



臺灣產物保險

Taiwan Fire & Marine Insurance Co., Ltd.



2024

SUSTAINABILITY
REPORT

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About the Report

The Editing Information of the Report

Taiwan Fire & Marine Insurance Co., Ltd. (TFMI) has long been committed to promoting and planning environmental, social, and corporate governance (ESG) initiatives. We create long-term value for our customers, employees, and investors by upholding the spirit of sustainable social prosperity to actively respond to the expectations of Company stakeholders. This Report is the Company's 11th Sustainability Report. By illustrating the Company's efforts in economic, social, and environmental aspects, we anticipate that customers, enterprises, society, government, and other stakeholders will gain a better understanding of TFMI's performance in actively engaging in social enterprise responsibility.

This Report reveals TFMI's current actions and future plans in terms of environmental, social, and governance (ESG) through business processes to fully communicate with the general public and all stakeholders concerning TFMI. We welcome stakeholders to offer advice and feedback on proposals to encourage the Company further toward achieving sustainable development goals.

I Reporting Period and Coverage

This Report covers the year 2024 (from January 1, 2024 to December 31, 2024) and will be published in August 2025. The content focuses on specific actions and performance data related to corporate governance, economic activities, products and services, environmental sustainability, social commitments, and other areas. The scope of disclosure focuses on the operating activities in Taiwan, covering the operating activities and services of 44 operating bases as the core. In addition to strengthening the integrity of disclosure information and presenting continuous improvements in sustainable management, some content and implementation results also date back to 2024 or extend to include relevant information and data from the first quarter of 2025.

I Information Recompile

1. Material topics: The items adjusted in the Material topics sections of the 2023 Sustainability Report are as follows, which are hereby corrected and explained.

Material topics in the original 2023 Sustainability Report			Material topics in the 2023 Sustainability Report with information recompile		
1. Evaluation of impact on stakeholders: 211 stakeholder impact evaluation questionnaires			1. Evaluation of impact on stakeholders: 215 stakeholder impact evaluation questionnaires		
2. Identification of material topics: 10 material topics			2. Identification of material topics: 12 material topics		
Item	Dimension	Material topics	Item	Dimension	Material topics
1	Governance	Information security and customer privacy	1	Corporate governance	Corporate governance and ethical management
2	Governance	Treating customers fairly and the customer experience	2		Information security
3	Governance	Compliance	3		Digital finance and innovation
4	Society	Talent attraction and retention	4	Corporate governance	Sustainable products and services
5	Society	Talent cultivation and development	5	Corporate governance	Operating performance
6	Governance	Corporate governance and ethical management	6		Regulatory compliance
7	Governance	Operating performance	7		Operational risk management
8	Governance	Digital finance and innovation	8		Treating customers fairly and the customer experience
9	Governance	Risk management	9	Social	Talent cultivation and development
10	Environment	Climate change management	10	Social	Talent attraction and retention
			11	Environmental	Climate change management
			12	Social	Social participation and charity

2. 2-5-1 Micro-insurance: Recompile of some data of previous claim settlement amounts

I Internal Review Process of the Report

Data for this Report were provided by the Sustainable Development Taskforce. The Planning Department integrated the data and compiled the Report. The Sustainable Development Committee supervised the disclosure of sustainable information and reviewed the Report. The Report was finally submitted to the Board of Directors for resolution for issuance.

I External Assurance

Deloitte & Touche has performed assurance work in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and issued an independent auditor's limited assurance report. Please refer to Appendix 9 for the independent auditor's limited assurance report, including the scope and conclusions of the assurance.

I Compilation Principles

Publishing units	Project to follow
The Global Reporting Initiative (GRI)	GRI standards 2021
United Nations Environment Programme (UNEP)	Principles for Sustainable Insurance (PSI)
United Nations	Sustainable Development Goals (SDGs)
Taiwan Stock Exchange (TWSE)	- Guidelines for Sustainable Development Practice of TWSE Listed Companies - Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies



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Insurance Company

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Letter from the Chairman

Since its establishment on March 12, 1948, TFMI has continually adhered to a “stable operations” and “customer orientation” business strategy. It is committed to providing excellent insurance services and actively responds to global concerns regarding environmental, social, and corporate governance (ESG) issues. As Taiwan’s oldest property insurance company, we understand that the value of a company is not only reflected in its financial performance, but also in its positive impact on the environment and society. Therefore, we sincerely present to you the “2024 Taiwan Fire & Marine Insurance Company ESG Sustainability Report,” fully disclosing the Company’s efforts and achievements in environmental protection, social responsibility, and corporate governance.

I Stable operations and corporate governance

Amid global economic changes and financial market challenges, the Company upholds the principle of stable operations, prioritizes customers, and continues to improve service quality and product innovation to meet diversified risk management needs. We implement law compliance and risk control, and have established sound internal control and internal audit mechanisms to ensure transparency and fairness of corporate governance. In 2024, the Company’s capital reached NTD 3.622 billion; risk-based capital (RBC) was as high as 716.71%, far higher than regulatory requirements. The Company’s capital ratio reached 49.27%, the highest in the industry, demonstrating strong financial stability. Additionally, the Company has received credit ratings of “A-/Stable” and “twAA/Stable” from the international credit rating agency Standard & Poor’s (S&P) and Taiwan Ratings, respectively, indicating our high market competitiveness and credibility.

I Actively implementing corporate social responsibilities

The Company actively responds to government policies and participates in various social welfare plans. In November 2024, the Financial Supervisory Commission held the “Commendation and Awards Ceremony for the Insurance Industry’s Outstanding Contributions to Policy Implementation in 2024.” The Company once again won two awards, including first place in the “Residential Earthquake Insurance Excellence Award” and the Project Investment Group Excellence Award of “Six Core and Public Construction Investment Competition.” This demonstrates our professionalism and contribution in policy insurance. At the same time, we actively support micro-insurance, agricultural insurance, etc., promoted by the government to ensure that the general public, particularly vulnerable groups, can obtain better protection against risks.

Furthermore, through the “Taiwan Fire & Marine Insurance Company Cultural Foundation” established by the Company, we integrate relevant resources and have long invested in diverse public welfare fields, including special education for children with learning disabilities, anti-drug activities for teenagers on campuses, art and cultural promotion, grassroots sports development, care for vulnerable groups, women’s empowerment, care for the elderly living alone, and improvement of rural medical care. The Company has also taken practical actions to promote local sports development. The “Taipei TFMI Softball Team” and the “Taoyuan TFMI Eagle Volleyball Team” were established to actively cultivate sports talents and implement the Company’s commitment to social sustainability. We aim to synchronize corporate operations with the pulse of society to create shared value.

I Environmental sustainability and green operation

Climate change and environmental protection are critical issues of global concern. The Company designs and develops sustainability-related insurance products and implements a low-carbon operating model to actively address environmental challenges. Our investment in AcSun Energy Inc. in 2024 has resulted in the green electricity generation of 99.71 million kilowatt-hours and reduced carbon emissions by 49,257 metric tons. We promote Taiwan’s energy transformation through our actions.

In terms of internal operations management, the Company has adopted energy conservation and carbon reduction measures, including electronic insurance policies and digital operations, digital transformation of meetings and businesses, and replacement with high-efficiency equipment. These measures not only reduce the impact of the Company’s operations on the environment, but also encourage the supply chain and customers to participate in sustainable transformation.

Taiwan Fire & Marine Insurance Company has been deeply involved in Taiwan for over 70 years. Looking to the future, we will continue to build on stable operations and improve the efficiency of insurance services through innovative financial technology to meet market demand. On the road to sustainable development, we will deepen ESG strategies, strengthen environmental protection and social care, and implement corporate governance. We will work with our shareholders, customers, employees, and the public to cultivate a better future.



Chairman

李泰宏

Steve Lee

About TFMI

Company Profile

Taiwan Fire & Marine Insurance Company, the oldest and most robust non-life insurance company in Taiwan, has been established for over 70 years. By upholding a business strategy surrounding “stable operations” and “customer orientation,” we strive to serve customers, shareholders, employees, and society. With six major enterprise core values—professionalism, faith, innovation, teamwork, care, and efficiency—we apply innovative thinking to digital technology development, innovative product design, professionalism improvement, and administrative efficiency. The company provides valuable service to our customers and a better, happier enterprise culture for our employees. We strive to become the best non-life insurance brand in the minds of our customers and employees.

The Company’s service locations are located across Taiwan. The operating locations disclosed in the Report are essential operating locations. The capital amount is now NTD 3.622 billion, and risk-based capital is 716.71%. This is a strong testament to TFMI’s ability to maintain robust capital levels and good underwriting performance over the long term. Additionally, the Company holds S&P “A-/Stable” and Taiwan “twAA/stable” credit ratings.

I Basic Information of TFMI

Item	Content
Company name	Taiwan Fire & Marine Insurance Co., Ltd. (Stock Code: 2832)
Industry sector	Financial and Insurance Industry
Main product lines	Fire Insurance, Water Insurance, Automobile Insurance, New Types of Insurance, Accident and Health Insurance, Liability Insurance, Reinsurance, and other Insurances
Operation locations	44 service locations across Taiwan
Headquarters address	9F, 8F., No. 49, Guanqian Rd., Zhongzheng Dist., Taipei City
Year established	1948
Number of employees	923 (2024/12/31)
Paid-in capital	NTD 3.622 billion



The entire corporate logo design not only embodies Taiwan Fire & Marine Insurance Co. (TFMI)’s business philosophy of working hand in hand with clients to create a better future, but also draws inspiration from the geographical form of Taiwan.

