and improving tasks based on their importance and urgency. This allowed participating departments to focus a limited amount of time on their core tasks and to implement their own innovation tasks using the spare time they have gained. In 2023, the Company plans to expand the Work Diet program to the sales site to build a corporate-wide culture of innovation led by frontline departments.

### Key Indicators of Work Diet<sup>1)</sup>



**Participating departments**  
**39** departments

**Member participation rate by department**  
**52.4%** (average)

**Number of Work Diet jobs**  
**393** (10.1 per department)

**Expected reduced time**  
**1** day, **19** minutes per person

<sup>1)</sup> As of September 2021, to December 2022

## Startup OJT

In line with changing times, Kyobo Life operates a program to install new ways of working and revitalize intergenerational communication. Initiated in 2022, Startup OJT aims to dispatch employees to startups related to Kyobo Life to learn their ways of working and organizational culture and bring them back to the workplace. After their experience through Startup OJT, the returning members formulated tasks that can be applied to Kyobo Life.



News Report on Startup OJT

### Case Study Interview with CEOs of companies participating in Startup OJT

#### Tictocroc

"Startups need to verify a lot of issues, and we were able to identify important hypotheses through the OJT participants. Their wealth of work experience from working in a large company showed us how to work systematically."

#### Monthly Thing

"The OJT employee's experience as a woman and childrearing mother helped our business immensely. It was great that we were able to utilize such an excellent talent without labor expenses."

#### Jejememe

"The employee was the best, not only for their diligent attendance but also for their performance beyond expectations, results, and smooth interpersonal skills. As the only member raising a child, they contributed significantly to improving the Ssukssuk Chalkak app service."

#### Huinno

"It was a valuable time that allowed us to explore a collaborative approach for combining our healthcare devices with add-on insurance services. The employee participated in the OJT in a sincere and serious manner and supported much of our research."

### Key Examples of Work Diet

#### Eliminated jobs

Enforcement statements identical to the VOC system input were created for complaints that require follow-up measures from the relevant department

**Abolished enforcement statements**  
 (improved the process to request follow-up measures directly from the VOC system)

#### Improved jobs

1.5 hours from completion of the accident insurance review to the actual payment transfer

**Improved the system to transfer money immediately after payment approval**

#### Simplification of jobs

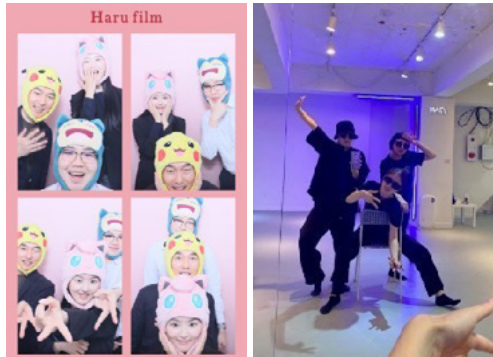
Every month, team performance was created into PPTs and reported to team and department leaders

**Reporting frequency was reduced to once a quarter**  
 (key details are reported via regular weekly meetings)

# Improvements to the Organizational Culture

## Reverse Mentoring

Reverse Mentoring is a program to vitalize horizontal communication between department leaders and members, where junior employees become mentors of the leader and exchange various activities. In 2022, participants autonomously carried out exercises such as using social media, experiencing various digital technologies, visiting popular places and trying out trendy activities.



Reverse Mentoring Program



### Case Study Interview of Reverse Mentoring Participants

#### Mentee (Team Leader)

"I needed to understand the mindset of the younger generation and learn their knowledge, and reverse mentoring did a great job fulfilling that role. I am grateful for the opportunity. It was a great way to broaden understanding and build trust between generations, and authentic communication allowed us to solve many problems and generate better performance."

#### Mentor (Associate)

"It was a great opportunity to build rapport with the organizational leader who had seemed distant. Because I was partnered with a team leader of a different team for reverse mentoring, it was easier to discuss work-related issues. I enjoyed it, thanks to the enthusiastic team leader. I would love to participate again."

## Certified as a Family-Friendly Company

Kyobo Life has been creating a corporate culture that promotes the balance between work and family life. Since 2008, the Company has been a Family-Friendly Company for 15 consecutive years, and in 2022, it was recognized as the "No. 1 Family-Friendly Company" by the Ministry of Gender Equality and Family. Kyobo Life's family-friendly system consists of highly effective programs such as child-birth and parenting support, family care leaves and absences, and the PC on-off system. The Company will continue to actively create a family-friendly corporate culture and strive its best to further spread the excellence of family-friendly practices.

### Key Family-friendly Programs

#### Maternal Protection

Reduced working hours, fertility treatment leave, pre- and post-natal leaves



#### Parenting Support

Childcare allowance, tuition support, childcare leaves



#### Family Care

Reduced working hours, family care leaves and absences



#### Family-friendly Social Contribution

Family-loving rural experience, community service by families for environmental protection



Award ceremony for the designation of "No. 1 Family-Friendly Company"



# Improvements to the Organizational Culture

## Innovation Lab

The Innovation Lab was launched in 2021 with the goal of establishing an organizational culture that encourages innovation within Kyobo Life and discovering field-oriented innovation projects. It consists of market sensing activities to share trends and best practices related to innovation, Sprint to explore new services and business opportunities with customer-centered thinking and interactive communication experiences.

### Key Programs at Innovation Lab

Programs

Market Sensing

Surveys external trends and case studies and suggest applications for innovation



Sprint

Discovers ideas based on customer-centric methodologies



Experiential Activities

Creates arenas of communication between employees



Initiatives

- Analyzes innovation trends and cases
- Proposes applications and implications within Kyobo Life business
- Shares analysis results internally with employees (card news, seminars)

- Supports the discovery of innovation tasks
  - (1) Insurance Business
    - Explores the influx of group insurance customers via digital channels
  - (2) New Businesses
    - Plans community services for webtoon and web novel fans
    - Plans communication platforms for pet owners

- Creates experience and communication channels between employees
  - Offers MBTI and organizational culture seminars
  - Holds sharing sessions for video trends of overseas insurance companies
  - Experiences affiliate services at Hottracks (Kkoomming, Dakku)
  - Experiences startup partner's Ssukssuk Chalkak service (calendar making)

Key Performance

- Improved employee interest and understanding of digital trends
- Supported applications when frontline departments established business plans

- Corporate-wide distribution of the "new way of working" innovation culture
- Supported the discovery of innovation tasks such as "attraction of new customers" led by frontline departments

- Provided opportunities for mutual understanding of stakeholders and employees by age and tier at Kyobo Life

# Company that is Attractive to Investors

## Principles

We will continue to produce exceptional profit through the good growth

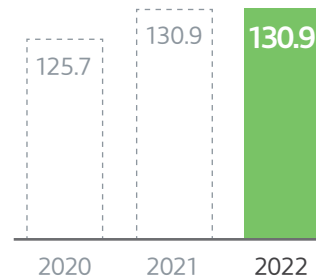
We will increase the value of the company through preemptive financial and non-financial risk management



## Key Performance Data

### Total Assets<sup>1)</sup>

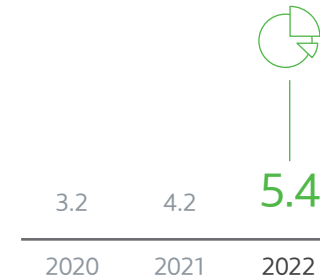
(Unit: KRW trillion)



1) Total assets: based on consolidated financial statements

### ROE (Return on Equity)<sup>2)</sup>

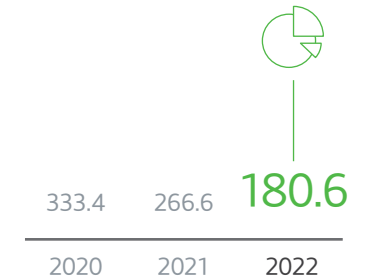
(Unit: %)



2) Return On Equity (ROE) = Net income / {(Beginning equity capital+Ending equity capital)/2} × 100, based on consolidated financial statements

### RBC (Risk-based Capital)

(Unit: %)



## Communication Channels



IR, Management Disclosures (at all times)



General Meeting of Shareholders (more than once, annually)



Sustainability Report (annually)



Governance and Remuneration Annual Report (annually)

# Stable Asset Management

## Basic Principles of Asset Management

Kyobo Life seeks a stable return on investment as a sustainable company for the mutual, long-term development between the Company and its stakeholders. To this end, it fulfills the duty as a good steward of client assets and considers risks and opportunities in its investment decision-making process, including stability, liquidity, profitability, public interest, and ESG.

## Asset Management Performance

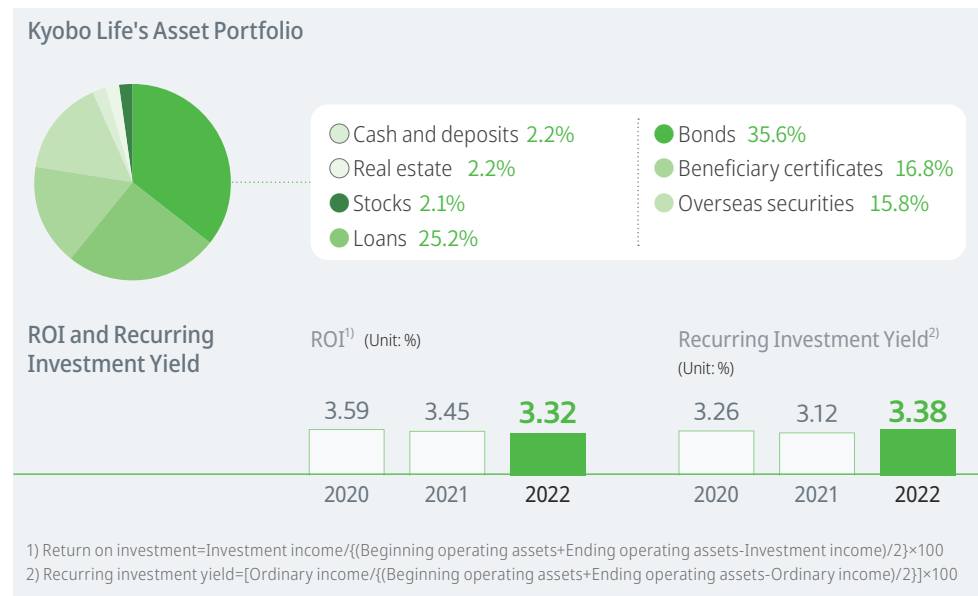
Assets under management as of the end of FY2022 were KRW 88.58 trillion, down 3.2% year-on-year due to a decline in the book value of securities from rising interest rates. The Company increased its allocation to cash equivalents in anticipation of higher payouts as savings policies mature and expanded purchases of higher-yielding long-term bonds amid rising interest rates. While investment income dropped 0.13%p year-on-year to 3.32% due to reduced bond sales amid high interest rates, recurring investment yield, which does not take into account gains on disposition, improved 0.26%p year-on-year to 3.38%, securing a stable source of long-term income.

## Asset Allocation System based on the Market Value of Insurance Liabilities

With the implementation of the new accounting standards (IFRS9, IFRS17) and the financial solvency scheme (K-ICS), insurance companies have introduced mark-to-market valuation of liabilities. They use asset-liability management (ALM)<sup>1)</sup> to manage changes in the value of their liabilities and assets as interest rates fluctuate, and properly operated ALM facilitates the maintenance of stable capital adequacy, a measure of financial strength. If mark-to-market valuation of assets and liabilities is introduced in the current ALM system, not only assets but also liabilities will be marked-to-market, which is expected to increase capital volatility due to interest rate fluctuations, directing a significant amount of resources and time on the strategic asset allocation (SAA) process. Accordingly, Kyobo Life established a new asset allocation system to respond to the introduction of the new system and manage risks more efficiently.

First, the Company has developed a debt valuation system and independently created a debt replicating portfolio, a virtual asset portfolio with the same cash flows and risks as the debt. This improved the existing system that had separated debt structure analysis and optimal asset portfolio construction by reflecting debt information upfront in the asset allocation process, enabling optimal outcomes instantly in response to interest rate changes. With the introduction of the new asset allocation system, it is expected to increase profits of the asset management division through efficient risk management and strengthen the Company's ability to generate stable long-term profits and manage financial statements. The asset allocation system, currently under pilot operations, will be upgraded by the end of 2023.

1) Asset Liability Management (ALM): A series of decision-making processes that maximizes the financial value of the company by comprehensively managing assets and liabilities according to changes in the financial environment to optimize revenue against risks



# Acquiring New Growth Engines

## Expansion of Platform Business: Nalcee

Kyobo Life is promoting the expansion of its platform business, which is the core of its DBS (digital transformation-based strategy), in order to gain new momentum for growth. In May 2022, a platform called Nalcee was first unveiled by Kyobo Life to discover and foster new writers. Various creative activities, such as writing novels and essays, are supported through the platform and are able to receive feedback through direct communication with readers during the serialization of their works. Nalcee is expanding its business areas by focusing on discovering content IP in detective fiction, mystery, thriller, science fiction, and essays, and building internal capacities and networks to commercialize them into books, webtoons, and video content.


[Nalcee Website](#)

## Corporate Venture Capital (CVC)

Together with Kyobo Securities, Kyobo Life has formed the "Kyobo Technology Investment Association No. 1" fund, totaling KRW 200 billion, to foster and support outstanding startups. The fund is the first step in Kyobo Life's pursuit of corporate venture capital (CVC) in line with its digital transformation and is expected to strengthen its competitiveness and secure new growth engines through investment, support, and collaboration with excellent startups. In particular, Kyobo Life's frontline departments are looking forward to synergies by collaborating with the recipients of its investment, such as working on short-term tasks with external experts and utilizing startup networks to take on innovative challenges.

### Key Performance of CVC

**Key features of Nalcee**



**1 Star ratings and descriptive feedback**  
Recognition of reader responses for each central element that determines the quality of works, such as characters and worldview

**2 Creative reports**  
Exceptional reports with detailed analysis of reader feedback and creative activities for each work

**3 1:1 Mentoring**  
An intensive mentoring process with mentors reading the mentee's work closely and guiding the completion of the work

Nalcee Mobile

Performance	Key cases
<p>Strengthened the competitiveness of the main business</p> <p>Invested in <b>12</b> companies</p>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><b>WEALTH GUIDE</b></p> <ul style="list-style-type: none"> <li>- Personalized asset management service</li> <li>- Launched Financial My Data-based "My Retirement Design" service on Kyobo Life's Financial My Data app "Peach"</li> </ul> </div> <div style="width: 45%;"> <p><b>재깍악어</b></p> <ul style="list-style-type: none"> <li>- Childcare matching service</li> <li>- Partnered with Kyobo Life's "Okay Cancer Insurance" as a healthcare and life support service</li> </ul> </div> </div>
<p>Acquired new businesses and growth engines overseas</p> <p>Invested in <b>8</b> companies</p>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><b>BAMBOO NETWORK</b></p> <ul style="list-style-type: none"> <li>- Dedicated web content production service</li> <li>- Consultation on video production of excellent ongoing works on Kyobo Life's creative support app, Nalcee</li> </ul> </div> <div style="width: 45%;"> <p><b>케어링</b></p> <ul style="list-style-type: none"> <li>- Visiting care and daytime care service</li> <li>- Senior care (visiting care service) via an integrated digital channel</li> </ul> </div> </div>

# Company that Cooperates with Ecosystem Players

## Principles

We will grow together with our partners through fair transaction

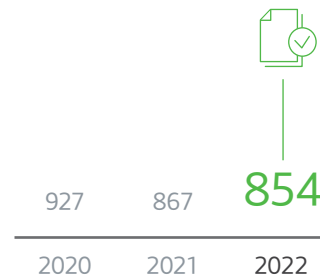
We will create a sustainable financial ecosystem by supporting out ecosystem players (affiliates and partners, etc.)