The circular portion of the logo represents the island of “Taiwan,” while the overlapping triangles symbolize the “Central Mountain Range.”

Taken as a whole, the logo signifies that Taiwan Fire & Marine Insurance (TFMI) stands as a guardian of Taiwan, much like the Central Mountain Range itself—reflecting the company’s enduring commitment to integrity, care, and ethical business practices.

2024 ESG Performance Highlights

Corporate Governance

- The written premium totaled NTD 8.874 billion
- Earnings per share (EPS) of NTD 3.21
- The ratio of risk-based capital is 716.71%
- Four female directors accounted for 36% of the Board
- Won first place for 11 consecutive years in the market share of Residential Fire Insurance
- Ranked in the top 50% of financial institutions of the property insurance industry in the Financial Supervisory Commission's "Evaluation on Treating Customers Fairly Principle"
- Developed two patents: "Group Insurance Risk Assessment System" and "Commercial Fire Insurance Intelligent Underwriting Auxiliary System"
- Taiwan Rating "twAA / stable" and Standard & Poor's Rating "A-, Stable"

Highlights

- Won the Project Investment Group Excellence Award of "Six Core and Public Construction Investment Competition" and first place in the "Residential Earthquake Insurance Excellence Award" of the Financial Supervisory Commission in 2024
- Won the "Commodity Improvement Excellence Award" and the "ESG Sustainable Agricultural Insurance Contribution Award" at the 2025 Agricultural Insurance Commendation Conference
- Won the "Sustainability Report-Finance and Insurance Industry-Category 1 Silver Award" of the 17th TCSA Taiwan Enterprise Sustainability Award for 2024
- Awarded the Best Service Quality Award for six consecutive years and the "Excellent Professional Team Award" for three consecutive years in the Insurance Excellence Appraisal
- Received the Excellent Product Innovation Award in the Insurance Excellence Appraisal
- Won the Special Excellence Award in the category of "Most Desirable Property Insurance Company for National Finance and Insurance Graduates" in the 2024 Insurance Dragon and Phoenix Awards
- Continuous acquisition of the ISO27001 information security management system and certification by the British Standards Institute (BSI)
- Obtained ISO 14067: 2018 product carbon footprint standard and carbon footprint label of the Ministry of Environment
- The Sustainability Report has been verified by an external third party for 11 consecutive years



No. 1 in Residential Earthquake Insurance for Fiscal Year 113 (or Year 2024)



"Excellent" Rating in the Project Investment Category for Investment in the Six Core Strategic Industries and Public Infrastructure for Fiscal Year 113 (or Year 2024)



Ministry of Agriculture's 2024 "ESG Sustainable Agricultural Insurance Contribution Award"



Ministry of Agriculture's 2024 "Product Improvement Excellence Award"



TCSA 2024 Corporate Sustainability Report "Silver Award"



2024 Insurance Phoenix Award: Most Desirable Non-Life Insurance Company "Special Excellence"



2024 Excellent Insurance Awards: Professional Team Award



2024 Excellent Insurance Awards: ESG Sustainable Finance Award



2024 Excellent Insurance Awards: Excellent Service Quality Award

Sustainable Development Organization

To promote corporate sustainability and achieve economic, environmental, and social progress, the Company established the Sustainable Development Committee under the Board of Directors. This was based on a resolution from the first meeting of the 27th Board of Directors on June 16, 2023. Additionally, three independent directors were appointed to the first Sustainable Development Committee to enhance the corporate sustainable governance culture.

Sustainable Development Taskforce holds quarterly meetings to review implementation progress The Planning Department was established as a full-time (part-time) unit to promote sustainable development. A Sustainable Development Taskforce was formed under the Sustainable Development Committee, with the President serving as convener and the Vice President as deputy convener. Under this Taskforce, the Environmental Protection Team, Social Responsibility Team, Corporate Governance Team 1, and Corporate Governance Team 2 were established; each has a team lead, secretary, and several team members. Short, medium, and long-term goals and promotion plans are based on major stakeholder engagement issues. The Taskforce holds quarterly implementation progress review meetings to review the implementation of sustainable development plans.	Sustainable Development Taskforce reports to the Sustainable Development Committee at least once a year The Planning Department is the secretarial unit of the Sustainable Development Taskforce. It is responsible for compiling the results of sustainable development promotion and reporting relevant implementation status to the Sustainable Development Committee at least once a year. The Sustainable Development Committee supervises and reviews the progress of work carried out by the Taskforce and makes timely adjustments and suggestions.	Sustainable Development Committee reports to the Board of Directors at least once a year At least once a year, the Planning Department reports to the Board of Directors on implementing sustainable development approved by the Sustainable Development Committee. The Board of Directors reviews the implementation and results based on the report content. The Board recommends the Taskforce to make adjustments when necessary to ensure the smooth implementation of relevant plans.
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I Details of the reports to the Board of Directors in 2024

Reporting date	Report topic
April 26, 2024	1. 2023 Sustainable Development Implementation Review Report 2. Formulate the 2024 Material Sustainability Issues Management Policy and Set Short-, Medium-, and Long-term Goals
August 23, 2024	Report on the Company's Sustainable Development Implementation as of June 30, 2024



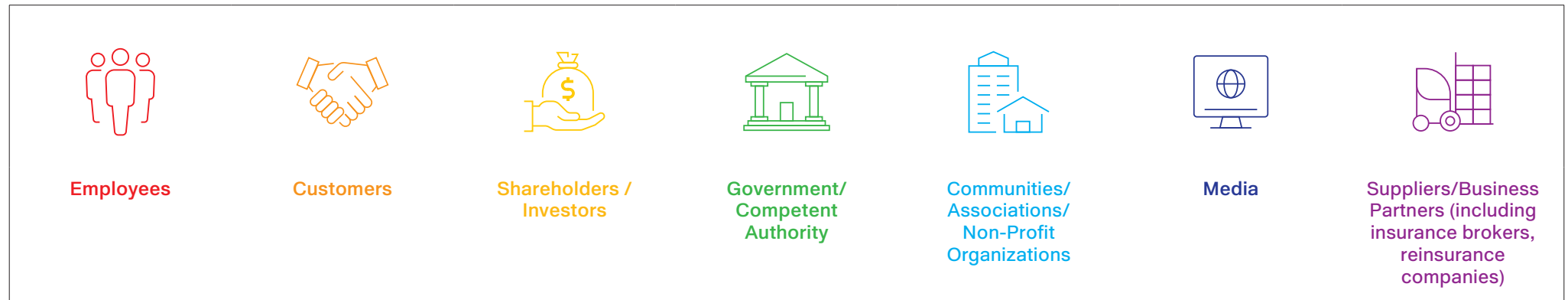
Stakeholder Engagement

TFMI has collected and discussed economic, environmental, social, and corporate governance issues of concern with stakeholders through various channels, and learned about the topics and focus on sustainable information, referring to international sustainability standards such as the GRI Standards, SDGs, SASB (Sustainability Accounting Standards Board), PRI (Principle Responsible Investment), Industry Reports, and others. This serves as the basis for stakeholder communication and feedback to understand and analyze needs and expectations. We also evaluated the impact and occurrence of ESG issues to prioritize 13 Material topics and formulate the Company's sustainable business objectives as the basis for this Report.

I Identification of Stakeholders

The Company expects to acquire valuable suggestions and guidance through communication, learning about stakeholders' substantive needs and expectations, identifying potential risks and management opportunities, and engaging in continuous improvement with an open-minded attitude. This is achieved by building a bridge of close communication with each stakeholder to align revisions with corporate sustainable management.

This Report used the AA1000 SES (Stakeholder Engagement Standard) to assess the importance of stakeholders to the organization. We identified seven categories of stakeholders based on five significant aspects: dependency, responsibility, influence, diverse perspectives, and tension, as follows:



→ Compared to the 2023 Report, there is no significant change regarding stakeholders this year.

I Stakeholder Communication Channels and Effectiveness

The Sustainable Development Taskforce communicates with stakeholders through multiple channels, along with internal communication and coordination, as well as management assessment integration. It discloses the responses and implementation results of different issues in the Sustainability Report.

Stakeholders	Importance of TFMI	Issues for communication	Communication channels and frequencies	Communication performance in 2024
 Employees	Talent is the core driving force for innovation and growth in the Company, and the foundation for the Company's sustainable development practice.	- Talent attraction and retention - Talent cultivation and development - Employee health and workplace safety - Information security and customer privacy	Quarterly Labor-Management Meeting, Staff Welfare Committee, Occupational Safety and Health Commission, Labor Pension Supervision and Administration Commission Annually Performance appraisal Irregularly Diversified education and training courses Permanent Employee internal email, e-communication channels, sexual harassment complaints, and phone calls	- Employee retention rate is 85.19%. - In 2024, seventeen employees with excellent work contributions were appraised, selected, and publicly awarded at the year-end function. - In 2024, employees received education and training for an average duration of 45.93 hours. - The Company regularly publishes "Weekly Health e-News" every month, with a total of 12 issues released in 2024
 Customers	Profoundly understand customer requirements, provide high-quality services and products, establish long-term customer relations, and contribute to improving the Company's brand value and market competitiveness.	- Ethical management - Information security and customer privacy - Operating performance - Treating customers fairly and improving the customer experience - Product marketing and information transparency	Normality The Company's service line, customer complaints platform, customer satisfaction survey, contact window of various departments, TFMI official website, social media community platform, free customer service line, etc.	- Satisfaction score of 9.9 for handling of traffic accidents on-site (out of 10) - Customer satisfaction score of 9.8 for handling of claim settlement cases (out of 10)
 Shareholders / Investors	Shareholders and investors provide the Company with necessary capital support and are crucial to the financial health and long-term development of the Company.	- Operating performance - Corporate governance - Ethical management - Risk management - Treating customers fairly and improving the customer experience	Quarterly Publishing of financial reports Annually Investor conferences, shareholders' meetings, and the publishing of the annual report of the Shareholders' Meeting, and the sustainability report Irregularly Announcement of major messages	- Holding investor conferences twice annually, to explain the business performance and the further development direction in strategy. 17 major messages were published.
 Government / Competent authority	The government and the competent authorities establish relevant regulations and policies, significantly impacting corporate operations.	- Corporate governance - Ethical management - Information security and customer privacy - Compliance - Climate change management - Inclusive financing	Irregularly Helpline, email and meetings, official letters, seminars, forums, public hearings, and the Market Observation Post System are used to disclose company information	Continuously promoting the Policy for Treating Customers Fairly Principle



Stakeholders	Importance of TFMI	Issues for communication	Communication channels and frequencies	Communication performance in 2024
 Communities/ Associations/ Non-Profit Organizations	Close interaction with communities and non-profit organizations helps achieve harmony and mutual benefit for the Company and society.	• Social participation and charity • Inclusive financing • Treating customers fairly and improving the customer experience	Irregularly Community activities and care, co-organizing public welfare activities, donations, and sponsorships	• CH 5 Advancing Together through Extended Goodwill
 Media	Through the media, the Company can effectively communicate corporate information and promptly respond to the market and the general public. This function also facilitates oversight of corporate actions, which together drives the continued growth of TFMI.	• Operating performance • Climate change management • Compliance	Irregularly Special Lines, Email, Social Media Websites, and Magazine Reports	• The Company won three awards in the 2023 Insurance Excellence Appraisal organized by Magazine of Excellence: Best Service Quality Award, Excellent Professional Team Award, and Excellent ESG Sustainability Finance Award. • Won the Special Excellence Award in the category of "Most Desirable Property Insurance Company for National Finance and Insurance Graduates" in the 2024 Insurance Dragon and Phoenix Awards of Modern Insurance • Published information related to a brief introduction to insurance products, knowledge on insurance, etc.
 Suppliers / Business partners (including insurance brokers, reinsurance companies)	Suppliers provide necessary products and services for Taiwan Fire & Marine Insurance Company to support sustainable corporate management.	• Operating performance • Operation risk management • Supplier management	Regularly Supplier Evaluations and Contracts	• Include the ESG terms in the contract whenever signing a contract with a business entity. • Suppliers signed and implemented a letter of undertaking regarding corporate social responsibility.

Material topics

I Identifying Material topics

Concerning international sustainability standards such as GRI, SASB, and PRI, as well as the Material topics of concern to competent authorities and peers, the Company compiled 19 sustainability issues. It used questionnaires to evaluate the extent and probability of positive and negative impacts on the economy, environment, and society. A total of 211 questionnaires were collected. The Sustainable Development Taskforce analyzed and discussed with external consultants and identified 10 Material topics. The Company will continually and regularly review these issues yearly to ensure full communication with stakeholders while aligning with industry trends.

The materiality analysis process is as follows:

Identification Collection of Material topics

The Company summarized 19 sustainability issues concerning international sustainability standards, including GRI, SDGs, SASB, and PRI, and based on the analysis of the sustainability issues in the same trade.

19
Sustainability
Issues

Analysis Assessment of Impact

The positive/negative impacts of the Company's current management of various sustainability issues on the economy, environment, and society, and their likelihood of occurrence were evaluated via a survey questionnaire. A total of 211 materiality questionnaires were collected, including 116 from employees, 10 from shareholders/investors, 71 from customers, two from government/competent authority, eight from suppliers, two from communities/non-profit organizations, and two from media personnel.

211 Materiality
Questionnaires

Confirmation Establishment of Material Topics

The results of the questionnaire were analyzed and discussed. Sustainability issues with overall impact scores higher than the average were selected as Material topics, with a total of nine sustainability issues. Since "climate change management" is a key issue in the financial and insurance industry and a major issue for SASB, it is specially included in the Material topics identified in this Report. A total of 10 Material topics were determined for 2024.

10 Material
Topics

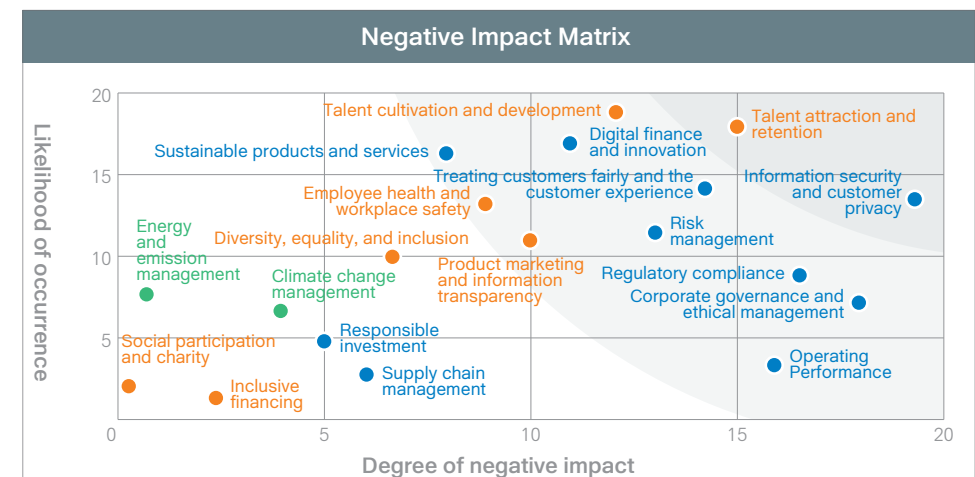
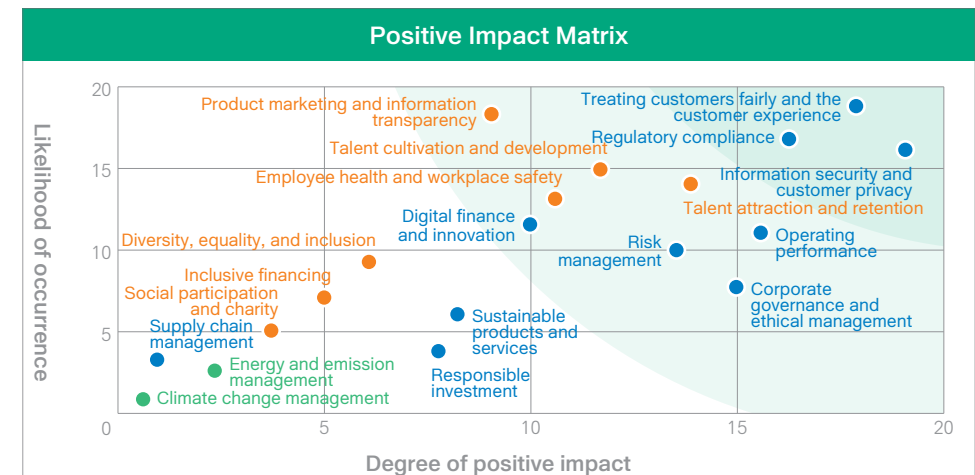
Review Regular annual review

The issues have annually reviewed and included as references for identifying Material topics for the following year.

Annual Review

I Matrices of Positive and Negative Impacts

The Company summarized the degrees and likelihood of positive and negative impacts. To improve the identification of the implications of sustainability issues, the Company sorted the average scores of impact degree and likelihood and prepared matrix graphs for analysis. The analysis results are as follows:



I Positive and Negative Impact Rankings

■ Positive Impact ■ Negative Impact ■ Level of Stakeholder Concern



List of Material topics

No.	Type	Material topics
1	Economic	Information security and customer privacy
2	Economic	Treating customers fairly and the customer experience
3	Economic	Compliance
4	Social	Talent attraction and retention
5	Social	Talent cultivation and development

No.	Type	Material topics
6	Economic	Corporate governance and ethical management
7	Economic	Operating Performance
8	Economic	Digital finance and innovation
9	Economic	Risk management
10	Environmental	Climate change management

I Comparing Material topics in 2023 and 2024

Compared with the Material topics identified the previous year, “sustainable products and services” and “social participation and charity” are not included in this year’s Material topics due to their lower overall impact. The Company will continue to monitor the impacts and trends of the issues to prevent substantial negative effects on the economy, environment, and society (including Human Rights).

Sustainable issues	Material topics in 2024	Material topics in 2023
Information security and customer privacy	●	●
Treating customers fairly and the customer experience	●	●
Regulatory compliance	●	●
Talent attraction and retention	●	●
Talent cultivation and development	●	●
Corporate governance and ethical management	●	●
Operating performance	●	●
Digital finance and innovation	●	●
Risk management	●	●
Product marketing and information transparency		
Employee health and workplace safety		
Sustainable products and services		●
Diversity, equality, and inclusion		
Inclusive financing		
Responsible investment		
Social participation and charity		●
Climate change management	●	●
Energy and emission management		
Supply chain management		

I Impact Boundaries of Material topics

The impact of Material topics on internal operation, external stakeholders, and value chain are described below. Related response sections address the impacts of management approach and performance.