## Key Performance Data

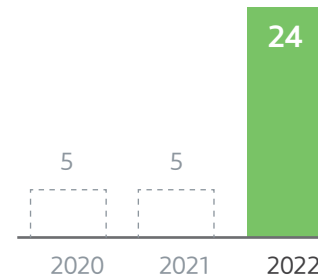
### Number of Companies Receiving Clean Contract Guidelines

(Unit: Companies)



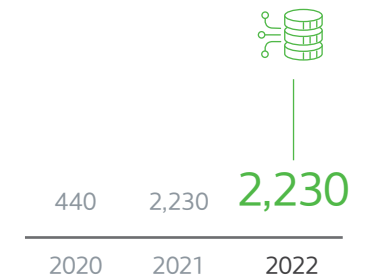
### Number of Innostage Participants

(Unit: Companies)



### Investment Amount in Digital Strategy (cumulative)<sup>1)</sup>

(Unit: KRW 100 million)



<sup>1)</sup> The data, cumulative data for pledged amounts since 2018, has been reported since 2020

## Communication Channels



Online Violation Report Center  
(at all times)



Clean Contract Guide  
(2 times a year)



Innostage Demo Day  
(1-2 times a year)

# Fair Trade with Partners

## Fair Selection of Partners

Kyobo Life selects and signs contracts with partners in a fair and transparent manner. The entire process of purchase is conducted in a transparent manner through an online electronic purchase system. Companies with potential risks, such as delays in paying taxes and committing unfair transactions, are excluded from the selection.

## Major Partners of Kyobo Life

Classification	Main Points
Computer system management company	Work system maintenance, user support services
Suppliers	Suppliers of office supplies, equipment, and fixtures
Building management	Cleaning, signage, air conditioning, and moving of the Kyobo Life office building
Partner hospitals	Affiliated diagnostic-related partner hospitals
Asset management companies	Asset management companies commissioned by Kyobo Life to manage assets

### Evaluation Items for Partners

Workforce



Equipment and facilities



Delay in payment of taxes



Financial soundness



Excellent management



Third-party delivery performance



## Unfair Trade Prevention System

Kyobo Life has a clause on the prevention of unfair trade in the Contract Process Regulations and requires all employees to comply with it when signing contracts. Competitive bidding is the basic principle when selecting a partner company. Any potential partner company may participate in bid-dings as announcements are posted on Kyobo Life's website and electronic purchase system. In addition, Kyobo Life implements Clean Contracts, which prohibit collusion and unfair transactions in the process of contract execution. It is working to spread socially responsible management by restricting transactions with unethical companies that violate the terms.

## Clean Contracts

Clean Contracts is a system that prohibits collusion and unfair trade practices in the process of concluding contracts and performing purchases, services, and construction between Kyobo Life and its business partners. It establishes trade practices that do not require or accept money or entertainment to promote mutual growth among stakeholders. All partners are required to electronically agree to a Clean Contract when registering their business in the electronic procurement system. In addition, the provisions of Clean Contracts are reflected in the agreement, and the Fair Trade Organization regularly sends out information to the partners with a trading performance of more than KRW 20 million in the previous year. Kyobo Life also provides a reporting channel for employees to report violations of the fair trading order through the Clean Contract Guide.

### Reporting Center

- Kyobo website (<https://www.kyobo.com/>): Customer Center → Reporting Center → Reporting Employee Misconduct
- Phone: 080-987-0800 (Compliance and Ethics Hotline), 02) 721-3634
- Mail: (03154) Compliance Officer, Kyobo Life Insurance Co., Ltd., 1, Jong-ro Jongno-gu, Seoul



### Penalty for Breach of the Clean Contract

1. Participating in bids is restricted for 3-5 years for unfair acts such as collusion
2. Participation in bids and signing contracts are restricted for 3-5 years for providing money and entertainment
3. Disadvantages on trade (Cancellation of all or part of the contract, or termination of the contract in the course of its fulfillment)

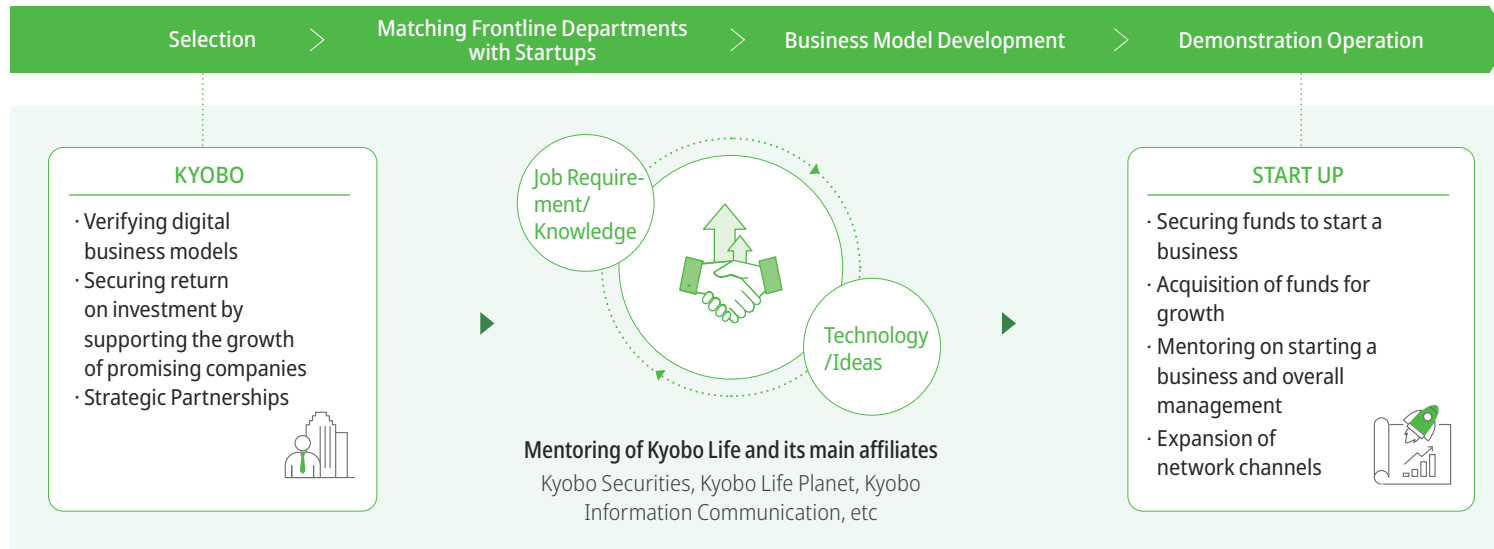
# Mutual Success with Startups and Strengthening the Ecosystem

## Innostage ON

Combining the words "Innovation" and "Stage," Innostage refers to an open innovation platform launched by Kyobo Life in 2019. To become a financial company that delivers value beyond insurance through a digital transformation-based strategy (DBS), the Company aims to build a collaborative ecosystem with startups by continuously identifying, accelerating, partnering, and investing in startups that have the potential to collaborate with Kyobo Life and its affiliates. Kyobo Innostage has been actively discovering and accelerating startups every year since its inauguration in July 2019 and will be renamed "Innostage ON" in 2022 to focus on the leadership of frontline departments. Innostage ON is being upgraded to concentrate on the collaboration, joint commercialization, and follow-up processes after strategic investment between Kyobo Life and startups.

[Innostage ON website](#)

## Innostage ON Program Process



## Current Progress

### Startup Development<sup>1)</sup>



Cumulative number of nurtured companies	Cumulative support cases	Cumulative number of collaborations
40 companies	1,307 cases	120 cases

<sup>1)</sup> As of March, 2023

### Investment in Startups<sup>1)</sup>

#### Types of investment

- Direct investment (direct investment by Kyobo Life account)
- Indirect investment (participation in investment by external venture investors)
- CVC Fund (Kyobo Technology Investment)

#### Investment progress

Cumulative investment	Cumulative number of investment recipients
KRW 71.9 billion	21 companies

<sup>1)</sup> As of March, 2023

# Mutual Success with Startups and Strengthening the Ecosystem

## Innostage ON 1st Term Participants and Results



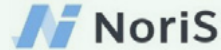
Green Ribbon

### Key Services

Discovering unclaimed insurance payments and applying for claims by proxy "Lifecatch"

### Key Achievements

- No. 1 free financial app on Google Play (Oct. 22, 2022)
- No. 1 free app on App Store (Oct. 22, 2022)
- In-app partnership with IBK I-ONE (2022)
- Selected as Fintech Cube by Fintech Center Korea



NoriSpace

### Key Services

AI-powered automation solution "NoriS Engine"

### Key Achievements

- Signed MOU with Kyobo Life (strategic partnership to upgrade payment process)
- Selected as Shinhan Life Open Innovation (proposed marketing automation for product recommendation)
- Selected as SBA Fintech business (R&D for detecting and visualizing digital document tampering)



Nutrition Court

### Key Services

Customized healthcare service "Welcoach"

### Key Achievements

- Signed MOU with Saltlux (joint commercialization of AI healthcare platform in Korea and abroad)
- Launched Well Coach Shop, a convenient healthcare service, overseas
- Won prize as the best collaboration startup in Innostage ON 1st term



Story City

### Key Services

AI-powered personalized travel recommendations "Yodatrip"

### Key Achievements

- Two-time winner of App Store's "App of the Day"
- Accumulated 250,000 travel itineraries
- Reached 100,000 cumulative subscribers



Orwell Health

### Key Services

B2B-based mental healthcare service platform "Inside"

### Key Achievements

- Over 100,000 mental health self-exams in 3 months of release (2022)
- Joined by most first-rate counselors among domestic app services



Enable Daon Soft

### Key Services

Nationwide communication service for the army "The Camp"

### Key Achievements

- Reached 4.22 million cumulative subscribers and an average MAU of over 700,000
- Sent over 55 million cumulative letters to soldiers (Oct. 2022)

### Case Study

#### Green Ribbon

#### - Participant in Innostage ON 1st term

Green Ribbon operates the insurance claim agency platform "Lifecatch" which provides AI algorithm-based insurance claim automation services. Lifecatch users can find all unclaimed insurance payments at once within three years of the extinctive prescription without having to visit medical institutions in person to issue documents. Kyobo Life has developed an integrated claim system and payment review solution by selecting Green Ribbon through Innostage ON.

Kyobo Life continues to collaborate with Green Ribbon after being selected as a Innostage ON participant. In particular, Kyobo Life and Green Ribbon have been collaborating for building Kyobo Life's "non-face-to-face medical record viewing and copy issuance delegation system" through the consignment test, a financial regulatory sandbox system.



Green Ribbon's Insurance Claim Agency Platform "Lifecatch"



# Company that Grows Together with the Government and Communities

## Principles

We will fulfill our obligation for tax payment and cooperation by complying with the national tax and relevant laws

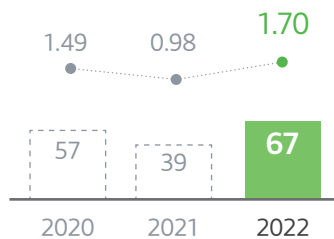
We will fulfill our social and environmental responsibilities as corporate citizen



## Key Performance Data

### Amount of Social Contribution/ Percentage of Social Contribution<sup>1)</sup>

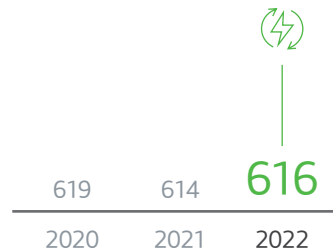
(Unit: KRW 100 million/%)



1) Percentage of social contribution support = Amount of social contribution support / net income, based on consolidated financial statements

### Energy Consumption<sup>2)</sup>

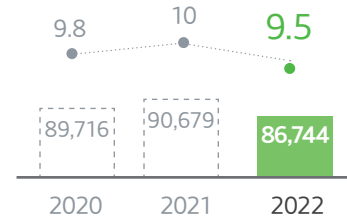
(Unit: TJ)



2) Calculated in accordance with the Guidelines on Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading Systems from 2022 and the Verification Guidelines for the Operation of Emissions Trading Systems (refer to GHG Verification Statement 116p)

### Total Investment in Social Responsibility/Share of Social Responsibility Investment<sup>3)</sup>

(Unit: KRW 100 million/%)



3) Ratio of social responsibility investment to general account assets

## Communication Channels



Website (social contribution)  
(at all times)



Kyobo Public Trust  
(at all times)



Employee Volunteer Corps  
(at all times)

# Social Contribution Vision and Strategy

Kyobo Life is creating a "healthy society, build a better world together," led by the Kyobodosomi Volunteer Corps, established in December 2002. The Company's social contribution activities are based on the "Four Principles of Social Contribution." In 2022, in addition to its annual social contribution activities, Kyobo Life signed a business agreement with the Ministry of Environment to identify and promote social contribution projects for environmental education. In 2023, the Company signed a business agreement with Jongno District Office in the local community where Kyobo Life's headquarters is located and regularly conducted eco-friendly plogging campaigns with its employees. Kyobo Life will continue to help create a culture of environmental protection for youth and ordinary citizens.

[Brochure of Social Contribution Activities at Kyobo Life](#)

## Kyobodosomi Volunteer Corps

"Dasom" means "love" in Korean, and Kyobodosomi Volunteer Corp was named to denote "people of Kyobo who practice love."



## Social Contribution Vision and Strategy

### Vision

Healthy society, build a better world together

### Top Values



### Four Principles of Social Contribution Activities

Focus on support for overcoming hardship in life

Long-term partnerships with non-profit organizations

Enhancing the efficiency of social contribution activities

Project evaluations on services

### Social Contribution Program

#### Support for Infants and Children

- Support for children with hearing impairment, Wow Dasomi Sound Light Project
- Employee donations to support underprivileged children in Korea, Ties of Love

#### Education and Cultivation of Youth

- Growth and independence support for children in out-of-home care
- Kyobo Life Cup Youth Athletic Competition
- Kyobo Life Hope Dasom Scholarship
- Asia March for Undergraduate Students

#### Nurturing Digital Talents and Startups

- Future-oriented hands-on and professional qualification courses in ICT, Kyobo Dream Makers
- Fostering social value-creating startups, Let's Make an Impact on the World! Up!

#### Environment and Overseas Outreach

- Environmental education
- Global Hope Tree Project for supporting economic independence
- Education Infrastructure Support Project

#### Public Benefit Foundation

- Daesan Agriculture Foundation
- Daesan Foundation
- Kyobo Foundation for Education

# Key Social Contribution Activities

## Let's Make an Impact on the World! Up!

Let's Make an Impact on the World! Up! (Impact Up) is Kyobo Life's social contribution program to foster impact companies that seek to solve social problems and support the youth in vulnerable groups. The Company facilitates the advancement of business models for ICT impact companies in the early stages of their growth, providing them with marketing support and opportunities to attract investment. Kyobo Life-supported impact companies' ICT services and products are provided free of charge to vulnerable groups for a period of time, which contributes to bridging the digital divide.

### Three Goals of Impact Up

- First, providing opportunities for the youth of vulnerable people to acquire ICT-based digital knowledge and skills
- Second, Identifying, and nurturing impact companies that are able to provide ICT-based digital services to the youth of vulnerable groups
- Third, overcoming the limitations of financial resources and building a new social contribution framework to create sustainable social value

## Key Performance in 2022

Number of discovered and supported companies

6 companies

Number of supported youth in vulnerable groups

106,575 persons



Participating companies at Impact Up Demo Day (5th term)

## Ties of Love

Since 2003, in collaboration with ChildFund Korea, Kyobo Life has been sponsoring children from underprivileged families, including child breadwinners and children from single-parent households, to learn and grow in a better environment. For every amount that each employee voluntarily donates from their monthly salary, the Company matches it to provide additional support to form Love Fund. The money raised is used to pay for education, childcare, special talent support, and more.

### Key Performance in 2022

#### Number of participating employees

Total number per year	Average per month
<b>14,796</b> persons	<b>1,233</b> persons

#### Support amount

KRW <b>336</b> million (KRW 28 million per month)	<b>4,740</b> persons
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Children Supported by Ties of Love

# Key Social Contribution Activities

## Kyobo Dream Makers

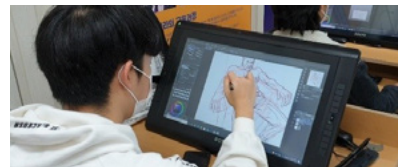
Kyobo Dream Makers is a social contribution program that provides experience and education in ICT technology to underprivileged children and youth. The Kyobo Dream Makers program consists of hands-on ICT education for elementary and junior high school students and professional ICT education for junior high school students and youth under age 24. In particular, professional ICT education offers them a curriculum for obtaining professional qualifications in the ICT field. Kyobo Life will continue to provide more children and youth with opportunities to experience ICT skills to spark their interest and help them achieve their goals.

### Key Program Content

	Purpose	Description
Hands-on ICT education	Exploring aptitude and motivating education through key ICT experience	Using 3D pens, driving autonomous RC cars, and trying design tools
Professional ICT education	Career planning and job placement through ICT core technology capacity development	Certified professional qualification courses and expert courses in the ICT field (drone, video expert course, coding, webtoon-design/writer)



Drone Pilot Course



Webtoon Expert Course

### Key Performance in 2022

Number of applicants

1,667 persons



### Beneficiaries of Dream Makers Project

Hands-on ICT education | Professional ICT education

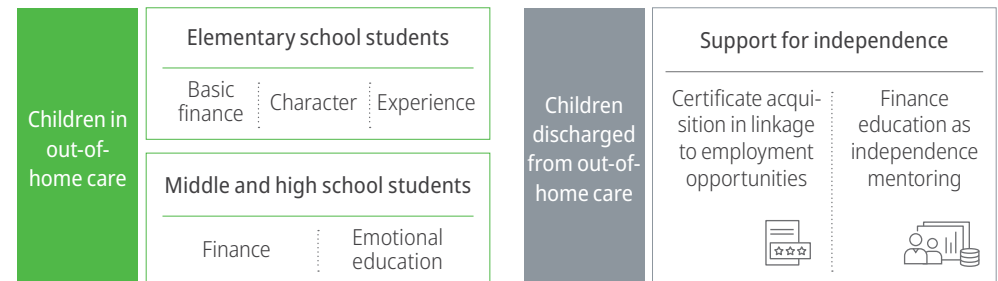
1,503 persons

Total 164 persons, out of which 118 persons acquired certificates

## Support for Children in Out-of-Home Care

In pursuit of the "promotion of national education," the founding philosophy of Kyobo Life, the Company is undertaking a support project for the growth of children in out-of-home care. As they need more preparation for independence, the program supports their growth and independence through fostering and education programs with a longitudinal approach and volunteer activities by employees. It consists of a variety of educational content, such as a language education program for children who are relatively slow at learning the language, a professional qualification acquisition program for entering schools and employment, and education for financial independence from instructors who were also children in out-of-home care.

### Key Content for Fostering and Education by Growth Stage



Support for Children in Out-of-Home Care

# Key Social Contribution Activities

## Social Contribution to the Environment

### Cooperation on Social Contribution with the Ministry of Environment

In June 2022, Kyobo Life was recognized as a leader representing the insurance industry in social contribution activities through environmental education and signed an MOU with the Ministry of the Environment on "Environmental Education for a Sustainable Future." Kyobo Life's environmental education program donated Hope Trees to rural households in poverty in Vietnam in the name of employees who pledged to practice environmental protection and received environmental education. The Hope Tree donation ceremony was conducted in conjunction with plogging, a volunteer activity participated by employees, to bolster its message. Kyobo Life plans to create an atmosphere of voluntary environmental practice internally through various activities in the future and to make efforts to ensure that environmental education takes root in the community.

### Green Olympic Campaign (Kyobo Life Cup Youth Athletic Competition)

Since 1985, Kyobo Life has been holding the annual Kyobo Life Cup Youth Athletic Competition, a nationwide youth athletic competition. The 2022 Games, held after a three-year hiatus due to COVID-19, was joined by 3,495 athletes competing in seven categories, including track and field and swimming. Under the themes "safety" and "green," the Games also launched Kyobo Life Cup Green Olympic Campaign. Using recyclables collected from the Kyobo Life headquarters and the stadium site, aspiring athletes were able to play games and make various objects such as stadiums, boats, and hockey sticks. The banners used in the stadium were upcycled into shopping bags and shoe bags and were donated to traditional markets and the athletes at the Games.

### Goodwill Market for Donating Recyclables

In December 2022, Kyobo Life held the Goodwill Market, a campaign for employees to donate recyclable goods to protect the environment and save resources. Over two weeks, the campaign gathered about 3,700 different second-hand items, including clothing, household appliances, and books, which reduced carbon emissions by recycling.

## Eco-friendly social contribution activities in 2022

### Pledge to practice environmental protection and environmental education

Number of participant employees	Hope Trees donated to Vietnam
<b>3,348</b> persons	<b>6,700</b> trees

### Amount of recycled waste during the Green Olympic Campaign

Plastic PET (31 types)	Clothing	Net plastics
<b>957</b> bottles	<b>56</b> pieces	<b>27</b> pieces

### Reduced carbon emissions by recycling

Carbon emissions	30-year-old pine trees
<b>106</b> kg	<b>53</b> trees

### Carbon reduction effect of the Goodwill Market

**7.8** ton



Hope Tree Donation



Employee Plogging



Upcycled Banners from the Kyobo Life Cup Youth Athletic Competition



Ball Games which Reused Discarded Athletic Clothes



Table hockey which Recycled Plastic Waste



Donation Ceremony of Good Will Market

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# Environmental

## ESG DATA PACK

### GHG Emissions

Classification	Unit	2019	2020	2021	2022 <sup>1)</sup>	2022 Goals
Total GHG emissions (Scope 1&2)	tCO <sub>2</sub> eq	32,119	30,406	29,793	29,925	30,832
Direct emissions (Scope 1)	tCO <sub>2</sub> eq	4,704	4,226	4,504	4,614	5,670
Indirect emissions (Scope 2)	tCO <sub>2</sub> eq	27,415	26,179	25,289	25,311	25,162
Other indirect emissions (Scope 3)	tCO <sub>2</sub> eq	-	-	-	3,243	-
GHG intensity <sup>2)</sup>	tCO <sub>2</sub> eq /1,000m <sup>2</sup>	54.6	51.7	50.6	50.8	-

1) Calculated in accordance with the Guidelines on Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading Systems from 2022 and the Verification Guidelines for the Operation of Emissions Trading Systems (refer to GHG Verification Statement 114p)  
 2) GHG intensity based on the total area of the business site

### Energy Management

Classification		Unit	2019	2020	2021	2022 <sup>1)</sup>	2022 Goals
Energy	Total consumption	TJ	653	619	614	616	614
Direct energy	Total consumption	TJ	88.5	79.9	85.5	86.7	-
	Gas	TJ	76.0	69.5	75.6	73.9	-
	Oil	TJ	12.6	10.3	9.9	9.3	-
	Mobile combustion <sup>2)</sup>	TJ	0.0	0.0	0.0	3.5	-
Indirect energy	Total consumption	TJ	564.8	539.2	528.8	529.2	-
	Electricity	TJ	563.6	538.7	527.6	527.9	-
	Local heating	TJ	1.3	0.4	1.2	1.3	-
Energy intensity		TJ/1,000m <sup>2</sup>	1.1	1.1	1.0	1.0	-

1) Calculated in accordance with the Guidelines on Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading Systems from 2022 and the Verification Guidelines for the Operation of Emissions Trading Systems (refer to GHG Verification Statement 114p)  
 2) Gasoline, diesel

### Water Usage

Classification	Unit	2019	2020	2021	2022 <sup>1)</sup>
Total water usage	m <sup>3</sup>	466,353	413,903	395,821	249,399
Recycling amount <sup>2)</sup>	m <sup>3</sup>	5,241	3,815	4,226	3,947
Recycling rate	%	1	1	1	3

1) Calculated in accordance with the Guidelines on Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading Systems from 2022 and the Verification Guidelines for the Operation of Emissions Trading Systems (refer to GHG Verification Statement 114p)  
 2) Reporting scope: Kyobo Tower

### Waste Disposal

Classification	Unit	2019	2020	2021	2022 <sup>1)</sup>
Total waste generated	ton	277	149	162	933
Recycling amount <sup>2)</sup>	ton	268	141	153	292
Recycling rate	%	97	95	94	65

1) Calculated in accordance with the Guidelines on Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading Systems from 2022 and the Verification Guidelines for the Operation of Emissions Trading Systems (refer to GHG Verification Statement 114p)  
 2) Reporting scope: Headquarters (Gwanghwamun) and Kyobo Tower

# Environmental

## ESG DATA PACK

### Resource Usage

Classification	Unit	2019	2020	2021	2022
Paper	boxes	4,662	4,893	4,652	2,591
Toner	cartridges	3,358	2,463	2,067	1,829

### Eco-Friendly Investment

Classification	Unit	2019	2020	2021	2022
Total eco-friendly investment <sup>1)</sup>	KRW 100 million	39,439	45,296	59,500	64,237
Renewable energy	KRW 100 million	22,660	28,610	28,740	30,013
Investment in eco-friendly facilities <sup>2)</sup>	KRW 100 million	16,779	16,686	26,892	27,244
Green bonds	KRW 100 million	-	-	3,868	6,980

1) Re-calculated based on the K-Taxonomy guidelines (eco-friendly facilities, eco-friendly buildings, green bonds) (2019-2021)

2) Eco-friendly transportation, waste treatment facilities, eco-friendly buildings, etc.

### Social Responsibility Investment (SRI)

Classification	Unit	2019	2020	2021	2022
Total social responsibility investment	KRW 100 million	81,787	89,716	90,679	86,744
Share of social responsibility investment <sup>1)</sup>	%	9.4	9.8	10.0	9.5

1) Ratio of social responsibility investment to general account assets

### Violation of Environmental Laws

Classification	Unit	2019	2020	2021	2022
Number of environmental law violations	cases	0	0	0	0
Fines and penalties	KRW million	0	0	0	0



# Social

## ESG DATA PACK

### Number of Employees

Classification		Unit	2019	2020	2021	2022
Total number of employees <sup>1)</sup>		persons	3,822	3,842	3,839	3,762
By gender	Men	persons	2,250	2,263	2,264	2,236
	Women	persons	1,572	1,579	1,575	1,526
	Ratio of men	%	58.9	58.9	59.0	59.4
	Ratio of women	%	41.1	41.1	41.0	40.6
By employment type	Total number of regular employees	persons	3,624	3,632	3,608	3,498
	Men	persons	2,112	2,121	2,105	2,062
	Women	persons	1,512	1,511	1,503	1,436
	Ratio of men	%	58.3	58.4	58.3	58.9
	Ratio of women	%	41.7	41.6	41.7	41.1
	Total number of temporary employees	persons	198	210	231	264
	Men	persons	138	142	159	174
	Women	persons	60	68	72	90
	Ratio of men	%	69.7	67.6	68.8	65.9
	Ratio of women	%	30.3	32.4	31.2	34.1
By age	Under 30	persons	450	450	381	464
	Over 30 and under 50	persons	2,846	2,702	2,504	2,303
	Over 50	persons	526	690	954	995
By position	Staff (staff - general manager)	persons	3,623	3,633	3,629	3,539
	Head of department or higher	persons	158	168	159	174
	Executives	persons	41	41	51	49

Classification		Unit	2019	2020	2021	2022
By location <sup>2)</sup>	Total	persons	3,816	3,835	3,830	3,754
	Seoul	persons	810	774	763	786
	Busan	persons	213	222	210	201
	Daegu	persons	135	127	131	110
	Incheon	persons	136	121	119	117
	Gwangju	persons	115	111	115	87
	Daejeon	persons	99	106	99	103
	Ulsan	persons	56	54	55	52
	Sejong	persons	4	4	5	6
	Gyeonggi	persons	392	404	388	350
	Gangwon	persons	60	54	49	44
	Chungbuk	persons	63	64	62	59
	Chungnam	persons	74	65	64	64
	Jeonbuk	persons	76	71	71	74
	Jeonnam	persons	64	66	62	55
	Gyeongbuk	persons	121	120	113	114
	Gyeongnam	persons	128	125	116	107
Jeju	persons	35	36	36	32	
Headquarters	persons	1,232	1,308	1,368	1,389	
Overseas	persons	3	3	4	4	
Workers who are not employees <sup>3)</sup>	persons	-	-	-	1,674	

\* The number of employees reported is calculated based on the head count.

1) The number of employees excludes part-timers (Confidentiality Constraints)

2) Excludes registered executive directors

3) External personnel residing in Kyobo Life office buildings (cleaning and IT-related personnel, etc.)

# Social

## ESG DATA PACK

### Diversity

Classification	Unit	2019	2020	2021	2022	
Women	Total number of managers <sup>1)</sup>	persons	797	784	776	767
	Number of women managers	persons	143	147	153	156
	Ratio of women managers	%	17.9	18.7	19.7	20.3
	Total number of junior managers <sup>2)</sup>	persons	-	-	-	1,018
	Number of women junior managers	persons	-	-	-	157
	Ratio of women junior managers	%	-	-	-	15.4
	Total number of executives	persons	41	41	51	49
	Number of women executives	persons	2	2	2	6
	Ratio of women executives	%	4.9	4.9	3.9	12.2
	Total number of revenue-generating positions <sup>3)</sup>	persons	-	-	-	1,992
	Number of women in revenue-generating positions	persons	-	-	-	888
	Ratio of women in revenue-generating positions	%	-	-	-	44.6
Total number of STEM-related positions <sup>4)</sup>	persons	-	-	-	551	
Number of women in STEM-related positions	persons	-	-	-	179	
Ratio of women in STEM-related positions	%	-	-	-	32.5	
People with disabilities	Total number of people with disabilities	persons	35	35	37	34
	Number of employees in IT jobs	persons	3	3	3	4
	Number of on-site workers	persons	19	20	21	21
	Number of headquarters personnel	persons	13	12	13	9
	Ratio of personnel	%	0.9	0.9	0.9	0.9

Classification	Unit	2019	2020	2021	2022	
National honorees	Total number of national honorees	persons	77	75	73	64
	Ratio of national honorees	%	2.0	2.0	1.8	1.7
By nationality	Korea	persons	3,819	3,838	3,834	3,755
	Asia (excluding Korea)	persons	1	1	2	2
	Americas	persons	2	3	3	5
	Ratio of Korea	%	99.9	99.9	99.9	99.8
	Ratio of Asia (excluding Korea)	%	0.0	0.0	0.1	0.1
	Ratio of Americas	%	0.1	0.1	0.1	0.1

1) Executives (excluding inside/outside directors and advisors) and organization leaders

2) Director or higher (the data is calculated since 2022)

3) Sales personnel (the data is calculated since 2022)

4) Group DT Promotion, Digital Strategy, Platform, Digital Technology, IT Support, Information Security, departments under the Product Support Office, Actuarial Team, Finance Team, Assumption Management Team, Senior Actuary (the data is calculated since 2022)

# Social

## ESG DATA PACK

### New Hires<sup>1)</sup>

Classification	Unit	2019	2020	2021	2022
Total number of new hires	persons	115	117	134	283
By experience	New employees	85	100	65	160
	Experienced employees	30	17	69	123
By gender	Men	58	79	94	177
	Women	57	38	40	106
By age	Under 30	81	96	70	158
	Over 30 and under 50	31	20	59	117
	Over 50	3	1	5	8
Recruitment costs	KRW million	369	150	452	826

1) The number of new employees is calculated based on the business report (workers without fixed terms, fixed-term workers)

### Open Positions and Internal Hires

Classification	Unit	2019	2020	2021	2022
Number of internally hired open positions	persons	2,287	2,075	1,683	2,061
Ratio of internally hired open positions	%	95.2	94.7	92.6	87.9

### Employee Turnover

Classification	Unit	2019	2020	2021	2022	
Turnover rate	%	3.6	2.6	2.9	2.9	
Voluntary turnover rate	%	2.5	1.2	1.9	2.5	
Turnover <sup>1)</sup>	Total number of turnovers	persons	140	101	113	112
	Men	persons	69	74	79	64
	Women	persons	71	27	34	48
	Under 30	persons	36	14	22	32
	Over 30 and under 50	persons	72	37	55	67
	Over 50	persons	32	50	36	13
Voluntary turnover <sup>2)</sup>	Number of voluntary turnovers	persons	95	47	75	96
	Men	persons	39	24	43	51
	Women	persons	56	23	32	45
	Under 30	persons	36	13	22	30
	Over 30 and under 50	persons	55	28	53	63
	Over 50	persons	4	6	-	3

1) Based on total turnovers (includes regular retirement, hope retirement, dismissal at own request, excludes special retirement on a rolling basis)

2) Dismissal at own request out of total turnovers (excluding transfer to affiliated companies)

### Tenure

Classification	Unit	2019	2020	2021	2022
Average tenure	years/months	16 years	16 years 6 months	17 years	16 years 2 months
Men	years/months	17 years 1 month	17 years 5 months	17 years 9 months	16 years 9 months
		14 years 6 months	15 years 2 months	15 years 11 months	15 years 4 months

# Social

## ESG DATA PACK

### Compensation

Classification		Unit	2019	2020	2021	2022
Wages <sup>1)</sup>	Average wages	KRW thousand	101,114	91,724	99,026	104,874
	Men	KRW thousand	119,963	107,938	114,737	120,723
	Women	KRW thousand	74,208	68,558	76,654	81,792
Gender equal pay <sup>2)</sup>	Total	%	65.9	67.1	68.1	69.6
	Managerial positions	%	85.5	86.4	86.5	86.2
	Non-managerial positions	%	108.7	106.9	108.2	108.4
Base wages and compensation for new employees		KRW 10 thousand	4,253	4,280	4,369	4,491
Base wages and compensation ratio for new employees		%	188	184	185	181

1) Based on earned income

2) Based on base wage (Formula=average female employee wages/average male employee wages\*100)

### Employee Engagement<sup>1)</sup>

Classification	Unit	2019	2020	2021	2022
Job engagement rate	points	-	-	-	4.10
Job satisfaction rate	points	-	-	-	3.93
Organizational satisfaction rate	points	-	-	-	3.81
Work & life balance	points	-	-	-	4.02

1) The existing job engagement-focused HR survey was enhanced to focus on overall satisfaction at work in four areas since 2022.