Material topics	Impact description	Corresponding GRI	Response sections	Impact boundaries and degrees						
				Internal	External					
				Taiwan Fire & Marine Insurance Company	Shareholders/ investors	Customers	Suppliers	Communities / non-profit organizations	Government / competent authorities	Media
Information security and customer privacy	Improve information security protection to ensure the security of the Company 's confidential information and customer data to prevent significant losses or unlawful events.	GRI 418 Customer privacy	1-7 Information Security and Customer Privacy Protection	▲		▲			●	
Treating customers fairly and the customer experience	Enhance customer experience and protect their rights and interests through product design, sales, after-sales services, and the appeals and claim settlement processes, focusing on fairness, mutual benefit, and equality.	Self-selection of Material topics	CH2 Sustainable Brand and Innovative Finance	▲		▲	◆		●	
Compliance	Adhere to government regulations to safeguard the corporate image, minimize operational risks, and boost investor confidence.	GRI 2-27 Compliance	1-5 Regulatory Compliance	▲	●				▲	
Corporate governance and ethical management	Maintain good business ethics, enhance the functions of the Board of Directors, enhance information disclosure and moral awareness among employees to avoid major losses or illegal incidents in the Company 's operations, and shareholders/investors.	GRI 2-9~2-21 Governance GRI 205 Anti-corruption	1-1 Operating Performance	▲	▲	◆	◆		●	
Operating performance	Sustaining stable operation and performance growth is the most essential commitment of the Company to investors and policyholders. Create a driving force for corporate sustainable management and continual innovation with diversified and innovative products, steady and conservative investment policies, and risk management.	GRI 201 Economic performance	1-1 Operating Performance	▲	▲	●	●		▲	◆

▲ Direct impact ● Indirect impact ◆ Business relationship

Material topics	Impact description	Corresponding GRI	Response sections	Impact boundaries and degrees						
				Internal	External					
				Taiwan Fire & Marine Insurance Company	Shareholders/ Investors	Customers	Suppliers	Communities / non-profit organizations	Government / competent authorities	Media
Digital finance and innovation	Offer customers efficient and diverse digital FinTech products and service efficiencies, seize business opportunities in digital transformation, and enhance the Company's operational resilience and customer satisfaction.	Self-selection of Material topics	2-3 Digital Finance and Innovation	▲		▲	◆		●	
Risk management	Identify risks, develop responsive measures, strengthen the Company's operational resilience, and mitigate significant losses or unlawful events in case of risks.	Self-selection of Material topics	1. Corporate governance	▲	▲	●	●		●	
Climate change management	Include the risks and opportunities of climate change in operational decision-making, drive green operations and market transformation, promote green growth in corporate sustainability, and elevate the positive impact on the environment	GRI 201- 2 Financial implications and other risks and opportunities due to climate change GRI 302 Energy GRI 305 Emissions	4. Climate change management	▲	●			▲	▲	●
Talent attraction and retention	Build a high-quality work environment, provide competitive remuneration and welfare, strengthen internal communications, provide diversified and equal promotion channels, offer holistic employee benefits, and create a happy workplace.	GRI 401 Employment, GRI 402 Labor/ management relations, GRI 405 Diversity and equal opportunity	3. Create a fulfilling workplace and commit to employee well-being	▲						
Talent cultivation and development	Establish a complete training mechanism, provide a digital learning platform, encourage employees to obtain professional skills and licenses, strengthen their professional competency, improve service awareness and market competitiveness, and profoundly cultivate the organization's overall capabilities.	GRI 404 Education and training	3. Create a fulfilling workplace and commit to employee well-being	▲						

Note : The impacts of Material topics encompass positive, negative, actual, and potential effects.

▲ Direct impact ● Indirect impact ◆ Business relationship

I Implementation of Material topics

Environmental protection (E)

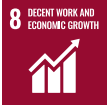
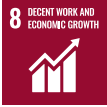
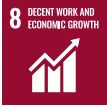
Material topics	Management approach	Implementation 2024	short-term target 2025	medium-term target 2030	long-term target) 2050	Corresponding to UN SDGs	Corresponding sections
Climate change management	Greenhouse gas inventory	- The greenhouse gas inventory for 47 operating sites at the Company's head office and branches in 2023 has been completed; a greenhouse gas inventory and report have been prepared. - The ISO14067 verification of the carbon footprint of each property insurance service (regardless of type) product was passed; the product carbon footprint label certificate certification of the Ministry of Environment was obtained.	Manage the greenhouse gas inventory for all the Company's operating sites.	Continually manage the greenhouse gas inventory for all the Company's operating sites and obtain ISO 14064-1 external verification.	Continually manage the greenhouse gas inventory for all the Company's operating sites and obtain ISO 14064-1 external verification.		4-6-2 Management of Greenhouse Gas Emissions
	Carbon emissions reduction	- For the Company's greenhouse gas emissions in 2023, they were 87.6838 metric tons of CO₂e in Category 1; 786.8314 metric tons of CO₂e in Category 2; 201.7099 metric tons of CO₂e in Category 4. There were total carbon emissions of 1,076.2251 metric tons of CO₂e. - The total electricity consumption in 2023 was 1,590,972 kWh. Electricity consumption in 2024 was reduced by 31,495 kWh compared with the same period last year; converted carbon emissions were reduced by approximately 15,590.025 kilograms.	3% reduction in carbon emissions from the base year.	30% reduction in carbon emissions from the base year	Net-zero carbon emissions		4-6 Environmental Sustainability
Energy utilization management	Adopt a high-efficiency energy-saving air-conditioning system to improve carbon reduction benefits	In 2024, a total of air conditioners were replaced, and one new air conditioner was added.	Continue to replace the air conditioners with energy efficiency level-1 equipment and replace 8~10 air-conditioning units each year.	Continue to replace the air conditioners with energy-efficiency level-1 equipment and replace 8~10 air-conditioning units each year.	The ratio of independent air-conditioning equipment with an energy efficiency level 1 rating in the total quantity of air conditioners configured is targeted at 100%.	 	4-6 Environmental Sustainability
		There are a total of 165 independent air conditioning units at both the headquarters and branches; 101 air conditioning units have been cleaned and maintained with the proportion of cleaning and maintenance of 61.21%.	Continuously execute the cleaning and maintenance of air conditioning systems at both head offices and branches to optimize the internal heat conduction efficiency and facilitate operation at a reduced speed. This will result in an approximate 10% reduction in power consumption.	Continuously execute the cleaning and maintenance of air conditioning systems at both head offices and branches to optimize the internal heat conduction efficiency and facilitate operation at a reduced speed. This will result in an approximate 10% reduction in power consumption.	Continuously execute the cleaning and maintenance of air conditioning systems at both head offices and branches to optimize the internal heat conduction efficiency and facilitate operation at a reduced speed. This will result in an approximate 10% reduction in power consumption.		

Material topics	Management approach	Implementation	short-term target	medium-term target	long-term target)	Corresponding to UN SDGs	Corresponding sections
		2024	2025	2030	2050		
Energy utilization management	Comprehensively use LED energy-saving lamps	At our head offices, we replaced 55 panel lamps and 122 LED lamps; at our branches, we replaced 142 panel lamps and 49 LED lamps	Our head offices and various branches replace approximately 200 original lamps with energy-saving panel/LED lamps each year. This helps us achieve our goal of saving 5% to 8% of electricity annually compared to the base year.	We will continue replacing about 200 original lamps with energy-saving panel/LED lamps each year to achieve our target of saving approximately 5~8% of electricity a year compared to the base year.	The energy-saving panel/LED lamps used by our head offices and branches account for a ratio of 100%.	 	4-6-1 Energy Resource Management
	Water resource management	The Company's total water consumption in 2023 was 12,237 cubic meters. In 2024, water consumption was reduced by 304 cubic meters compared with last year's period, equivalent to the reduced carbon emissions of approximately 47,424 kg.	Reduce total water consumption by 2%.	Reduce total water consumption by 5%.	Reduce total water consumption by 10%.		4-6-3 Water Resource Management
	Paper reduction	The Company used 11,074,000 pieces of photocopied paper in 2023. In 2024, the total number of photocopies was 9,863,500, a decrease of 10.93% compared to last year.	Reduce the Company's paper consumption by 10%.	Reduce the Company's paper consumption by 30%.	Reduce the Company's paper consumption by 50%.		2-8 Green Operation Plan
	Complete climate-related financial disclosures (TCFD) as stipulated.	The 2023 climate-related financial disclosure report was released on June 28, 2024, revealing the Company's risks and opportunities in the face of climate change and its actions.	Include the management conditions of climate-related risks and opportunities in the sustainability report before June 30th each year.	Complete the disclosure of climate-related risks and opportunities according to the regulations established by the competent authority.	Complete the disclosure of climate-related risks and opportunities according to the regulations established by the competent authority.		Refer to the Company's 2024 Climate-Related Financial Disclosure (TCFD) for details.

Note : The base year for target setting is 2023.