### Employee Training

Classification		Unit	2019	2020	2021	2022
Total training time		hours	360,299	296,099	345,749	303,768
Training time per person		hours	97	83	91	80
By gender	Men	hours	97	86	90	82
	Women	hours	96	85	86	77
By employment type	Permanent employees	hours	-	-	90	83
	Temporary employees	hours	-	-	62	46
By position	Organizational leaders <sup>1)</sup>	hours	56	42	36	49
	Organizational members <sup>2)</sup>	hours	104	85	93	82
By age <sup>3)</sup>	Under 30	hours	-	-	-	92
	Over 30 and under 50	hours	-	-	-	84
	Over 50	hours	-	-	-	65
Training cost	Education and training cost (total)	KRW thousand	4,723,361	4,317,751	4,664,440	5,490,435
	Education and training cost per person <sup>4)</sup>	KRW thousand	1,236	1,124	1,215	1,459
Capacity development costs (Total)		KRW thousand	846,754	715,815	665,157	799,006
Capacity development cost per person <sup>5)</sup>		KRW thousand	259	212	214	291
Certificate acquisition support fee (total) <sup>6)</sup>		KRW thousand	-	-	-	113,700
Number of times certificate acquisition was supported		persons	-	-	-	484

1) L1 or higher (excludes advisors and non-executive directors)

2) L2 or lower

3) The data is calculated since 2022.

4) Includes supporting cost of frontline departments (job-specific training) (Formula=Total annual education and training costs/all employees)

5) The cost of supporting employees' desired education/certification acquisition is reported (Formula=Total annual capacity development cost/members subject to capacity building)

6) The data is calculated since 2022.

# Social

## ESG DATA PACK

### Welfare Benefits

Classification	Unit	2019	2020	2021	2022
Welfare benefit costs	KRW thousand	66,135,000	73,611,000	68,294,000	68,472,000
Welfare benefit costs per person	KRW thousand	17,331	19,195	17,831	18,240
Benefits compared to sales	%	0.51	0.47	0.43	0.33

### Retirement Pension System

Classification		Unit	2019	2020	2021	2022
Defined benefits (DB)	Members	persons	2,816	2,706	2,520	2,305
	Operating amount (separate)	KRW 100 million	1,752	2,008	2,039	2,040
Defined contribution (DC)	Members	persons	949	1,057	1,248	1,214
	Operating amount (separate)	KRW 100 million	88	96	102	123
Subscription rate		%	100	100	100	100

### Parental Leave

Classification		Unit	2019	2020	2021	2022
Number of employees on parental leave		persons	177	147	140	137
	By gender	Men	persons	11	16	19
Women		persons	166	131	121	112
Number of employees returning to work after parental leave		persons	158	139	71	81
	By gender	Men	persons	10	14	8
Women		persons	148	125	63	69
	Ratio of men	%	90.9	87.5	72.7	84.6
	Ratio of women	%	89.2	95.4	86.3	92.9
Number of employees working over 12 months after return		persons	91	93	84	68
	By gender	Men	persons	6	3	8
Women		persons	85	90	76	60
	Ratio of men	%	100.0	100.0	88.9	100.0
	Ratio of women	%	97.7	92.8	98.7	95.2

# Social

## ESG DATA PACK

### Performance Evaluation

Classification	Unit	2019	2020	2021	2022	
Ratio of employees subject to evaluation	%	100	100	100	100	
Number of employees subject to regular performance evaluation	Number of employees subject to regular performance evaluation in first half	persons	3,206	3,196	3,198	2,864
	Men	persons	1,760	1,727	1,725	1,559
	Women	persons	1,446	1,469	1,473	1,305
	Number of employees subject to regular performance evaluation in second half	persons	3,532	3,556	3,237	3,151
	Men	persons	2,042	2,046	1,856	1,806
	Women	persons	1,490	1,510	1,381	1,345
	Number of employees with regular performance evaluation completed	persons	3,206	3,196	3,198	2,864
Number of employees who completed regular performance evaluation in first half	Men	persons	1,760	1,727	1,725	1,559
	Women	persons	1,446	1,469	1,473	1,305
	Number of employees who completed regular performance evaluation in second half	persons	3,532	3,556	3,237	3,151
	Men	persons	2,042	2,046	1,856	1,806
	Women	persons	1,490	1,510	1,381	1,345

\* Kyobo Life conducts semi-annual and annual performance evaluations. Therefore, the number of employees who are subject to and have completed evaluations in the first and second half of the year are not identical.

### Occupational Safety and Health

Classification	Unit	2019	2020	2021	2022	
Industrial accidents	Fatalities	persons	0	0	0	0
	Occupational illnesses frequency	cases	0	0	0	0
	Occupational illness frequency rate (OIFR)	%	0	0	0	0
Absence rate <sup>1)</sup>	%	0.13	0.16	0.16	0.77	
Health screening support	persons	2,635	2,683	2,870	2,453	

1) Based on the criteria for sick leave and sickness absence

### Human rights education<sup>1)</sup>

Classification	Unit	2019	2020	2021	2022
Human rights training time per person	hours	3	3	3	3
Participation rate in the sexual harassment prevention training	%	100	100	100	100
Participation rate in disability awareness training	%	100	100	100	100
Participation rate in workplace anti-harassment training	%	100	100	100	100

1) Training targets: excludes employees (including part-timers) and dispatch personnel, workers who work less than 60 hours per month during the training period, overseas workers, and workers dispatched to other companies

### Labor Union

Classification	Unit	2019	2020	2021	2022
Employees eligible to join the union <sup>1)</sup>	persons	3,781	3,629	3,708	3,508
Labor union members	persons	2,593	2,643	2,625	2,450
Union membership rate among eligible employees	%	69	73	71	70

1) As members of the audit department are not eligible for unionization, there is a difference in the number of employees who are eligible for unionization and total number of employees.

# Social

## ESG DATA PACK

### Grievance Reporting and Processing

Classification	Unit	2019	2020	2021	2022
Number of reported cases	cases	1	2	11	7
Sexual harassment	cases	0	0	5	2
Harassment	cases	1	2	6	5
Number of processed cases	cases	1	2	11	7
Sexual harassment	cases	0	0	5	2
Harassment	cases	1	2	6	5

### Partner Management

Classification	Unit	2019	2020	2021	2022
Number of partners <sup>1)</sup>	companies	25	35	27	18
Purchase cost <sup>2)</sup>	KRW 100 million	-	-	110	119
Partner hospitals	hospitals	151	147	141	140
Number of new registered partners	companies	4	3	2	10

1) Suppliers who signed short-term contracts of over 1 year in the electronic purchase system  
 2) Based on remittance on the electronic purchase system

### Investment to Establish an Ecosystem

Classification	Unit	2019	2020	2021	2022
Innostage support amount	KRW million	50	20	10	200
Number of Innostage participants	persons	10	5	5	24
Investment in digital strategy (cumulative) <sup>1)</sup>	KRW 100 million	-	440	2,230	2,230

1) This data has been reported since 2020 due to the readjustment of the sustainability management system in 2020, includes the cumulative data for contract amounts since 2018.

### Policy Expenditures

Classification	Unit	2019	2020	2021	2022
Lobbying	KRW 100 million	0	0	0	0
Political donations	KRW 100 million	0	0	0	0
Association fees for major agencies <sup>1)</sup>	KRW 100 million	43	43	44	51

1) Top 4 association fee costs

### Contribution to Local Community

Classification	Unit	2019	2020	2021	2022	
Employee volunteer activities	Total hours of volunteer service	hours	21,109	15,645	12,586	10,307
	Participating employees (cumulative)	persons	10,415	7,640	6,078	6,398
	Volunteer hours per person	hours	5.5	4.1	3.3	2.7
Amount of social contribution	Total support amount	KRW 100 million	352	57	39	67
	Ratio of support <sup>1)</sup>	%	6.8	1.5	1.0	1.7
	Cash donations	KRW 100 million	-	3	-	4
	In-kind donations	KRW 100 million	-	-	-	-
Indirect costs	KRW 100 million	352	54	39	63	

1) Ratio of social contribution support=Amount of social contribution support/net income, based on consolidated financial statements

# Social

## ESG DATA PACK

### Social Contribution Programs

Classification		Unit	2019	2020	2021	2022
Let's Make an Impact on the World! Up!	Number of discovered and supported companies	companies	3	5	5	5
	Number of supported persons	persons	38,752	42,953	56,182	103,575
	Support amount	KRW 100 million	3.0	3.7	3.0	3.5
Growth of children in out-of-home care	Number of supported persons	persons	-	-	968	2,331
	Support amount	KRW 100 million	-	-	2.4	4.0
Self-reliance support for youth in out-of-home care	Number of supported persons	persons	-	-	205	341
	Support amount	KRW 100 million	-	-	1.5	3.0
Kyobo Dream Makers	Number of supported persons	persons	-	98	1,650	1,667
	Support amount	KRW 100 million	-	1.9	2.9	5.0
Wow Dasomi Sound Light Project	Number of supported persons	persons	12	43	30	43
	Support amount	KRW 100 million	1.0	2.2	3.0	5.0
Ties of Love	Number of supported persons	persons	1,426	1,413	1,389	1,233
	Support amount	KRW 100 million	3.6	3.6	3.6	3.3
Kyobo Life Hope Dasom Scholarship	Number of supported persons	persons	79	96	107	83
	Support amount	KRW 10 thousand	367.0	345.0	327.0	328.0
Dasomi Global Hope Tree Project for supporting economic independence	Number of grapefruit trees planted in Vietnamese farming households	trees	-	27,000	30,000	6,700
	Number of Vietnamese farming households supported	households	-	690	750	100

### Ethics Education

Classification	Unit	2019	2020	2021	2022
Training time per person	hours	12	12	12	12
Managers	hours	17	14	14	15
Non-managers	hours	17	16	15	18
Fair trade/anti-corruption training	hours	1	1	1	2
Ratio of trained employees	%	100	100	100	100

### Ethical Management

Classification	Unit	2019	2020	2021	2022	
Violation of the Code of Conduct	Total	cases	50	21	16	26
	Insurance sales	cases	5	7	0	11
	Sexual harassment in the workplace	cases	0	0	2	1
	Harassment in the workplace	cases	0	1	1	2
	Process violations	cases	15	9	2	4
	Disturbance to organizational order	cases	25	2	0	3
	Negligence at work	cases	3	2	1	1
	Other	cases	2	0	10	4
Measures on the violation of the Code of Conduct	Total	cases	50	21	16	26
	Dismissal	cases	1	0	1	0
	Demotion	cases	1	0	0	0
	Suspension	cases	12	3	1	4
	Pay cut	cases	14	3	0	5
	Reprimand	cases	17	11	1	12
	other	cases	5	4	13	5



# Social

## ESG DATA PACK

### Information Security and Personal Data Protection

Classification		Unit	2019	2020	2021	2022
Ratio of investment in information protection <sup>1)</sup>		%	-	-	-	8
Number of complaints on violations on protecting customer information	Employees	cases	0	0	0	0
	Financial planners	cases	0	0	0	0
Training on information security	Executives	hours	11	11	12	12
	Financial planners	hours	11	12	10	8
	Employees	hours	11	12	12	12
	Staff in IT jobs	hours	11	12	12	12
	Staff in information protection management	hours	16	14	14	14

1) Budget on investment in information protection/Total IT budget\*100

### Breach of Personal Data

Classification		Unit	2019	2020	2021	2022
Number of customers affected by breaches		persons	0	0	0	0
Amount of monetary damage caused by customer information breaches		KRW million	0	0	0	0
Fines for legal violations		KRW thousand	0	0	0	0

### Ratio of Customer Information Used for Secondary Purposes

Classification		Unit	2019	2020	2021	2022
Number of customers who consented to the provision of information to third party		persons	-	-	-	5,960,986
Ratio of customers who consented to the provision of information to third party <sup>1)</sup>		%	-	-	-	87

1) Number of customers who agreed to provide information to third parties/Total number of trading customers\*100

### Customer Satisfaction

Classification		Unit	2019	2020	2021	2022
Customer satisfaction score		points	73	73	76	74
Persistency ratio (13th month) <sup>1)</sup>		%	77.8	80.8	82.3	81.7
Persistency ratio (25th month)		%	63.9	60.1	65.2	66.4
Customer retention rate <sup>2)</sup>		%	95.2	95.5	96.1	96.2

1) Persisted contract amount in the 13th month / Total subscribed contract amount in the 13th month\*100 (Overdue twice, accumulation basis)

2) Calculated based on SASB customer retention rate: (Total number of customers at close of reporting period - new customers added during the reporting period) / (customers at the close of the previous reporting period - customers involuntarily terminated during the reporting period - attrition of customers in employer-sponsored plans)

### Complaints

Classification		Unit	2019	2020	2021	2022
Number of complaints		cases	3,662	3,380	2,277	1,788
Internal complaints		cases	2,194	1,998	1,191	980
	External complaints	cases	1,468	1,382	1,086	808
VOC process rate		%	100	100	100	100
Ratio of insurance claims to complaints <sup>1)</sup>		%	2.4	2.3	1.5	1.1

1) Ratio of total number of accident benefits requested per year to the total number of complaints

# Governance

## ESG DATA PACK

### Composition of BOD

Classification		Unit	2019	2020	2021	2022
Independence	Outside director ratio	%	67	57	44	62.5
Diversity	Female directors	persons	0	0	0	2
Expertise	Directors with industrial experience	%	100	100	100	100
Efficiency	Average term	years	6.5	6.2	5.9	6.0
	Attendance rate	%	100	100	100	99

### Operation of BOD

Classification		Unit	2019	2020	2021	2022
Meetings	Total number of board meetings	times	9	9	9	9
	Number of regular board meetings	times	9	9	9	9
	Number of temporary board meetings	times	0	0	0	0
Reporting and voting	Number of agendas for voting	cases	51	59	60	53 <sup>1)</sup>
	Number of agendas for reporting	cases	16	25	28	24
	Number of resolutions	cases	35	34	32	28
Voting results	Passed	cases	35	34	32	28
	Rejected	cases	0	0	0	0

1) Identical agendas that were postponed, reintroduced and resolved in the next board meeting are counted as one case.

### Committees under BOD

Classification		Unit	2019	2020	2021	2022
Executive Candidate Recommendation Committee	Number of members	persons	3	3	4	3
	Outside director ratio	%	66.7	66.7	75.0	66.7
	Attendance of CEO	participation	V	V	V	V
	Number of meetings	times	3	3	3	3
	Attendance rate	%	100	100	100	100
	Number of resolutions	cases	8	8	7	7
	Number of agendas for reporting	cases	0	0	0	0
Audit Committee	Number of members	persons	3	3	3	3
	Outside director ratio	%	100	100	100	100
	Financial expertise of the chair	expertise	V	V	V	V
	Number of financial experts	persons	3	3	3	3
	Number of meetings	times	9	9	8	9
	Attendance rate	%	100	100	100	100
	Number of resolutions	cases	13	13	12	14
Remuneration Committee	Number of agendas for reporting	cases	17	17	17	18
	Number of members	persons	3	3	3	4
	Outside director ratio	%	66.7	66.7	66.7	75.0
	Number of meetings	times	4	4	5	5
	Attendance rate	%	100	100	100	100
	Number of resolutions	cases	9	9	16	10
	Number of agendas for reporting	cases	0	0	0	0
Risk Management Committee	Number of members	persons	3	3	3	4
	Outside director ratio	%	100	100	100	100
	Number of financial accounting experts	persons	2	2	2	2
	Number of meetings	times	10	10	9	7
	Attendance rate	%	100	100	100	100
	Number of resolutions	cases	14	14	11	9
	Number of agendas for reporting	cases	14	14	14	15
Sustainable ESG Committee	Number of members	persons	-	-	-	4
	Outside director ratio	%	-	-	-	75.0
	Number of meetings	times	-	-	-	2
	Attendance rate	%	-	-	-	100
	Number of resolutions	cases	-	-	-	1
	Number of agendas for reporting	cases	-	-	-	1

# Governance

## ESG DATA PACK

### CEO and Employee Compensation<sup>1)</sup>

Classification	Unit	2019	2020	2021	2022
Median of total compensation for employees	KRW million	-	-	-	99
Ratio of CEO compensation compared to the median of total compensation for employees	times	-	-	-	7.2
Ratio of CEO and employee compensation increase rates (median) <sup>2)</sup>	times	-	-	-	0.7

1) New data for 2022

2) Based on the job competency pay/base pay increase rates in FY2022

### Shareholders

Classification	Unit	2019	2020	2021	2022
Shin Chang-jae	%	33.78	33.78	33.78	33.78
Corsair Korea Investors LLC	%	9.79	9.79	9.79	9.79
Guardian Holdings Limited	%	9.05	9.05	9.05	9.05
Tiger Holdings LP	%	7.62	7.62	7.62	7.62
Export-Import Bank of Korea	%	5.85	5.85	5.85	5.85
KLI INVESTORS LLC	%	5.33	5.33	5.33	5.33
KLIC Holdings Limited	%	5.23	5.23	5.23	5.23
Henir LLC	%	5.23	5.23	5.23	5.23
APFIN INVESTMENT PTE LTD	%	4.50	4.50	4.50	4.50
Shin In-jae	%	2.53	2.53	2.53	2.53
Life Investors of Korea, LP	%	2.30	2.30	2.30	2.30
AXA	%	2.24	2.24	2.24	2.24
Shin Gyeong-ae	%	1.71	1.71	1.71	1.71
Shin Young-ae	%	1.41	1.41	1.41	1.41
TRIUMPH II INVESTMENTS(IRELAND)	%	1.07	1.07	1.07	1.07
Meiji Yasuda Life Insurance Company	%	1.00	1.00	1.00	1.00
Employee Stock Ownership Association	%	1.00	1.00	0.98	0.98
Others	%	0.36	0.36	0.37	0.37

# Governance

## ESG DATA PACK

### Tax Reporting<sup>1)</sup>

Classification	Unit	2019	2020	2021	2022	
Effective tax rate	Net income before income tax expense <sup>2)</sup>	KRW 100 million	9,085.1	6,664.0	7,240.9	5,440.6
	Income tax expense <sup>3)</sup>	KRW 100 million	2,410.2	1,885.7	1,983.8	428.1
	Effective tax rate <sup>4)</sup>	%	26.5	28.3	27.4	7.9
	Cash taxes paid <sup>5)</sup>	KRW 100 million	4,982.2	576.5	512.8	2,629.3
	Cash tax rate <sup>6)</sup>	%	54.8	8.7	7.1	48.3
	Consolidated tax reporting	Sales (premium income) <sup>7)</sup>	KRW 100 million	154,958.1	186,449.1	197,151.1
Operating income		KRW 100 million	9,052.6	6,842.8	7,152.2	5,719.5
Net income before income tax expense		KRW 100 million	9,085.1	6,664.0	7,240.9	5,440.6
Income tax paid		KRW 100 million	4,982.2	576.5	512.8	2,629.3
Income tax accrued <sup>8)</sup>		KRW 100 million	325.5	400.8	552.5	2,296.0
Cost of external audits		KRW 100 million	18.0	17.1	17.5	25.1

1) Kyobo Life establishes and publishes tax policies for transparent tax payment, and continuously monitors revisions to tax laws for efficient tax payment and prevention of omissions. The Company fulfills its tax obligations in accordance with tax policy in good faith and does not engage in illegal tax avoidance and illegal activities under the tax law. When calculating the amount of tax payment each year, Kyobo Life prepares financial statements that have been audited by an external auditor, appoints an external tax adjuster, and transparently reports matters related to tax payment to the tax authorities. Kyobo Life transparently discloses tax information through electronic disclosure systems and business reports.

2) [Business Report] Net Income before Income Tax Expense

3) [Business Report] Income Tax Expense

4) Formula=Income Tax Expense/Net Income before Income Tax Expense\*100

5) [Business Report] Consolidated Cash Flow Table 5. Payment of income tax

6) Formula=Amount of Tax Payment/Net Income before Income Tax Expense\*100

7) [Business Report] Operating Revenue

8) [Business Report] Current Tax Liabilities

### Tax Reporting by Country

Classification	Unit	2019	2020	2021	2022		
United States of America	Name of local entity	-	KYOBO LIFE ASSET MANAGEMENT (AMERICA) CO., LTD				
	Business areas	-	Asset Management				
	Number of employees	persons	6	4	4	3	
	Operating income	KRW 100 million	17.9	16.2	8.1	2.8	
	Net income before income tax expense	KRW 100 million	17.9	16.2	8.3	2.8	
	Income tax expense	KRW 100 million	6.2	5.4	2.8	1.0	
	Income tax accrued	KRW 100 million	0.0	0.7	2.6	2.5	
	Japan	Name of local entity	-	KYOBO LIFE ASSET MANAGEMENT (JAPAN) CO., LTD			
		Business areas	-	Asset Management			
		Number of employees	persons	3	3	3	3
Operating income		KRW 100 million	2.1	3.8	6.4	6.2	
Net income before income tax expense		KRW 100 million	2.2	3.9	6.5	6.3	
Income tax expense		KRW 100 million	1.0	1.4	2.4	2.4	
Income tax accrued		KRW 100 million	0.0	0.0	0.0	0.0	

# Finance

## ESG DATA PACK

### Creation and Allocation of Economic Value

Classification		Unit	2019	2020	2021	2022
Customer	Claims paid/increase in policy reserve <sup>1)</sup>	KRW billion	14,556	17,487	17,248	19,930
Financial planner	Commissions paid <sup>1)</sup>	KRW billion	588	697	628	670
Employees	Wags and benefits <sup>1)</sup>	KRW billion	439	447	535	473
Investors	Investors - Dividends <sup>1)</sup>	KRW billion	154	103	154	51
Local community	Donations and social contribution activities <sup>1)</sup>	KRW billion	180	161	139	248
Government	Income tax, etc. <sup>1)</sup>	KRW billion	130	115	255	513
Partners	Service purchase costs <sup>2)</sup>	KRW billion	16	20	11	12

1) Based on separate financial statement and special accounts

2) Based on remittance on the electronic purchase system

### APE (Annualized Premium Equivalent) by Product<sup>1)</sup>

Classification		Unit	2019	2020	2021	2022
Total		KRW billion	1,380.7	1,936.7	1,893.0	2,105.3
Protection		KRW billion	788.6	867.2	780.1	788.9
Whole life		KRW billion	334.2	392.4	266.1	295.6
CI		KRW billion	147.4	243.2	189.8	168.2
VUL		KRW billion	26.1	11.4	14.6	9.7
Other coverage		KRW billion	280.9	220.2	309.7	315.3
Annuity		KRW billion	345.0	305.2	355.3	241.8
Savings		KRW billion	247.1	764.3	757.6	1,074.6

1) Excluding retirement pension

### Profitability and Stability Indicators

Classification		Unit	2019	2020	2021	2022
Net income		KRW billion	628.2	452.2	489.3	487.6
ROE (Return on Equity)		%	6.0	4.1	4.2	5.4
ROA (Return on Assets)		%	0.6	0.4	0.4	0.4
RBC (Risk-based Capital)		%	338.9	333.4	266.6	180.6
Ratio of income from asset management		%	3.8	3.6	3.5	3.3
Market share		%	10.6	11.9	13.3	15.6

### Premium Income by Product

Classification		Unit	2019	2020	2021	2022
Total		KRW billion	12,436	14,280	15,808	20,736
Protection		KRW billion	5,560	5,608	5,708	5,785
Annuity		KRW billion	3,256	3,024	2,847	2,359
Savings		KRW billion	1,090	2,402	2,958	6,211
Corporate Pension		KRW billion	2,530	3,247	4,295	6,382

# Finance

## ESG DATA PACK

### Asset Portfolio

Classification	Unit	2019	2020	2021	2022
Total operating Assets	KRW billion	84,644	88,505	91,522	88,581
Cash and deposits	KRW billion	1,810	918	1,639	1,975
Real estate	KRW billion	2,012	1,997	1,990	1,972
Stocks	KRW billion	1,578	1,993	2,100	1,840
Loans	KRW billion	19,895	20,715	21,865	22,366
Bonds	KRW billion	31,462	32,619	33,975	31,491
Beneficiary certificates	KRW billion	8,949	10,954	11,102	14,903
Overseas securities	KRW billion	18,915	19,393	18,829	14,019

### Derivative Exposure

Classification	Unit	2019	2020	2021	2022
Total fair value of acceptable collateral posted with the Central Clearinghouse	KRW 100 million	1,474	2,098	1,907	3,238

### Securities Lending and Borrowing

Classification	Unit	2019	2020	2021	2022
Total fair value of securities lending collateral assets	KRW 100 million	15,793	9,880	1,987	1,130

# Finance

## ESG DATA PACK

### Summary of Consolidated Statements of Financial Position

Classification	Unit	2019	2020	2021	2022
<b>Total assets</b>	KRW thousand	116,053,429,421	125,704,707,861	130,934,864,143	130,880,610,166
Cash and due from banks	KRW thousand	2,649,706,651	1,940,631,133	2,897,044,192	2,837,409,514
Securities	KRW thousand	66,181,600,839	70,800,748,558	73,088,950,490	70,267,947,686
Loan receivables	KRW thousand	20,762,638,963	22,353,303,174	23,725,308,923	24,829,881,671
Tangible assets	KRW thousand	1,367,728,340	1,378,699,946	1,414,876,099	1,451,960,255
Other assets	KRW thousand	4,816,621,870	5,858,371,679	4,636,255,783	7,038,455,238
Separate account assets	KRW thousand	20,275,132,758	23,372,953,371	25,172,428,655	24,454,955,802
<b>Total liabilities</b>	KRW thousand	104,781,654,255	113,925,162,965	118,980,090,131	123,955,123,110
Liabilities under insurance contracts	KRW thousand	73,038,900,333	76,686,195,931	79,287,141,125	81,701,959,986
Policyholders' equity adjustments	KRW thousand	1,416,461,090	1,461,810,236	719,615,616	163,323,424
Other liabilities	KRW thousand	9,588,156,113	11,846,800,824	12,926,440,449	15,725,694,476
Separate account liabilities	KRW thousand	20,738,136,719	23,930,355,974	26,046,892,941	26,364,145,224
<b>Total equity</b>	KRW thousand	130,880,610,166	11,779,544,896	11,954,774,012	6,925,487,057
Capital stock	KRW thousand	102,500,000	102,500,000	102,500,000	102,500,000
Hybrid bonds	KRW thousand	551,437,936	551,437,936	1,020,053,816	1,108,898,948
Capital surplus	KRW thousand	361,201,859	508,341,923	508,177,487	397,503,700
Accumulated other comprehensive income	KRW thousand	3,502,402,691	3,712,033,702	1,914,204,928	(3,388,805,211)
Retained earnings	KRW thousand	6,304,872,773	6,580,533,240	8,051,586,121	8,332,357,807
Non-controlling interests	KRW thousand	449,359,907	324,698,094	358,251,660	373,031,812

# Finance

## ESG DATA PACK

### Summary of Consolidated Statements of Comprehensive Income

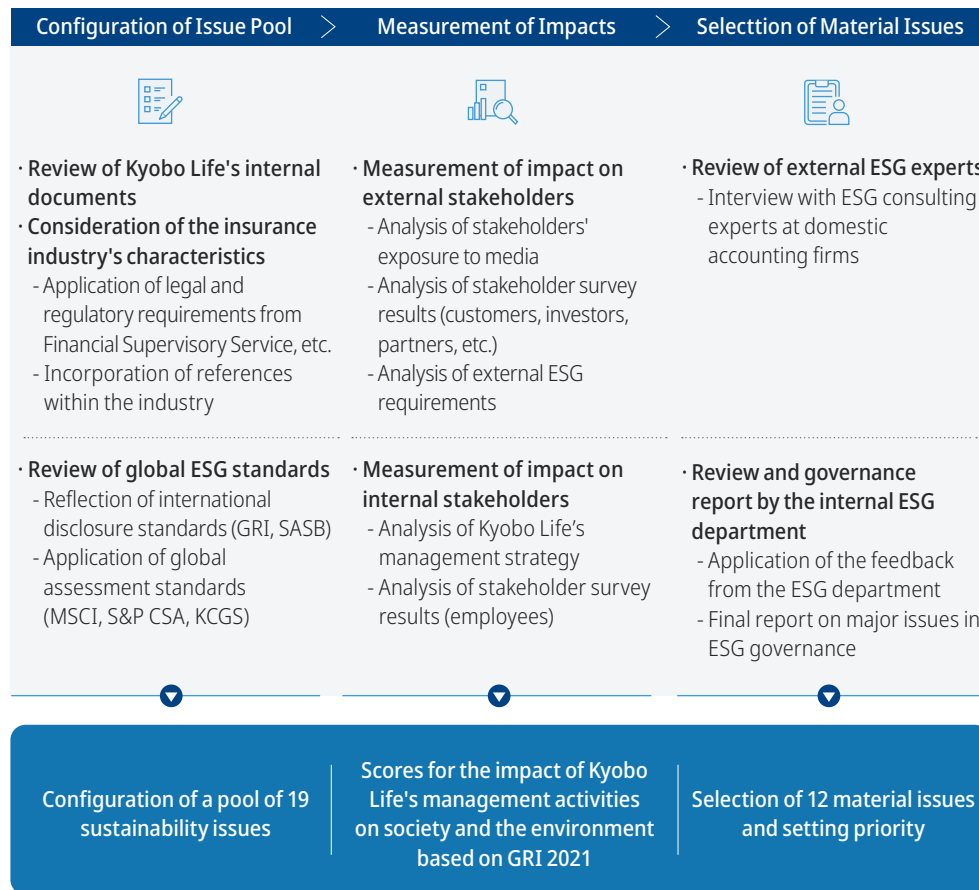
Classification	Unit	2019	2020	2021	2022
Operating revenues	KRW thousand	15,495,809,185	18,644,911,401	19,715,109,228	26,195,244,989
Operating expenses	KRW thousand	14,590,548,687	17,960,631,781	18,999,888,582	25,623,290,774
Operating profit	KRW thousand	905,260,498	684,279,620	715,220,646	571,954,215
Non-operating income	KRW thousand	29,353,070	17,916,239	35,270,094	26,174,236
Non-operating expenses	KRW thousand	26,100,530	35,797,375	26,400,361	54,071,175
Profit before income tax expenses	KRW thousand	908,513,038	666,398,484	724,090,379	544,057,276
Income tax expenses	KRW thousand	241,019,556	188,568,381	198,375,099	42,808,777
Profit for the year	KRW thousand	667,493,482	477,830,103	525,715,281	501,248,499
Profit of the year attributed to owners of the parent company	KRW thousand	628,183,057	452,201,163	489,316,351	487,563,000
Profit of the year attributed to non-controlling interests	KRW thousand	39,310,425	25,628,940	36,398,930	13,685,499