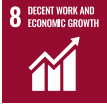
Social responsibility (S)

Material topics	Management approach	Implementation	short-term target	medium-term target	long-term target	Corresponding to UN SDGs	Corresponding sections
		2024	2025	2030	2050		
Talent cultivation and development	Establish succession teams and develop key talents: Continue to increase and develop corporate talents to ensure corporate development.	Retention rate of managers was 100%.	Retention rate of operations teams (managers): 90%.	Retention rate of operations teams (managers): 90%.	Retention rate of operations teams (managers): 90%.		3-2 Talent Attraction and Retention
		In 2024, 5 people participated in overseas training (3 managers and two key talents); the retention rate of key talents was 93.6%.	Retention rate of key talents: 90%.	Retention rate of key talents: 90%.	Retention rate of key talents: 90%.		3-3 Talent Cultivation and Development

Material topics	Management approach	Implementation	short-term target	medium-term target	long-term target	Corresponding to UN SDGs	Corresponding sections
		2024	2025	2030	2050		
Talent cultivation and development	Digital skill transformation: Cultivate and improve employees' professional and digital capabilities to enhance efficiency and respond to market changes.	- In 2024, 415 colleagues were assigned to participate in financial technology talent training, digital and other courses/seminars organized by the Company and external organizations, with an annual participation rate of 22%. - Based on current business conditions, this indicator will be revised to the digital training participation rate next year.	Completion rate of digital training: 90%.	Completion rate of digital training: 95%.	Completion rate of digital training: 100%.	 	3-3 Talent Cultivation and Development
		After the Department of Human Resources consulted with the digital group of the General Manager's Office, the proposal to cooperate with Feng Chia University to purchase the digital course "Financial Digital Literacy" was evaluated and submitted to the General Manager for approval.	Pass rate of internal certification of digital capability: 90%.	Pass rate of internal certification of digital capability: 93%.	Pass rate of internal certification of digital capability: 95%.		3-3 Talent Cultivation and Development
	Increase the proportion of female executives (managers and non-managers).	In 2024, there was one new female manager, raising the total number of female managers to 4, with a proportion of 12.1%.	More than 10% (4 people) as female managers.	More than 15% (6 people) as female managers.	More than 20% (7 people) as female managers.	 	3-2 Talent Attraction and Retention 3-6 Implementation of Human Rights Protection and a Gender Friendly Workplace
		The proportion of female non-managers was 45.75%.	More than 45% of female employees in non-managerial positions.	More than 45% of female employees in non-managerial positions.	More than 45% of female employees in non-managerial positions.		
	Obtain Taipei City workplace gender equality certification.	Application for certification was suspended because of a fine imposed by the competent authority in the fourth quarter; the registration qualifications require no violation of the provisions of the Gender Equality in Employment Act or the Employment Service Act during the application period (2024 to 2025).	Obtain Taipei City workplace gender equality certification.	Continue to maintain the validity of the Taipei City workplace gender equality certification.	Continue to maintain the validity of the Taipei City workplace gender equality certification.	 	3-6 Implementation of Human Rights Protection and a Gender Friendly Workplace
Talent attraction and retention	Competitive remuneration and welfare: Establish diversified communication channels, ensure unimpeded communication with employees, continually provide and review incentive remuneration and welfare systems, and establish a diversified and effective talent retention mechanism.	Plans to cooperate with 104 Job Bank to conduct an "Employee Satisfaction Survey Plan," which is expected to be implemented in 2025.	Employee satisfaction: 4 points or above (full score: 6 points).	Employee satisfaction: 4 points or above (full score: 6 points).	Employee satisfaction: 4 points or above (full score: 6 points).	 	3-4 Healthy and Friendly Fulfilling Workplace 3-2 Talent Attraction and Retention
		Employee retention rate was 85.19%.	Employee retention rate: 85% or above.	Employee retention rate: 85% or above.	Employee retention rate: 85% or above.		

Note : The base year for target setting is 2024.

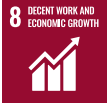
Corporate governance (G1)

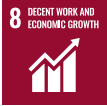
Material topics	Management approach	Implementation	short-term target	medium-term target	long-term target	Corresponding to UN SDGs	Corresponding sections
		2024	2025	2030	2050		
Corporate governance and ethical management	Review the current status of corporate governance implementation in accordance with each indicator of the Corporate Governance Evaluation conducted by the Taiwan Stock Exchange, as well as other relevant laws and regulations.	- The Company's 10th Corporate Governance Evaluation score was 80.19, ranking among the top 50% of TWSE-listed companies. - The Company implemented 11 improvement measures for the evaluation indicators and is actively working toward ranking among the top 20% of TWSE-listed companies.	The result of the Corporate Governance Evaluation ranks among the top 20% of TWSE-listed companies.	The result of the Corporate Governance Evaluation ranks among the top 20% of TWSE-listed companies.	The result of the Corporate Governance Evaluation ranks among the top 20% of TWSE-listed companies.		1-2 Corporate governance
	Establish a corporate integrity culture, attach importance to corporate ethics and social responsibility, and improve corporate sustainable governance.	The test scores of all subjects of ethical management education and training were 100. The training completion rate reached 100%.	Implement ethical management education and training, with test subjects required to achieve 100 points to meet the requirements. The training completion rate must reach 100%.	Implement ethical management education and training, with test subjects required to achieve 100 points to meet the requirements. The training completion rate must reach 100%.	Implement ethical management education and training, with test subjects required to achieve 100 points to meet the requirements. The training completion rate must reach 100%.		1-3 Ethical management
		There was no incident of violation of ethical management in 2024.	No tolerance for ethical management.	No tolerance for ethical management.	No tolerance for ethical management.		
Compliance	Draw up and modify the regulatory compliance plans to ensure that each business of the Company complies with relevant laws and regulations. Draw up a self-inspection plan and handle self-evaluation work according to the regulatory compliance plan.	There was no major violation event related to corporate governance, environment, and labor in 2024.	No major violation events related to corporate governance, environment, and labor have occurred.	No major violation events related to corporate governance, environment, and labor have occurred.	No major violation events related to corporate governance, environment, and labor have occurred.	 	1-5 Regulatory compliance
	Improve first-line employees' concept and knowledge of regulatory compliance and strengthen each unit's education and training in regulatory compliance; ensure that all employees have a thorough understanding of the concept and adhere to the relevant internal and external regulations.	- The number of employees of each unit with a score above 80 points in the regulatory compliance test accounted for 99.5% of total employees. - The training completion rate of education and training courses on regulatory compliance reached 100% in 2024.	- The number of employees of each unit with a score above 80 points in the regulatory compliance test accounted for 99% of total employees. - The training completion rate of education and training courses on regulatory compliance must reach 100%.	- The number of employees of each unit with a score above 80 points in the regulatory compliance test accounted for 99% of total employees. - The training completion rate of education and training courses on regulatory compliance must reach 100%.	- The number of employees of each unit with a score above 80 points in the regulatory compliance test accounted for 99% of total employees. - The training completion rate of education and training courses on regulatory compliance must reach 100%.		

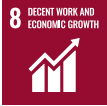
Material topics	Management approach	Implementation	short-term target	medium-term target	long-term target	Corresponding to UN SDGs	Corresponding sections
		2024	2025	2030	2050		
Treating customers fairly and the customer experience	Establish the core value of treating customers fairly in the Company.	- The Company ranked the top 50% in 2024 as per the assessment outlined in the “Principles for Financial Service Industries to Treat Customers Fairly” of the Financial Supervisory Commission. - We strengthened improvements in the evaluation key points, increased regular reporting to the Board of Directors on the implementation of annual KPI for treating customers fairly; we are actively moving toward the top 25% operators.	Remain in the top 25% as per the assessment outlined in the “Principles for Financial Service Industries to Treat Customers Fairly” of the Financial Supervisory Commission.	Remain in the top 25% as per the assessment outlined in the “Principles for Financial Service Industries to Treat Customers Fairly” of the Financial Supervisory Commission.	Remain in the top 25% as per the assessment outlined in the “Principles for Financial Service Industries to Treat Customers Fairly” of the Financial Supervisory Commission.	  	2-2 Implementation of the Principle for Financial Service Industries to Treat Customers Fairly
		The 2024 customer satisfaction survey on auto insurance compensation handling and on-site traffic accident handling were 9.76 and 9.86 points, respectively.	Enhance the customer satisfaction survey for external channels (by adding colleagues); refine the requirements and suggestion items; ensure that the service satisfaction rating is 9.5 points or higher (full score: 10 points).	Enhance the customer satisfaction survey for external channels (expanding agency channels); refine the requirements and suggestion items; ensure that the service satisfaction rating is 9.5 points or higher (full score: 10 points)	Continue the customer satisfaction survey for external and internal channels; refine the requirements and suggestion items; ensure that the service satisfaction rating is 9.5 points or higher (full score: 10 points)		
Treating customers fairly and the customer experience	The Departments of underwriting, marketing, and claims set up annual KPI indicators for treating customers fairly; report the implementation progress regularly to the Board of Directors.	The third quarter implementation progress tracking meeting was held on October 7; the report was submitted to the meeting of Board of Directors in October.	Optimize operating procedures to improve service quality and that the Board of Directors supervises the implementation and execution of treating customers fairly.	Optimize operating procedures to improve service quality and that the Board of Directors supervises the implementation and execution of treating customers fairly.	Optimize operating procedures to improve service quality and that the Board of Directors supervises the implementation and execution of treating customers fairly.	  	2-2 Implementation of the Principle for Financial Service Industries to Treat Customers Fairly

Note : The base year for target setting is 2024.