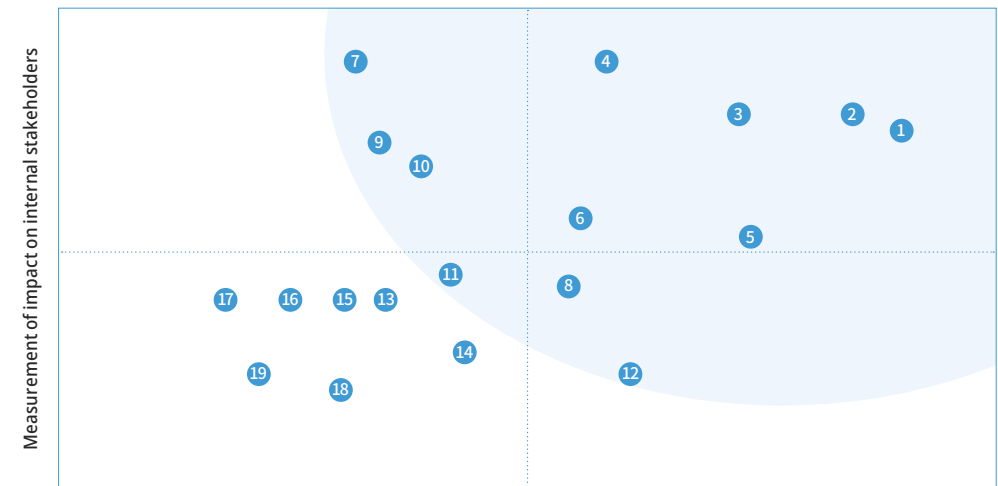
# Materiality Test

Kyobo Life constantly identifies actual and potential issues related to sustainability management through managing ESG governance within the Company that includes organizations such as the Sustainable ESG Committee. Key sustainability issues identified are incorporated and managed as ESG implementation tasks at Kyobo Life. The main purpose of Kyobo Life's materiality test is to determine the material topics to be included in the Sustainability Report by measuring the social and environmental impacts of the Company's business activities. It was conducted in accordance with the guidance to determine material topics recommended by the Global Reporting Initiative (GRI) Standards 2021.

## Materiality Test Process



Materiality Test Matrix (Evaluation of social and environmental impacts)



- |                                   |                                    |                                                   |
|-----------------------------------|------------------------------------|---------------------------------------------------|
| 1 Stable asset management         | 8 Ethics and compliance management | 15 Human rights of employees                      |
| 2 Increased customer satisfaction | 9 Governance                       | 16 Spread of win-win culture                      |
| 3 Risk management                 | 10 Talent development              | 17 Sustainable investment policy (ESG investment) |
| 4 Protection of consumer rights   | 11 Occupational safety and health  | 18 Capacity building of financial planners        |
| 5 Acquiring new growth engines    | 12 Organizational culture          | 19 Accessibility to financial services            |
| 6 Personal data protection        | 13 Eco-friendly management         |                                                   |
| 7 Digital innovation              | 14 Social contribution activities  |                                                   |

## Materiality Test Results

Change from the previous year	Ranking	Material issue	Materiality and approach	GRI Index	Main activities of Kyobo Life
-	1	Stable asset management	The asset management of the life insurance industry aims for the stable procurement of financial resources for the payment of insurance and pensions. In this regard, stable asset management is a key factor in building a sustainable business model for life insurance companies. Kyobo Life constructs an optimal portfolio of assets to meet all the constraints related to asset management, such as risk limits and duration goals and continues to generate stable returns.	• 3-3	<ul style="list-style-type: none"> <li>• Building an asset allocation system (p.67)</li> <li>• Annual improvement in recurring investment yield (p.67)</li> </ul>
New	2	Increased customer satisfaction	The insurance contract between the insurance company and the customer has the nature of a long-term contract. As a result, insurance companies need to continue their efforts to retain existing contracts as well as sign new contracts to improve profitability. Kyobo Life puts its customers first and strives to innovate customer value. The Company adapted new digital technologies to provide subscription, retention, and payment services through the website and mobile apps.	• 3-3	<ul style="list-style-type: none"> <li>• Introduction of PreAnswer Search Service (K-PASS) (p.56)</li> <li>• Improved customer complaint response process (p.56)</li> </ul>
-	3	Risk management	Risk management activities that proactively reduce and eliminate business uncertainty are one of the core competencies of financial institutions. In addition to establishing a group risk management system, Kyobo Life is constantly managing its capital adequacy ratio and preparing related infrastructure and systems prior to the implementation of the International Financial Reporting Standard for Insurance Contracts (IFRS17) and the Korea Insurance Capital Standard (K-ICS) in 2023. The Company is also working on a project on climate risk measurement methodology with the Financial Supervisory Service and Ewha Womans University to address climate risks.	• 201-2	<ul style="list-style-type: none"> <li>• Improvement of Risk Management for K-ICS and IFRS17 (p.51)</li> <li>• Participation in the development of climate risk management models (p.19)</li> </ul>
New	4	Protection of consumer rights	Following the global financial crisis, due to the global trend of emphasizing financial consumer protection, various social demands related to improving systems and advancing processes for consumer protection are being adopted in Korea, including the enforcement of the Act on the Protection of Financial Consumers in September 2021. To practice more effective consumer protection and become a trusted company, Kyobo Life operates the "Full Subscription Consulting at Sales Sites," where the consumer protection department and sales sites work together to find problems and come up with improvement plans. The Company is listening to customers through various channels and is in the constant process of upgrading the system to handle them quickly.	• 206-1	<ul style="list-style-type: none"> <li>• Enactment of Consumer Protection Charter (p.26)</li> <li>• Launching of VOC management support system (p.27)</li> <li>• Practicing full subscription of insurance products (p.28)</li> </ul>
New	5	Acquiring new growth engines	Securing new growth engines is critical for companies' long-term growth. In order to acquire new drivers for growth and respond to rapidly changing business environments, Kyobo Life is implementing the DBS (Digital Transformation-based Strategy) for management which focuses on company-wide digital transformation. The Company aims to achieve the goal by collaborating with Kyobo Group to launch platform business and CVC investments to acquire new growth engines.	• 3-3	<ul style="list-style-type: none"> <li>• Expansion of platform business through Weather of Creation (p.68)</li> <li>• Operation of Corporate Venture Capital (CVC) (p.68)</li> </ul>
▲2	6	Personal data protection	Due to the increase in privacy breaches with the advancement of digital technology, the need to protect customers' personal data is growing. In particular, as financial companies keep a wide range of personal and credit information of their customers, they need to be thoroughly prepared for their protection. Kyobo Life was the first insurance company in Korea to obtain ISO 27001 certification in 2007 and is also working to acquire ISMS-P (Personal Information and Information Security Management System).	• 418-1	<ul style="list-style-type: none"> <li>• Acquisition of ISO 27001 certification (p.44)</li> <li>• Continued zero failure to protect customer information and breach of customer information (p.89)</li> </ul>

## Materiality Test Results

Change from the previous year	Ranking	Material issue	Materiality and approach	GRI Index	Main activities of Kyobo Life
▼1	7	Digital innovation	Big tech companies with digital technologies and mega platforms are entering the insurance industry, intensifying the competition in the existing insurance market. By accelerating innovation in core business through digital technology, Kyobo Life aims to enhance customer convenience and strengthen the competitiveness of its insurance business. Technological advances have been applied to the core processes of its insurance business, such as insurance subscription, payment, and customer complaint response. Various efforts are in place, including the industry's first financial My Data service and operating programs for digital transformation within the organization.	• 3-3	<ul style="list-style-type: none"> <li>• Serviced the industry's first Financial My Data app Peach (p.57)</li> <li>• Discovering digital innovation tasks through Innovation Lab (p.65)</li> </ul>
▲4	8	Ethics and compliance management	Stakeholders are increasingly interested in and demanding fair and transparent corporate activities. The social responsibility of financial institutions for ethics and compliance management has been emphasized in recent years, with frequent occurrences of financial accidents caused by misconduct of employees at financial institutions. Based on its core values, "honesty and integrity," Kyobo Life is committed to ethical management. All employees promise to practice business ethics in the workplace by pledging to the Code of Business Ethics every year. In 2022, the Company obtained ISO 37001, an international certification for anti-bribery management systems.	<ul style="list-style-type: none"> <li>• 2-23</li> <li>• 205-3</li> <li>• 415-1</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment of Kyobo Members' Code of Business Ethics System (p.38)</li> <li>• Acquisition of ISO 37001 certification for anti-bribery management systems (p.41)</li> </ul>
▼2	9	Governance	Creating a corporate governance structure with a harmony of checks and balances is an essential prerequisite for ensuring corporate sustainability. Kyobo Life has established an efficient and stable governance structure to promote the rights and interests of stakeholders in a balanced way. The majority of the board of directors is composed of outside directors, and the board is comprised in consideration of the expertise and diversity of directors.	<ul style="list-style-type: none"> <li>• 2-9</li> <li>• 2-10</li> <li>• 2-11</li> <li>• 2-12</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment of the Sustainable ESG Committee (p.11)</li> <li>• Establishment of board diversity policy (p.47)</li> <li>• Appointment of female outside directors (p.47)</li> </ul>
▲5	10	Talent development	In a rapidly changing business environment, fostering talent is a critical issue for enhancing corporate competitiveness. Kyobo Life operates a variety of training programs to nurture and strengthen its employees. It has built a digital talent training system for growing talent in the digital age and strengthened small-scale and contactless education programs in response to training restrictions during COVID-19.	<ul style="list-style-type: none"> <li>• 404-1</li> <li>• 404-2</li> <li>• 404-3</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment of a digital talent training system (p.62)</li> <li>• Expansion of partnerships with specialized education institutions (p.62)</li> </ul>
New	11	Occupational safety and health	Since the enactment of the Serious Accident Punishment Act of 2022, it has become increasingly important for companies to establish and manage a safe workplace. Kyobo Life has established relevant governance and regularly holds an occupational health and safety committee. It also conducts regular inspections of business sites and takes measures in response.	<ul style="list-style-type: none"> <li>• 403-1</li> <li>• 403-6</li> <li>• 403-10</li> </ul>	<ul style="list-style-type: none"> <li>• Installation of Occupational Safety and Health Management Center (p.36)</li> <li>• Selection as a meritorious organization for Eulji Drill (p.37)</li> </ul>
New	12	Organizational culture	With the advent of the digital age, it has become essential for companies to adopt an organizational culture that enables innovation. Kyobo Life is offering programs to reduce unnecessary work and allow employees to focus on innovative work, and provide various channels to facilitate communication between employees of different generations. In addition, it makes numerous efforts to create a creative and flexible organizational culture, such as sending employees to startups to experience their way of working.	<ul style="list-style-type: none"> <li>• 401-1</li> <li>• 401-2</li> <li>• 401-3</li> </ul>	<ul style="list-style-type: none"> <li>• Work Diet (p.63)</li> <li>• Reverse mentoring (p.64)</li> <li>• Startup OJT (p.63)</li> <li>• Selected as the No. 1 family-friendly company (p.64)</li> </ul>

# GRI Content Index

## ESG REPORTING FRAMEWORK

**Statement of use :** Kyobo Life reported in accordance with GRI standards for the reporting period from January 1, 2022, to December 31, 2022.

**GRI 1 used :** GRI 1: Foundation 2021

**Applicable GRI Sector Standard :** N/A

### GRI 2: General Disclosures 2021

GRI Standard	Indicators	Reporting Page	Additional Information	
The organization and its reporting practices	2-1	Organization details	p.6, 91 2022 Business Report p.7	
	2-2	Entities included in the organization's sustainability reporting	p.2, 6 2022 Business Report p.47-49	
	2-3	Reporting period, frequency and contact point	p.2	
	2-4	Restatements of information	p.79-80	
	2-5	External assurance	p.2, 115	
Activities and workers	2-6	Activities, value chain and other business relationships	p.9, 54, 58, 69	
	2-7	Employees	p.81	b.v. Omission (Confidentiality Constraints)
	2-8	Workers who are not employees	p.81	
Governance	2-9	Governance structure and composition	p.47	
	2-10	Nomination and selection of the highest governance body	p.46-47 2022 Annual Report of Governance and Remuneration System p.29-31 <a href="#">Kyobo Life website - Board diversity policy</a>	
			p.46-47 2022 Annual Report of Governance and Remuneration System p.28-29, 54 <a href="#">Kyobo Life website - Governance Information</a>	
	2-12	Role of the highest governance body in overseeing the management of impacts	p.11, 15, 45 2022 Annual Report of Governance and Remuneration System p.75-77	
	2-13	Delegation of responsibility for managing impacts	p.15, 26, 36, 39, 42, 49	
	2-14	Role of the highest governance body in sustainability reporting	p.11, 15	
	2-15	Conflicts of interest	2022 Annual Report of Governance and Remuneration System p.16 <a href="#">Kyobo Life website - Management Disclosure at all times</a>	Kyobo Life discloses information related to conflicts of interest, such as "Quarterly disclosure of credit offering to large shareholders" and "Quarterly disclosure of acquisition of bonds or shares issued by large shareholders" through frequent management disclosures on its website.

# GRI Content Index

## ESG REPORTING FRAMEWORK

GRI Standard	Indicators	Reporting Page	Additional Information
	2-16 Communication of critical concerns	p.27, 49, 90 2022 Annual Report of Governance and Remuneration System p.22-27, p.71-73	
	2-17 Comprehensive knowledge of the highest governance body	p.33, 45 2022 Annual Report of Governance and Remuneration System p.47 2022 Business Report p.500-501	
	2-18 Evaluation of the performance of the highest governance body	2022 Annual Report of Governance and Remuneration System p.28, 77	
	2-19 Remuneration policies	p.48 2022 Annual Report of Governance and Remuneration System p.55-57, 80, 84-88 2022 Business Report p.271-273	
	2-20 Process to determine remuneration	2022 Annual Report of Governance and Remuneration System p.78-83, 95 2022 Business Report p.508	
	2-21 Annual total compensation ratio	p.48, 91	
Strategy, policies and practices	2-22 Statement on sustainable development strategy	p.4-5	
	2-23 Policy commitments	p.29, 40, 44, 70, 110 <a href="#">Kyobo Life website - ESG Policy</a>	Kyobo Life discloses information related to conflicts of interest, such as "Quarterly disclosure of credit offering to large shareholders" and "Quarterly disclosure of acquisition of bonds or shares issued by large shareholders" through frequent management disclosures on its website.
	2-24 Embedding policy commitments	p.23, 29, 38, 41, 44 <a href="#">Kyobo Life website - ESG Policy</a>	
	2-25 Process to remediate negative impacts	p.30, 41, 87 <a href="#">Kyobo Life website - Human Rights Policy</a>	
	2-26 Mechanisms for seeking advice and raising concerns	p.41	
	2-27 Compliance with laws and regulations	2022 Business Report p.535-536	
	2-28 Membership associations	p.112	
Stakeholder engagement	2-29 Approach to stakeholder engagement	p.54, 55, 58, 61, 66, 69, 73	
	2-30 Collective bargaining agreements	p.35	

# GRI Content Index

## ESG REPORTING FRAMEWORK

### GRI 3 : Material Topics 2021

GRI Standard	Indicators	Reporting Page	Additional Information
<b>Material Topics</b>			
GRI 3 : Material Topics 2021	3-1	Process to determine material topics	p.97-99
	3-2	List of material topics	p.97-99
<b>Stable asset management</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.67, 97-99
<b>Increased customer satisfaction</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.56, 97-99
<b>Risk management</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.49, 97-99
GRI 201 : Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	p.15-19, 97-99
<b>Protection of consumer rights</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.26-28, 97-99
GRI 206 : Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p.28
<b>Acquiring new growth engines</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	2022 Business Report p.533-536
<b>Personal data protection</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.68, 97-99
GRI 418 : Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	p.42-44, 97-99
<b>Digital innovation</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.44, 89
<b>Ethics and compliance management</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.57, 97-99
GRI 205 : Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	p.38-41, 97-99
			p.88
			There are no disciplinary cases for bribery and corruption. In 2022, the number of registered corrupt businesses was zero. d. Omission (Confidentiality Constraints)

# GRI Content Index

## ESG REPORTING FRAMEWORK

GRI Standard	Indicators	Reporting Page	Additional Information
<b>Governance</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.45-48, 97-99
<b>Talent development</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.32, 97-99
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	p.84
	404-2	Programs for upgrading employee skills and transition assistance programs	p.32-33, 62
	404-3	Percentage of employees receiving regular performance and career development reviews	p.86
<b>Occupational safety and health</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.36-37, 97-99
GRI 403 : Occupational safety and health 2018	403-1	Occupational Safety and Health Management System	p.36
	403-6	Promotion of worker health	p.37, 86
<b>Organizational culture</b>			
GRI 3 : Material Topics 2021	3-3	Management of material topics	p.34-35, 97-99
GRI 401 : Employment 2016	401-1	New employee hires and employee turnover	p.83
	401-3	Parental leave	p.34, 85
			a. Omission (Information Unavailable)

# SASB (Sustainability Accounting Standards Board)

## ESG REPORTING FRAMEWORK

SASB, a non-profit organization founded in 2011, has established international standards for companies to report their ESG performance in relation to their financial performance. Kyobo Life is responding to the SASB standards in order to share its sustainable management performance and financial impact with various stakeholders such as investors and customers.

	Classification	Code	Current Practices by Kyobo Life
<b>Transparent Information &amp; Fair Advice for Customers</b>	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	FN-IN-270a.1	The status of major lawsuits and sanctions related to Kyobo Life can be found in the Kyobo Life Business Report p.533-538 (XI. Other Matters Required for Investor Protection). <a href="#">Kyobo Life Business Report</a>
	Complaints-to-claims ratio	FN-IN-270a.2	The ratio of insurance claims to complaints for 2022 is 1.1%; see p.89 for four years of data. ※ Ratio of insurance claims to complaints: the ratio of complaints received per 1,000 claims (excluding accident benefits, survivorship annuities, and maturity benefits).
	Customer retention rate	FN-IN-270a.3	Customer retention rate in 2022: 96.2% (ESG Datapack p.89) ※ Based on SASB: (Total customers at the end of the reporting period - new customers added during the reporting period) / (Number of customers at the end of the previous period - number of customers involuntarily terminated during the reporting period - number of customer terminations in employer-sponsored plans)
	Description of approach to informing customers about products	FN-IN-270a.4	Kyobo Life's main products and services and their terms and conditions, including product structure and guarantee conditions, are disclosed on the Kyobo Life website. The Company also periodically informs customers of the coverage details of the products they have subscribed to through the Lifetime Care Service, which is a retention service for existing customers. Kyobo Life pays special attention to ensure that insurance product advertisements and informational materials are approved by the compliance officer in advance to avoid causing improper judgment to customers. <a href="#">Kyobo Life website_Products</a> <a href="#">Kyobo Life website_Product Information</a> <a href="#">Kyobo Life website_Lifetime Care Service</a>
<b>Incorporation of Environmental, Social, and Governance Factors in Investment Management</b>	Total invested assets, by industry and asset class	FN-IN-410a.1	Please refer to p.67, p.94 for the portfolio allocation of Kyobo Life's assets under management and p.14-15 of the Business Report for specific fund management results. <a href="#">Kyobo Life Business Report</a>
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	FN-IN-410a.2	Kyobo Life has established a sustainable investment policy that contains sustainable principles such as coal-to-clean financing and uses its own ESG checklist for investment screening. For specific details, please refer to p.20.



# SASB (Sustainability Accounting Standards Board)

## ESG REPORTING FRAMEWORK

	Classification	Code	Current Practices by Kyobo Life
<b>Policies Designed to Incentivize Responsible Behavior</b>	Net premiums written related to energy efficiency and low-carbon technology	FN-IN-410b.1	Not applicable as Kyobo Life is a life insurance company
	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	FN-IN-410b.2	<p>Kyobo Life offers Healthy Body Discount that provides discounts for healthy customers when purchasing insurance to encourage their healthy lifestyle.</p> <p>&lt;Healthy Body Discount&gt;</p> <ul style="list-style-type: none"> <li>- Premium discounts apply if standard insurance applicants over the age of 20 meet the following three requirements at the same time.                             <ol style="list-style-type: none"> <li>1) Non-smoking: The applicant did not smoke for the previous year.</li> <li>2) Blood pressure: Systolic below 139mmHg, diastolic below 89mmHg</li> <li>3) Physique: BMI (Body Mass Index) is 18.0-26.9.</li> </ol> </li> </ul> <p>* The above requirements may vary depending on the product. For more information, see the manual and terms of each product.</p>
<b>Environmental Risk Exposure</b>	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FN-IN-450a.1	Not applicable as Kyobo Life is a life insurance company
	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) nonmodeled natural catastrophes by type of event and geographic segment (net and gross of reinsurance)	FN-IN-450a.2	Not applicable as Kyobo Life is a life insurance company
	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	FN-IN-450a.3	Not applicable as Kyobo Life is a life insurance company
<b>Systemic Risk Management</b>	Exposure to derivative instruments by category: (1) total potential exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	FN-IN-550a.1	The Company calculates the total collateral value that can be accepted by central counterparties, and it is KRW 323.8 billion in 2022. For the three-year data, please refer to p. 94.
	Total fair value of securities lending collateral assets	FN-IN-550a.2	The total fair value of collateralized assets for Kyobo Life's 2022 loan transaction is KRW 130 billion. Please see p.94 for the three-year data.
	Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	Kyobo Life identifies risk factors that may affect its business through business environment analysis, business strategy and performance analysis. The Company responds proactively and strategically to possible risks. Please see p.49-51 for details.

### Activity Indicators

	Classification	Code	Current Practices by Kyobo Life
Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance		FN-IN-000.A	<p>Kyobo Life is a life insurance company and does not sell inward reinsurance.</p> <p>The number of contracts held in 2022 is 8,091,916.</p>

# PSI (Principles for Sustainable Insurance)

## ESG REPORTING FRAMEWORK

Kyobo Life joined the PSI (Principles for Sustainable Insurance) in January 2022. Kyobo Life will apply factors of the ESG throughout its business and promote management activities in cooperation with customers, partners, government, and key stakeholders.

	Principles	Activities of Kyobo Life
<p><b>Principle 1.</b></p>	<p><b>We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.</b></p>	<p>Kyobo Life established a sustainability management system in 2011 based on the "humanist management philosophy" that has been upheld since its inception. It has also led the way in stakeholder-centered sustainability management by stating its sustainability management philosophy, "Pursuit of joint development with all stakeholders," in the preamble of our Articles of Incorporation.</p> <p><b>Establishment of ESG Governance</b>                      In March 2022, the "Sustainable ESG Committee," the highest ESG decision-making body under the board of directors, was established to review and manage ESG elements of the company at the board level. Through the ESG Council, the CEO and key management discuss major ESG issues and monitor challenges, and in the ESG Working Council, the heads of frontline departments collaborate closely to take on ESG tasks. For details on ESG governance, please see p.11.</p> <p><b>Customer-oriented management</b>                      Kyobo Life has installed a consumer protection system to protect consumer information and rights. It listens to customer feedback through multiple channels and strives to reflect them throughout management. In 2022, the Company revised its Consumer Protection Charter to include a statement that it will provide customer value to all customers, including the financially vulnerable, without discrimination from a consumer protection perspective. It will also operate a VOC management system to systematically reflect consumer opinions. Please refer to p.26-28 for details about consumer protection schemes and systems.</p> <p><b>Investment Management</b>                      Kyobo Life established a sustainable investment policy in March 2022 and makes investment decisions in consideration of ESG risks and opportunities. It has devised a sustainable investment policy and developed its own ESG checklist for investment asset screening. The Company has declared that it will not invest in building new coal-fired power plants in 2021, and it excludes investment in socially harmful companies through negative screening. In addition, for the first time in the industry, Kyobo Life issued ESG-certified new capital securities to expand investment in the environmental and social sectors. For details about Kyobo Life's sustainable investment policy, please see p.20.</p>
<p><b>Principle 2.</b></p>	<p><b>We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.</b></p>	<p><b>Environmental Management</b>                      In August 2022, Kyobo Life established an environmental management system according to international standards and obtained ISO 14001 certification. Moreover, in an effort to respond to climate change, it has installed a greenhouse gas inventory to calculate internal carbon emissions. It is working to establish a foundation for managing carbon emissions, such as its own pilot calculation of financed emissions. The Company also conducted various eco-friendly campaigns for its employees to raise awareness about the environment. For specific details, please refer to p. 23-25.</p> <p><b>Fair trade</b>                      Kyobo Life operates the CP (Fair Trade Self-Compliance Program) to build a dedicated organization (Fair Trade Self-compliance Officer), schemes, and systems and complies with fair trade-related laws and regulations through continuous education and strengthening activities. All companies bidding through the electronic purchase system have agreed to the "Clean Contract System" for fair trading, and suppliers who have signed a contract over a certain amount are regularly sent mails about the Clean Contract System. In October 2022, the Company obtained ISO 37001, an international certification for anti-bribery management systems. Please see p.40, 41, 70 for details.</p>

# PSI (Principles for Sustainable Insurance)

## ESG REPORTING FRAMEWORK

Principles	Activities of Kyobo Life
<p><b>Principle 3.</b> We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.</p>	<p><b>Social contribution activities</b>                      Kyobo Life strives to create a better society through social contribution. To practice this more systematically, in December 2002, it founded the Kyobodasomi Volunteer Corps, which focuses on helping children and young people live as mature personalities with healthy bodies and minds. In particular, in 2022, the Company signed an Environmental Education Social Contribution Business Agreement with the Ministry of the Environment, conducted in-house environmental education and plugging events, and in 2023, a variety of programs will be conducted to raise national awareness of environmental protection. Please refer to p.74-77 for Kyobo Life's major social contribution activities.</p> <p><b>Partnership Activities</b>                      Kyobo Life cooperates with various related institutions. The Company joined the Entrepreneurship Roundtable (ERT) proclamation ceremony of the Korea Chamber of Commerce and Industry and is working on a project with the Financial Supervisory Service and Ewha Womans University to develop a climate risk measurement methodology. As such, Kyobo Life is undertaking cooperative activities with a range of institutions.</p> <p><b>Global Initiatives</b>                      Kyobo Life has joined and collaborated on numerous global initiatives to implement global-level sustainability management. It aims to promptly identify and analyze ESG-related issues and trends and actively practice ESG management. In 2010, Kyobo Life joined the UNGC (UN Global Compact) for the first time in the insurance industry, supported WEPs (Women's Empowerment Principle), and joined UNEP FI (UN Environmental Programme Financial Initiative), PSI (Principles for Sustainable Insurance), CDP(Carbon Disclosure Project), and TCFD (Task Force on Climate-Related Financial Disclosures). For information on Kyobo Life's ESG initiative, please refer to p.111.</p>
<p><b>Principle 4.</b> We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.</p>	<p>Kyobo Life transparently discloses the performance and key management of the Company in accordance with the relevant laws and regulations. Every year, it publicizes ESG management activities by publishing the Sustainability Report, Annual Report of Governance and Remuneration System, Sales Report, and Business Report. Details about the Company's sustainability management can be found on the website.</p>

- [Sustainability Report](#)
- [Annual Report of Governance and Remuneration System](#)
- [Annual Report](#)
- [Sales Report](#)
- [Business Report](#)

# TCFD (Task Force on Climate-Related Financial Disclosures)

## ESG REPORTING FRAMEWORK

In January 2022, Kyobo Life declared its support for the Task Force on Climate-related Financial Disclosures (TCFD). TCFD recommends disclosing four themes related to climate change: governance, strategy, risk management, and indicators and goals. Kyobo Life will transparently disclose relevant information to stakeholders in accordance with TCFD's recommendations.

	TCFD Recommendations Around Four Thematic Areas	Reporting Page
<b>Governance</b>	Describe the board's oversight of climate-related risks and opportunities.	p.15
	Describe management's role in assessing and managing climate-related risks and opportunities	
<b>Strategy</b>	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	p.15-17
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
<b>Risk management</b>	Describe the organization's processes for identifying and assessing climate-related risks.	p.18-22
	Describe the organization's processes for managing climate-related risks.	
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
<b>Metrics and Targets</b>	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	p.22
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

# UN SDGs (Sustainable Development Goals)

## ESG REPORTING FRAMEWORK

The Sustainable Development Goals (SDGs) are the international community's largest collective goal to address humanity's universal social problems, global environmental and climate change issues, and economic challenges by 2030 and consist of 17 overarching goals and 169 targets. Kyobo Life is developing various activities in line with the UN SDGs, taking into account the nature of its business.

SDGs	Key Activities and Achievements	Reporting Page
 <p><b>1</b> NO POVERTY</p>	<ul style="list-style-type: none"> <li>Support for the learning environment of underprivileged children: "Ties of Love"</li> <li>Global Hope Tree Project for supporting economic independence</li> </ul>	p.75, 77
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> <li>Providing health insurance and healthcare services</li> <li>Providing health screening services and healthcare information to customers</li> </ul>	p.9
 <p><b>4</b> QUALITY EDUCATION</p>	<ul style="list-style-type: none"> <li>Support for Children in Out-of-Home Care</li> <li>Hands-on and professional ICT education for underprivileged children and youth: "Kyobo Dream Makers"</li> </ul>	p.76
 <p><b>5</b> GENDER EQUALITY</p>	<ul style="list-style-type: none"> <li>Declaration of support for the Women's Empowerment Principle (WEPs-UNGC)</li> <li>Operation of female workforce training program</li> </ul>	p.31, 111
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> <li>Building a stable and cooperative labor culture</li> <li>Enhancing financial access for people with disabilities and elderly consumers</li> <li>CT-based service support "Impact Up" for future generations of vulnerable groups</li> </ul>	p.28, 35, 75

SDGs	Key Activities and Achievements	Reporting Page
 <p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<ul style="list-style-type: none"> <li>Innovation and Infrastructure</li> <li>Expansion of social responsibility investment (SRI)</li> </ul>	p.20, 80
 <p><b>10</b> REDUCED INEQUALITIES</p>	<ul style="list-style-type: none"> <li>Reduce inequality within and among countries</li> <li>Training for the prevention of sexual harassment, improvement of disability awareness, and prevention of harassment in the workplace</li> <li>Fair recruitment and performance evaluation</li> </ul>	p.29, 30, 35
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<ul style="list-style-type: none"> <li>Responsible Consumption and Production</li> <li>Building a paperless system</li> <li>2022 Save the Paper Campaign to habituate saving of office paper at the workplace</li> <li>Water usage and waste discharge management</li> <li>Green Olympic Campaign (Kyobo Life Cup Youth Athletic Competition)</li> <li>Goodwill Market Donation Campaign</li> </ul>	p.23-25, 77
 <p><b>13</b> CLIMATE ACTION</p>	<ul style="list-style-type: none"> <li>Climate Action</li> <li>Declaration of Coal to Clean Finance Transition</li> <li>Membership in environmental initiatives (CDP, TCFD)</li> <li>Expansion of eco-friendly financial investment</li> <li>Reduction of environmental impact through the issuance of ESG bonds</li> <li>Reduction of carbon emissions through the Global Hope Tree Project for supporting economic independence</li> <li>Promotion of energy-saving activities</li> <li>Eco Together Campaign</li> </ul>	p.20-23, 25, 77, 111
 <p><b>17</b> PARTNERSHIPS FOR THE GOALS</p>	<ul style="list-style-type: none"> <li>Promotion of a peaceful and inclusive society and building institutions for sustainable development</li> <li>Acquisition of ISO 37001 certification for anti-bribery management systems</li> <li>Operation of an internal control system</li> <li>Compliance Program (CP)</li> <li>Strengthening of anti-money laundering system</li> </ul>	p.39-41

# UN Global Compact

## ESG REPORTING FRAMEWORK







Kyobo Life joined the UN Global Compact for the first time in the insurance industry in September 2010 and adheres to the ten principles of the four themes—human rights, labor, environment, and anti-corruption—presented by UNGC and reports its practice every year through its sustainability report.