Corporate governance (G2)

Material topics	Management approach	Implementation	short-term target	medium-term target	long-term target	Corresponding to UN SDGs	Corresponding sections
		2024	2025	2030	2050		
Information security and customer privacy	Introduce ISO 27001 Information security management systems; regularly implement risk assessments for information security; reinforce information security management.	In November 2024, it was confirmed by BSI's external certification body that the ISO 27001 certificate remains valid.	Pass the verification of the new edition of ISO 27001: 2019 Information Security Management System.	Continually maintain the effectiveness of verifying ISO 27001 Information security management systems.	Continually maintain the effectiveness of verifying ISO 27001 Information security management systems.		1-7-1 Information Security Management
	Actively develop digital financial business; prioritize "Information Security;" strengthen information security management; improve information and service quality; assure information risk control of customer service and trading process through systematic and institutional management.	- Members of the information security unit obtained the ISO27001:2022-LA leading auditor license. - The annual availability rate of the operation system host reached 99.9%	- Members of the information security unit shall maintain the validity of the ISO27001-LA auditor license. - The annual availability rate of the operation system host reaches 99.5% (unplanned downtime hours/total operating hours≤0.05%).	- Members of the information security unit shall maintain the validity of the ISO27001-LA auditor license. - The annual availability rate of the operation system host reaches 99.7% (unplanned downtime hours/total operating hours≤0.03%).	- Members of the information security unit shall maintain the validity of the ISO27001-LA auditor license. - The annual availability rate of the operation system host reaches 99.8% (unplanned downtime hours/total operating hours≤0.02%).		
	Introduce the BS10012 Personal Information Management System; establish management measures based on "PDCA;" implement the protection of customer data.	- The Company obtained the international standard certification of "BS10012:2017 Personal Information Management System" in 2022. Verification scope: Automobile Insurance Department, Personal Insurance Department, Personal Insurance Claims Department, E-Commerce Department, Information Department, valid until April 17, 2025. On February 27, 2024, BSI completed the review, maintaining the validity of the certificate. - The self-review of the personal data management system and self-evaluation of regulatory compliance for the second half of 2023 and the first half of 2024 were carried out by each unit in 2024. - The personal data management review meeting was held on December 12, 2024.	- Continue certification rechecks yearly to ensure the validity of the BS10012 Personal Information Management System Certificate. Continually expand the scope of verification of personal information to marketing units. - Execute a self-review of the personal data management system and self-evaluation of regulatory compliance annually. - Conduct a personal data management review meeting once a year.	- Continue certification rechecks yearly to ensure the validity of the BS10012 Personal Information Management System Certificate. Continually expand the scope of verification of personal information to branches. - Execute a self-review of the personal data management system and self-evaluation of regulatory compliance annually. - Conduct a personal data management review meeting once a year.	- Continue certification rechecks yearly to ensure the validity of the BS10012 Personal Information Management System Certificate. Continually expand the scope of verification of personal information to all head offices and branches. - Execute a self-review of the personal data management system and self-evaluation of regulatory compliance annually. - Conduct a personal data management review meeting once a year.		1-7-2 Personal Data Protection

Material topics	Management approach	Implementation	short-term target	medium-term target	long-term target	Corresponding to UN SDGs	Corresponding sections
		2024	2025	2030	2050		
Information security and customer privacy	Implement inventory-taking and a risk evaluation of the personal data from each unit each year; implement personal data security incident response drills; carry out relevant education and training.	The inventory-taking and risk evaluation education and training of the personal data from each unit were completed. There was no substantial violation of personal data in 2024.	Enhance the Company's employees' awareness of information security regarding the parties concerned and avoid major personal information violations.	Enhance the Company's colleagues' awareness of information security regarding the parties concerned and avoid major personal information violations.	Enhance the Company's colleagues' awareness of the security information security regarding the parties concerned and avoid major personal information violations.		1-7-2 Personal Data Protection
		The personal data inventory-taking and risk evaluation were completed in September 2024.	Perform personal data inventory-taking and risk evaluation yearly.	Perform personal data inventory-taking and risk evaluation yearly.	Perform personal data inventory-taking and risk evaluation yearly.		
		The personal data security incident response drill was completed on November 22, 2024.	Execute a personal data security incident response drill yearly.	Execute a personal data security incident response drill yearly.	Execute a personal data security incident response drill yearly.		
Digital finance and innovation	Diversified marketing channels Establish digital marketing e-platforms including Taiwan Fire & Marine Insurance Company Blog, LINE@Life Circle, and FB (Fan Base).	The number of customers purchasing insurance online reached 237,000.	The number of customers purchasing insurance online reaches 300,000.	The number of customers purchasing insurance online reaches 500,000.	The number of customers purchasing insurance online reaches 1,300,000.		2-3 Digital Finance and Innovation 2-8-1 Green Operation Plan 2-8-2 Diversified Online Insurance Products, Provision of a Convenient and Environmentally Friendly Service Platform
		The number of customers using online insurance services reached 68, 100.	The number of customers using online insurance services reaches 70,000.	The number of customers using online insurance services reaches 110,000.	The number of customers using online insurance services reaches 300,000.		
		The accumulated number of members reached 451,000.	The accumulated number of members reaches 450,000.	The accumulated number of members reaches 750,000.	The accumulated number of members reaches 1,700,000.		
		The accumulated number of friends on the LINE official account reached 113,000.	The accumulated number of friends on the LINE official account reaches 100,000.	The accumulated number of friends on the LINE official account reaches 150,000.	The accumulated number of friends on the LINE official account reaches 300,000.		
	Improve innovativeness and agility of services in a customer-oriented manner.	- We gathered and classified relevant information. - We analyzed the most common pain points customers currently encounter and discussed possible solutions with relevant departments. We developed an FAQ/plan for improvement measures, such as website optimization or adding self-service features to improve the customer experience.	Set up a virtual assistant and intelligent chat machine to provide real-time customer support, answer common questions, process basic insurance transactions, and improve the overall customer experience.	Utilize AI to analyze customer data, provide individualized insurance plan recommendations, and make insurance suggestions that are close to customer requirements.	Establish partnerships with financial institutions, technology companies, etc., to jointly build a digital ecosystem, open API interfaces, and achieve data sharing and service interoperability. Continuously introduce new products and services into the ecosystem to meet the diversified needs of customers and expand market influence and competitive advantages.		

Material topics	Management approach	Implementation	short-term target	medium-term target	long-term target	Corresponding to UN SDGs	Corresponding sections
		2024	2025	2030	2050		
Digital finance and innovation	Online underwriting (underwriters rely on system assistance to conduct underwriting reviews online, replacing paper underwriting)	The number of underwriting cases using online underwriting for personal insurance (excluding Compulsory Automobile Liability Insurance) reached 48.41%.	The number of underwriting cases using online underwriting reaches 50% or higher.	The number of online underwriting cases reaches 60% or higher.	The number of online underwriting cases reaches 70% or higher.		2-3 Digital Finance and Innovation 2-8-1 Green Operation Plan 2-8-2 Diversified Online Insurance Products, Provision of a Convenient and Environmentally Friendly Service Platform
	Digital claim settlement: Plan a technological car survey, quick claim settlement, and automatic case assignment.	The Claim Service Department, Personal Lines at the head office conducted the actual operation of the digital car survey in May, and promoted it at the provincial claims conference in June. Presently, digital car survey operations are being rolled out in stages, following the purchase of laptops, software, and other necessary equipment.	Plan the provision of a technological car survey service.	Improve the ratio of the technological car survey service.	Build a motor insurance loss survey platform.		
		Online review of the authorization opinions for vehicle damage claims was completed on November 15, 2024, reducing the amount of paper used for authorization review. The Information Technology Service Department has completed the construction of system fields to optimize claims progress inquiry. The E-Commerce Department is conducting external network screen testing; it can be used online by customers after completion.	Review all personal insurance claim processes; implement digitalization at each workflow node in the system, thereby optimizing claim status tracking to enhance customers' digital service experience. Transition to online claim review operations can eliminate paper documentation and streamline claim processing (reducing paper usage by 30%).	After the operation process is digitized, build a semi-automated identification system and AI assistance to use various digital technologies to enhance operational efficiency for claims settlement operations. This will reduce manual case input operations by 50%, improve efficiency, strengthen digital claims services, and enhance customers' digital experience.	Connect various digital operations completed in the short and medium term on a digital basis; establish new service models and operations; combine with AI artificial intelligence to create paperless internal operations and automated digital claim services.		
Operating performance	Maintain stable operations.	Risk-based capital (RBC) was 990.77% in 2024.	Risk-based capital (RBC) reaches 400% or above.	The insurance capital standard (ICS) reaches 150% or above.	The insurance capital standard (ICS) reaches 150% or above.		1-1 Operating Performance

Material topics	Management approach	Implementation	short-term target	medium-term target	long-term target	Corresponding to UN SDGs	Corresponding sections
		2024	2025	2030	2050		
Risk management	Business Continuity Management (BCM): Ensure continuous operations even in emergencies such as an accident or disaster; minimize the impact and duration of the interruption resulting from an accident, disaster, or management deficiency.	BCM education and training were held on November 26; the analysis table of operational impacts was reviewed and updated.	Review the key operational activities and processes in the annual analysis table of operational impacts.	Review the key operational activities and processes in the annual analysis table of operational impacts.	Review the key operational activities and processes in the annual analysis table of operational impacts.	 	4-1 Operational Risk Management
		Execute education and training once a year for section-level supervisors of each unit's head office and risk management personnel.	Execute education and training once a year for section-level supervisors of each unit's head office and risk management personnel.	Execute education and training once a year for section-level supervisors of each unit's head office and risk management personnel.	Execute education and training once a year for section-level supervisors of each unit's head office and risk management personnel.		
		Perform a business continuity drill once yearly.	Perform a business continuity drill once yearly.	Perform a business continuity drill once yearly.	Perform a business continuity drill once yearly.		
		In November, off-site backup operations were conducted; the recovery time objective (RTO) for the information core system was confirmed to be within 320 minutes.	The recovery time objective (RTO) for the information core system is 320 minutes.	The recovery time objective (RTO) for the information core system is 320 minutes.	The recovery time objective (RTO) for the information core system is 320 minutes.		1-7-1 Information Security Management
	Establish a Risk Management Committee to standardize rigorous risk control processes and strengthen the monitoring of liquidity.	The Risk Management Committee meeting was held on December 26 to submit the risk management report for the fourth quarter of 2024.	Complete four risk management reports yearly and report to the Board of Directors every six months.	Complete four risk management reports yearly and report to the Board of Directors every six months.	Complete four risk management reports yearly and report to the Board of Directors every six months.		4-1 Operational Risk Management
		The self-owned risk and liquidity evaluation report was completed on April 30, 2024 and submitted to the Insurance Bureau.	Prepare a self-owned risk and liquidity evaluation report yearly.	Prepare a self-owned risk and liquidity evaluation report yearly.	Prepare a self-owned risk and liquidity evaluation report yearly.		