	Principles	Activities and efforts of Kyobo Life	Reporting Page
<b>Human Rights</b>	1. Businesses should support and respect the protection of internationally proclaimed human rights; and	<ul style="list-style-type: none"> <li>· Declaration of support for the protection of human rights through UNGC membership</li> <li>· Establishment of Human Rights Policy</li> <li>· All employee participation in the Pledge the Code of Business Ethics</li> <li>· Declaration of commitment to ethical management (pledged by CEO Yoon Kyung)</li> </ul>	p.29, 38, 111
	2. Make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> <li>· Establishment of a policy against sexual harassment and harassment</li> <li>· Training for eradication and prevention of sexual harassment</li> <li>· Training for improvement in disability awareness</li> <li>· Operation of the Employee Grievance Redress Center</li> <li>· Retention of the ISO 27001 certification</li> </ul>	p.29-30, 44
<b>Labor</b>	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; and	<ul style="list-style-type: none"> <li>· Operation of Labor-Management Council and meetings</li> <li>· Formation of cooperative labor-management relations (Union membership rate 69.8%)</li> <li>· 100% application of the collective agreement to all members</li> </ul>	p.35, 86
	4. The elimination of all forms of forced and compulsory labor; and	<ul style="list-style-type: none"> <li>· Prohibition of forced labor</li> <li>· Operation of unfair extension work reporting center</li> </ul>	p.29, 35
	5. The effective abolition of child labor; and	<ul style="list-style-type: none"> <li>· Prohibition of child labor</li> </ul>	p.29
	6. The elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> <li>· Establishment of diversity policy</li> <li>· Planning of a roadmap for fostering female talent</li> <li>· Declaration of support for the Women's Empowerment Principles (WEPs)</li> <li>· Appointment of female outside directors</li> </ul>	p.31, 47, 111

	Principles	Activities and efforts of Kyobo Life	Reporting Page
<b>Environment</b>	7. Businesses should support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> <li>· Participation as a CDP member</li> <li>· Declaration of support for TCFD</li> <li>· Declaration of Coal to Clean Finance Transition</li> <li>· Building a GHG inventory</li> <li>· Acquisition of ISO 14001</li> </ul>	p.14, 20, 22-23, 111
	8. undertake initiatives to promote greater environmental responsibility; and	<ul style="list-style-type: none"> <li>· Building a paperless system</li> <li>· Organization of environmental protection campaigns with employees</li> </ul>	p.24-25
	9. encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> <li>· Expansion of eco-friendly financial investment</li> <li>· Issuance of ESG-certified new capital securities (sustainable bonds)</li> </ul>	p.21-22
<b>Anti-corruption</b>	10. Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> <li>· Ethics education and practice program</li> <li>· Fair trade self-compliance program</li> <li>· Operation of an anti-money laundering system</li> <li>· Operation of internal control system</li> </ul>	p.39-40, 88

# ESG Initiative

Kyobo Life has joined and collaborated on a variety of global initiatives related to sustainability management. Through this, the Company will promptly identify and analyze ESG-related issues and trends and actively practice ESG management.

Initiative	Details
 <p>UN Global Compact (UNGC)</p>	<p>Joined in September 2010 (first among the domestic insurance industry)</p> <ul style="list-style-type: none"> <li>· A voluntary international agreement on social responsibility that endorses and commits to 10 principles in the areas of human rights, labor, environment, and anti-corruption</li> </ul>
<p>In support of</p>  <p>Women's Empowerment Principles (WEPs)</p>	<p>Declared support in June 2019</p> <ul style="list-style-type: none"> <li>· A joint initiative of the UN Women and the UN Global Compact to call for gender equality and enhancement of women's competitiveness</li> </ul>
 <p>Carbon Disclosure Project (CDP)</p>	<p>Joined in May 2021</p> <ul style="list-style-type: none"> <li>· Global environmental initiative requiring the disclosure of environmental management information by companies (signed as a member)</li> </ul>
 <p>United Nations Environment Programme Finance Initiative (UNEP FI)</p>	<p>Joined in January 2022</p> <ul style="list-style-type: none"> <li>· International partnerships between UNEP and the international finance sector for sustainable finance</li> </ul>
 <p>Principles for Sustainable Insurance (PSI)</p>	<p>Joined in January 2022</p> <ul style="list-style-type: none"> <li>· An international initiative for insurance companies created by UNEP FI (United Nations Environment Programme Finance Initiative) for the sustainable development of the insurance industry</li> </ul>
 <p>TCFD (Task Force on Climate-Related Financial Disclosures)</p>	<p>Joined in January 2022</p> <ul style="list-style-type: none"> <li>· An information disclosure consultative body that voluntarily discloses the financial impact of companies on climate change</li> </ul>

## Affiliated Associations

Organization	Key Activities	Year joined
Korea Life Insurance Association	An association for information exchange to promote a culture of life insurance, including the spread of wholesome insurance culture and support for the establishment of reasonable insurance policy	1958
Korea Insurance Academic Society	Theoretical, legal, and practical research on insurance and the insurance industry	1964
LIMRA (Life Insurance Marketing and Research Association)	Research, consulting, and education on life insurance	1979
Korea Insurance Development Institute	Fair and reasonable insurance rate calculation and insurance research	1990
IIS (International Insurance Society)	International insurance research and provision of insurance market trend information	1994
KMA (Korea Management Association)	Contribution to corporate and public sector management innovation, individual competitiveness and self-realization	2002
Korean Insurance Law Association	Research and analysis of insurance laws and policy	2006
Korea Risk Management Society	Provision of information through research and business exchange of risk awareness and loss perspective	2006
Korea Insurance Research Institute	Systematic and in-depth insurance research and practical alternatives	2008
Korea Financial Investment Association	Maintenance of the business order between members, establishment of fair trading, and protection of investors	2008
Korea Academy of Actuarial Science	Provision of information on actuarial theories, actuarial legislation and industry research, and actuarial practice standards	2014
Financial Security Institute	Exchange of various information protection activities, such as prevention, response, and inspection of financial hacking accidents	2015
Korea Pension Association	Development of various joint research and policy alternatives related to pension systems and retirement income guarantees	2016
Korea Financial Telecommunications & Clearings Institute	Maintenance and development of sound financial transactions and improvement of user convenience	2016
Korea Credit Information Services	Centralized management and utilization of credit information and public information provided by financial institutions	2016
Korean Academic Society of Business Administration	Contribution to the development of Korean management and the growth of the national economy through academic research	2021



# Awards

Date	Awards	Awarding institution
June 2023	Awarded by the Minister of Environment for environmental education and social contribution	Ministry of Environment
May 2023	Certified "Customer-Centered Management (CCM)" for nine consecutive times	Fair Trade Commission
March 2023	Selected as Korea's No. 1 ranked most respected corporate life insurance industry	Korea Management Association Consulting
December 2022	Selected as "No. 1 Family-Friendly Company"	Ministry of Gender Equality and Family
November 2022	Selected as "Korea's Excellent Korea Consumer Protection Index (KCPI) Company" in 2022	Korea Management Association Consulting
November 2022	Selected No. 1 in Korea Sustainability Index (KSI) for 13 consecutive years	Korean Standards Association
July 2021	Awarded the Consumer-Centered Management (CCM) Fair Trade Commission President Commendation	Fair Trade Commission
December 2020	Awarded the "Financial Supervisory Service Commissioner's Award for Excellence in Consumer Protection Evaluation"	Financial Supervisory Service
December 2020	Awarded the 2020 Korea ICT Innovation "Commendation from the Minister of Science and ICT" Award	Ministry of Science and Technology
October 2020	Awarded the 7th "Korea Reading Management Excellent Workplace Certification Award (Minister of Culture, Sports and Tourism Award)"	Ministry of Culture, Sports and Tourism
December 2019	Inaugural induction into the Customer-Centered Management (CCM) Hall of Fame	Fair Trade Commission
December 2017	Fair Trade Commissioner's Commendation on the 22nd Consumer Day	Fair Trade Commission
February 2016	Awarded the 12th "Transparent Management Award"	Co-organized by 5 economic organizations
December 2014	Won the 1st "Private Conglomerate Award" in the process category of the CSV Porter Prize	The Institute for Industrial Policy Studies, Dong-A Ilbo
October 2014	Awarded the 2nd "President's Commendation and Government Award for Beloved Corporations"	Ministry of Trade, Industry and Energy

# Verification Statement on 2022 Greenhouse Gas Emission Report

## Verification Target

Korean Foundation for Quality (hereinafter “KFQ”) has conducted the verification of “Greenhouse gas Emissions (hereinafter ‘Inventory Report’”) of KYOBO LIFE (hereinafter the “Company”) for 2022.

## Verification Scope

KFQ’s verification scope covered on all facilities and emission sources for owned buildings under the operational control and organizational boundary of KYOBO LIFE during 2022. GHG emissions from direct and indirect emission sources (Scope1 and 2) were calculated for all GHG emission facilities under the operational control of the company.

The verification of other indirect emissions (Scope 3) was carried out in the self selected category according to the following criteria.

\* Verification Category : Purchased goods & services(water), Waste Generated in Operations

## Verification Criteria

The verification process was based on ‘Rule for emission reporting and certification of greenhouse gas emission trading Scheme (Notification No. 2021-112 of Ministry of Environment)’, ‘Rules for verification of operating the greenhouse gas emission trading scheme (Notification No. 2022-279 of Ministry of Environment)’. Technical Guidance for Calculating Scope3 Emissions, Carbon Emission Factor (Korea Environmental Industry Institute), National LCI database information network.

## Level of Assurance

The Verification has been planned and conducted as the ‘Rules for verification of operating the greenhouse gas emission trading scheme’, ‘ISO 14064-3’, and the level of assurance for verification shall be satisfied as limited level of assurance. And it was confirmed through an internal review whether the process before the verification was conducted effectively .

## Verification Limitation

For Scope1, 2 emissions, the verification shall contain the potential inherent limitation in the process of application of the verification criteria and methodology. For Scope3 emissions, this verification is not intended to verify the validity of the calculation criteria set by the company itself. Assurance results contain inherent limits of uncertainty inherent in the company's own calculation standards. Depending on our own calculation standards, significant differences may occur in the emission calculation results, which may affect comparability.

## Verification Opinions

Through the verification process according to the ‘ISO 14064-3:2006’ KFQ could obtain reasonable basis to express following conclusion on the Greenhouse Gas Emission Report.

- 1) For Scope1, 2 emissions, Inventory Report has been stated in accordance with ‘Rule for emission reporting and certification of greenhouse gas emission trading Scheme’
- 2) For Scope1, 2 emissions, data and information used in calculating the Greenhouse Gas emission were appropriate, reasonable, and no significant errors or omissions could affect verification statement were not found. Thus, KFQ concludes that the Greenhouse Gas Emissions of Company in 2022 is correctly calculated and stated in accordance with ‘Rule for emission reporting and certification of greenhouse gas emission trading Scheme’.
- 3) For Scope3 emissions, no significant errors or omissions were found, except for emissions information that was not considered within the scope of the selected category. The standards set, estimated/ assumed, and the relevant process when calculating emissions were transparently reflected in the internal calculation process.

## Organization

Kyobo Life Insurance Co.,Ltd.

## Emission calculation period

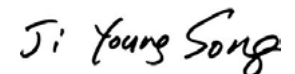
The emission calculation period is from January 1 to December 31 2022.

## Emission calculation results

Division	Total(tCO <sub>2</sub> eq) 2022	
Scope1, 2	Total	29,925 <sup>1)</sup>
	Scope1	4,614
	Scope2	25,311
Scope3	Total	3,243
	Category1. Purchased goods & services(water)	59
	Category5. Waste Generated in Operations	3,184

1) Buildings leased under the name of KYOBO LIFE are excluded

June 15<sup>th</sup> 2023



CEO Ji Young Song  
Korean Foundation for Quality

# Independent Assurance Statement

## LRQA Independent Assurance Statement

### Relating to Kyobo Life Insurance Co., Ltd.'s Sustainability Report for the calendar year 2022

This Assurance Statement has been prepared for Kyobo Life Insurance Co., Ltd. in accordance with our contract but is intended for the readers of this Report.

#### Terms of engagement

LRQA was commissioned by Kyobo Life Insurance Co., Ltd. (Kyobo Life) to provide independent assurance on its 'KYOBO LIFE Sustainability Report 2022' ("the report") against the assurance criteria below to a "moderate level of assurance and materiality of professional judgement" using "Accountability's AA1000AS v3", where the scope was a Type 2 engagement.

Our assurance engagement covered Kyobo Life's operations and activities in domestic and specifically the following requirements:

- Evaluating adherence to the AA1000 AccountAbility Principles<sup>1</sup> of Inclusivity, Materiality, Responsiveness and Impact
- Confirming that the report is in accordance with GRI Standards 2021<sup>2</sup>
- Evaluating the accuracy and reliability of data and information related to performance indicators on material topics listed in the GRI Content Index

Our assurance engagement excluded the data and information of Kyobo Life's suppliers, contractors and any third-parties mentioned in the report.

LRQA's responsibility is only to Kyobo Life. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Kyobo Life's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of Kyobo Life.

#### LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that Kyobo Life has not, in all material respects:

- Met the requirements above
- Disclosed accurate and reliable performance data and information as all errors or omissions identified during the assurance engagement were corrected
- Covered all the issues that are important to the stakeholders and readers of this report.

The opinion expressed is formed on the basis of a moderate level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a moderate assurance engagement is less than for a high assurance engagement. Moderate assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a moderate assurance engagement is substantially lower than the assurance that would have been obtained had a high assurance engagement been performed.

#### LRQA's approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing Kyobo Life's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this through reviewing documents and associated records.
- Reviewing Kyobo Life's process for identifying and determining material issues to confirm that the right issues were included in their Report. We did this by benchmarking reports written by Kyobo Life and its peers to ensure that sector specific issues were included for comparability. We also tested the filters used in determining material issues to evaluate whether Kyobo Life makes informed business decisions that may create opportunities that contribute towards sustainable development.
- Auditing Kyobo Life's data management systems to confirm that there were no significant errors, omissions or mis-statements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the report.
- Checking that the GRI Content Index allows stakeholders to access sustainability indicators.
- Reviewing additional evidence made available by Kyobo Life at its headquarters in Seoul.

<sup>1</sup> <https://www.accountability.org>

<sup>2</sup> <https://www.globalreporting.org>

# Independent Assurance Statement

## Observations

Further observations and findings, made during the assurance engagement, are:

- **Inclusivity:**  
We are not aware of any key stakeholder groups that have been excluded from Kyobo Life’s stakeholder engagement process.
- **Materiality:**  
We are not aware of any material issues concerning Kyobo Life’s sustainability performance that have been excluded from the report. It should be noted that Kyobo Life has established extensive criteria for determining which issue/aspect is material and that these criteria are not biased to the company’s management.
- **Responsiveness:**  
Kyobo Life has established an ESG roadmap for 2025 and has developed and been implemented key tasks. We expect Kyobo Life to report specific results in the future.
- **Impact:**  
For effective identification and measurement of potential and actual impacts, including positive and negative impacts, on sustainable development, Kyobo Life should use information from a broader range of sources to input into the impact assessment process. For instance, Kyobo Life could use information from its own or third-party assessments of impacts, legal reviews, compliance management systems, occupational health and safety risk assessment, grievance mechanisms, whistleblowing mechanisms, stakeholder dialogues and more.
- **Reliability:**  
Kyobo Life’s data management system for the selected indicators are well defined.

## LRQA’s standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification engagement is the only work undertaken by LRQA for Kyobo Life and as such does not compromise our independence or impartiality.



Dated: 29 June 2023

**Tae-Kyoung Kim**  
LRQA Lead Verifier  
On behalf of LRQA

2nd Floor, T Tower, 30, Sowol-ro 2-gil, Jung-gu, Seoul, Republic of Korea

LRQA reference: SEO00001244

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