Note : The base year for target setting is 2024.

CH1

Sustainable Management and Ethical Governance

The Company is dedicated to improve the quality of customer service and R&D-related management and service systems. It has obtained two patents and leverage channel advantages to continuously promote a diversified product portfolio and capture niche markets. The Company's premium income from policies written throughout the year reached NTD 8,873,819,000, reflecting a growth rate of 6.74%. Its market share of residential fire insurance ranked first in the industry. The Company received a "twAA/Stable" from Taiwan Ratings and a "A-/Stable" rating from Standard & Poor.

Looking back over 2024, Taiwan was affected by the Hualien earthquake on April 3rd and the frequent occurrence of extreme natural disasters such as Typhoon Gaemi, Typhoon Trami, and Typhoon Kong-re. These not only caused severe casualties and infrastructure damage, but further led to an increase in the year-on-year inflation rate. Looking to 2025, the overseas travel market shows a growth trend; private consumption continues to expand, which will be conducive to promoting related businesses. The application of advanced technologies such as data analysis, artificial intelligence, and the Internet of Things not only improves the accuracy of risk assessment but also optimizes the efficiency of claim processing and customer service.

Founded in 1948, Taiwan Fire & Marine Insurance Company has continually adhered to its initial focus on customer service. The Company has operated in Taiwan for 76 years, upholding the six corporate core values of "professionalism, integrity, innovation, team, care, and efficiency." The management policy of "stable operations, customer orientation" guides the pursuit of corporate sustainable development, treating customers fairly, offering financially friendly services, social care, and employee care. In the insurance business, the Company improves customer service quality through patent applications, creates diversified insurance products to maintain competitive market advantages, continually develops high-quality business, and optimizes digital platforms. Regarding investments, the Company is committed to activating assets and employing diversified investment strategies to increase revenue.

Corresponding to the United Nations SDGs (Sustainable Development Goals)



1.1 Operating Performance

In 2024, the operating income of TFMI amounted to NTD 7.34 billion; earnings per share after tax were NTD 3.21. The direct written premium was NTD 8.874 billion, among which the market share of residential fire insurance has ranked first for 10 consecutive years.

I Concise Consolidated Income Statement of the Latest Three Years for Taiwan Fire & Marine Insurance Company (Unit: NTD 100 million)

Year		2022	2023	2024
Capital		36.22	36.22	36.22
Operation capacity	Operating revenue	60.56	67.68	73.40
	Assets	208.91	228.10	249.10
	Shareholders' equity	99.46	111.90	122.72
	Net income	6.72	9.78	11.62
Profitability	Return on assets (%)	3.24	4.48	4.87
	Return on equity (%)	6.68	9.26	9.91
	Net profit margin (%)	11.10	14.45	15.83
	Earnings per share (NTD)	1.86	2.70	3.21
Direct economic value generated (A)		60.56	67.68	73.40
Economic value distributed (B)	Operating costs	38.55	41.16	44.53
	Employee remuneration and welfare	10.83	11.53	11.75
	Dividends distributed to shareholders	3.62	4.71	7.24
	Income tax expenses	1.78	2.00	2.17
	Donations	0.15	0.16	0.21
Subtotal of economic value distributed		54.93	59.56	65.90
Economic value retained (A-B)		5.63	8.12	7.50

I Statistics of 2024 Annual Direct Written Premium & Structure of Each Type of Insurance & Market Share (Unit: NTD thousand)

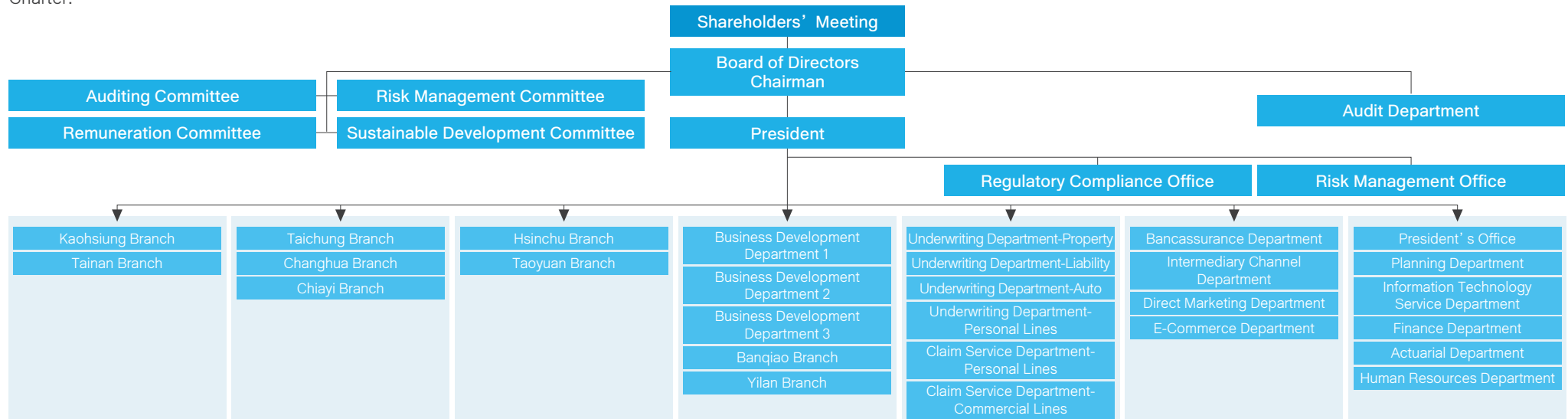
Type of insurance	Direct written premium	Ratio	Market share
1 Arbitrary motor vehicle insurance	3,430,110	38.65%	2.99%
2 Commercial fire insurance	1,324,992	14.93%	3.46%
3 Residential fire insurance	1,001,915	11.29%	13.87%
4 Compulsory automobile liability insurance	737,111	8.31%	3.70%
5 Accident insurance	662,282	7.46%	2.94%
6 Liability insurance	427,597	4.82%	2.17%
7 Engineering insurance	349,643	3.94%	2.09%
8 Marine cargo insurance	330,486	3.72%	4.30%
9 Other property insurance	145,882	2.40%	3.34%
10 Other ^(see note)	463,801	4.48%	-
Total	8,873,819	100.00%	3.28%

Note : Insurance types that accounted for less than 2% of direct written premiums were under "Other."

1.2 Corporate Governance

1.2.1 Organizational Chart

The Board of Directors is the highest governance unit of the Company. It appoints the Deputy President as the Corporate Governance Director, whose primary responsibilities are to supervise and handle matters related to meetings of the Board of Directors and Shareholders' Meetings in accordance with the law; they prepare meeting minutes of the Board of Directors and Shareholders' Meetings, assist directors in their roles and professional development, provide directors with information required for business processes, and assist directors in complying with laws and regulations. The Corporate Governance Director is also responsible for reporting to the Board of Directors on the results of its inspection regarding whether the qualifications of independent directors comply with relevant laws and regulations during nomination, election, and tenure; they are also responsible other matters stipulated in accordance with the Company's Corporate Charter.



1.2.2 Operation of the Board of Directors

TFMI was established over 70 years ago and upholds integrity in corporate culture and a strong corporate governance system with a professional management team, strict risk control management, and internal audit and control mechanisms. Members of the Board of Directors hold expertise and practical experience in various fields such as operations management, accounting and finance, law, insurance and others. Thus, the Board not only complies with the principles of director diversity and gender equality, but exhibits rich practical experience and professional competencies. This is conducive to improving the quality of board decision-making and strengthening the internal supervision mechanism and performance of the Company's corporate values to achieve the enterprise's sustainable development goals.

On the premise of the long-term interests of TFMI and all shareholders, all Company directors shall ensure the effective and smooth operation of the Board of Directors in accordance with the high standard of corporate governance, exercise their directorships in an objective and independent manner, and abide by the norms of the Company Act. Recently, several internal regulations have been enacted, which include "Guidelines for Corporate Governance Practice," "Policy for Treating Customers Fairly Principle," "Strategies for Treating Customers Fairly Principle," "Salespeople Remuneration System," "Guidelines for Sustainable Development Practice," "Sustainable Development Policy," "Ethical Management Guidelines" and other internal control specifications. These serve to supervise organizational activities and improve the Company's management system and corporate governance effectively.

1.2.3 Board Composition and Independence

The 27th Board of Directors of TFMI comprises 11 directors, including three independent directors, accounting for 27%. The Company currently has neither directors who concurrently serve as managers nor directors with employee status. Over 81% of the Board seats are held by individuals without spousal or second-degree kinship relationships, complying with Article 26-3, Paragraph 3 of the Securities and Exchange Act. It also complies with the Director Election Method, the Board of Directors' Procedures, the Rules on the Scope of Responsibilities of Independent Directors, and the Director Performance Evaluation Measures etc. Six board meetings were held in 2024, with an average attendance rate of over 90%. The Board of Directors has a transparent and adequate information disclosure process to understand the Company's operational performance and determine future direction. Decisions that have a significant impact on the Company's growth, performance improvement, operational development objectives, and risk control management, etc. are discussed in depth and communicated. The Board of Directors effectively supervises and guides the Company's management class and gives full play to the functions of the Board of Directors, taking a two-way communication approach. Refer to the 2024 Annual Report for the details of the composition of the Board of Directors.

I Composition of the 2024 Board of Directors

Category		Number of people	Percentage
Gender	Male	7	64%
	Female	4	36%
Age	Below 30	0	0%
	30-50 years old	0	0%
	Over 50	11	100%
Total		11	100%

Director elections follow the candidate nomination system provided in Article 192-1 of the Company Act. The overall configuration of the Board of Directors shall be considered in the election and appointment of the directors. The Board's composition is determined by considering diversity and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. A spousal or familial relationship within the second degree of kinship may not exist among more than half of directors. The functionality of the Board of Directors is strengthened to enable objective and independent judgments of corporate finance and business.

In accordance with the Board of Directors' performance evaluation measures and evaluation methods, evaluation should be carried out by an external professional independent institution or an external team of experts and scholars at least once every three years. In 2024, the Company commissioned the Taiwan Corporate Governance Association to conduct the 2024 external performance evaluation of the Board of Directors. The evaluation results are summarized as follows:

1. The Company's Board members' backgrounds include economics, operations management, finance and insurance, accounting and taxation, information and other fields. The directors have the industry decision-making ability and operational and management experience required to perform their duties.
2. In addition to the Remuneration Committee and Auditing Committee, the Company has also established a Risk Management Committee and a Sustainable Development Committee. These four functional committees now all comprise independent directors.
3. The Company appoints a Corporate Governance Director, whose primary responsibilities are to supervise and handle matters related to Board of Directors' and Shareholders' Meetings in accordance with the law, prepare meeting minutes of the Board of Directors and Shareholders, assist directors in their job roles and professional development, provide directors with information needed to perform business processes, and assist directors in complying with laws and regulations. The Corporate Governance Director is also responsible for reporting to the Board of Directors on the results of its inspection regarding whether the qualifications of independent directors comply with relevant laws and regulations during nomination, election, and tenure, and other matters stipulated in accordance with the Company's articles of association.
4. The Chair of the Company's Board of Directors adopts open leadership; the discussion atmosphere of the Board of Directors is inclusive. The Chair attaches importance to the discussion culture of brainstorming and respects the opinions of Board members; various Board proposals can be fully discussed and the quality of proposal decision-making can be improved.
5. The Company considers professionalism, independence, and diversity in its selection of Board members. Independent directors are outstanding figures in the industry and have the courage to serve. They actively participate in the operation of the Board of Directors and contribute their strengths to help the Board of Directors play its role effectively.
6. The Company attaches great importance to cultivating managers and their succession planning, including setting up key talent pools with regular inventory, using education and training, project tasks, and rotation to cultivate their capabilities. The implementation results of the management development plan are reported to the Board of Directors in April each year. This strengthens the Board of Directors' supervision of the depth and breadth of talent training functions to continue to create momentum for the Company's sustainable development.

1.2.4 Diversity Policy for Board Members

TFMI has clearly stated in “Guidelines for Corporate Governance Practice” that the composition of its Board members shall consider diversity. It has formulated appropriate diversification policies based on the Company’s operations, operational patterns, and development needs, including the following criteria:

1. Basic conditions and values: gender, age, nationality, culture, etc.
2. Professional knowledge and skills: professional background (e.g., legal, accounting, industry, finance, marketing or technology), professional skills and industry experience TFMI’s 27th Board of Directors consists of 11 directors (including three independent directors); members focus on the elements of diversity and are composed of experts in law, finance, and the industry. Among them are three doctorates and six masters, covering professional fields such as business management, information, law and business; they possess the knowledge, skills and qualities necessary to perform their duties. Regarding the tenure of independent directors, one independent director has seniority below three years and two have seniority of three to six years. Regarding age, there are six directors aged 51 to 60 years old, three directors aged 61 to 70 years old, and two directors aged 70 to 75 years old. The Company attaches great importance to gender equality of Board members; there are two female independent directors this year, and there are four female directors in total, accounting for 36%. The professional independent directors with a doctorate in law and partner background in large legal firms have also been recruited.

To achieve the ideal goal of corporate governance, the Board of Directors possesses the following capabilities:

Director’s name	Gender	Diversity core items								
		Operational judgment	Accounting and financial analysis skills	Operational management capabilities	Risk control management knowledge and competence	Crisis management capabilities	Financial and insurance expertise	International market observation capabilities	Leadership	Decision-making ability
Steve Lee	Male	●	●	●	●	●	●	●	●	●
Charles Sung	Male	●	●	●	●	●	●	●	●	●
Mei-Ling Wu	Female	●	●	●	●	●	●	●	●	●
Yi-Bao Lin	Female	●	●	●	●	●	●	●	●	●
Wei-Hsin Wang	Male	●	●	●	●	●	●	●	●	●
Chung-Chou Chang	Male	●	●	●	●	●	●	●	●	●
Bing-Fu Chen	Male	●	●	●	●	●	●	●	●	●
Chien-Cheng Li	Male	●	●	●	●	●	●	●	●	●
Liang-Chi Chang	Male	●	●	●	●	●	●	●	●	●
Cheng-Ching Huang	Female	●	●	●	●	●	●	●	●	●
Nien-Tsu Chiang	Female	●	●	●	●	●	●	●	●	●

Note : ● indicates having partial capability.

1.2.5 Professional Governance

The Board of Directors follows the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Companies” and conducts director refresher courses each year. The directors take part in diverse continuing education courses and focus on numerous relevant topics. These include the observation of pertinent information on the application of IFRS 17 by the property insurance industry, sustainable finance and corporate sustainability strategies, sustainability trends analysis, sharing corporate operating risks, opportunities, and management trends in the financial industry in preventing money laundering and combating capital terrorism, and how directors and supervisors supervise companies to establish and promote improved risk management systems. External courses are integrated with crucial international risk management indicators and knowledge to strengthen the functions of Board risk governance and ESG social sustainability. The continual arrangement of such diversified external courses serves to enhance professionalism, fulfill the duty of care in faithful execution of business and sound management, and improve business decision-making and leadership supervision. The Board of Directors supervises and reviews the Sustainability Report submitted and issued by the Sustainable Development Committee and the progress of various sustainable work yearly to ensure that the operation of the Board of Directors is effective and aligned with international trends. Please refer to the Company’s 2024 Annual Report for details on the directors’ continuing education.

To continuously improve information security protection in response to business development and technological advancements, the Company conducts information security education and training for directors and supervisors. This serves to enhance Board members’ understanding of the information security climate and supervision of the Company’s establishment of an information security risk management structure and formulation of information security policies. This effectively incorporates information security risks into operational decision-making considerations and promotes an organizational culture that values information security.

1.2.6 Functional Committees

To effectively fulfill the functions of the Board of Directors and improve the quality of the Board’s decision-making for achieving the “Most Valuable and Trusted Insurance Company” as the Company’s Vision, TFMI invites professionals from various fields to serve as independent directors and members of functional committees. Committees are responsible for the discussion of essential bills and issues such as economy, environment, society, and risks. Based on their expertise, committees help to further strengthen corporate governance and increase the participation of independent directors in the Company’s important business.

Overview of the Composition and Responsibilities of the Board of Directors and Various Functional Committees:

Name	Description	Operation in 2024
Board of Directors	- The Board of Directors consists of 11 members; Mr. Steve Lee is the Chairman; there are three independent directors. - The functions and powers of the Board of Directors include the confirmation of the enterprise’s business objectives, review of budget and accounts, the formulation of surplus distribution, the formulation of capital increase and decrease, validation of chapters, corporate governance, among others.	- Six meetings were held. - Resolutions on Employee and Director’s Compensation Case, Annual Business Report, Financial Report, and others. - Resolutions on amendment of major regulations, and matters negotiated and determined according to regulatory requirements, etc. - Resolution of the Company to donate to the Taiwan Fire & Marine Culture and Education Foundation.
Auditing Committee	- The Audit Committee consists of all independent directors, one of whom serves as the convener. At least one member has expertise in finance or accounting. - The Company’s independent director, Cheng-Ching Huang, is the convener, and independent directors Nien-Tsu Chiang and Liang-Chi Chang are members. There are a total of three members. - Its primary responsibility is the supervision of the following matters: - Accurate presentation of the Company’s financial statements - Selection (dismissal), independence, and performance of certified accountants - Effective implementation of the Company’s internal control - Ensuring the Company is following relevant laws and regulations - Management and control of existing or potential risks of the Company	- Six meetings were held - The appointed accountant explained to the Audit Committee the financial report review at the time of the semi-annual report and the annual report; communicated with independent directors on the implementation of internal control testing, findings, recent statutory updates, etc.

Name	Description	Operation in 2024
Remuneration Committee	- Members of the Remuneration Committee are appointed following the resolution of the Board of Directors. This committee comprises at least three members; more than half of the members shall be independent directors. The professional qualifications and independence of committee members comply with the provisions of Article 5 and Article 6 of the Measures for the Functions and Powers of the Remuneration Committee. They faithfully perform duties with the care of an effective administrator and submit proposed recommendations to the Board of Directors for discussion. - The Company's independent director, Cheng-Ching Huang, is the convener, and independent directors Nien-Tsu Chiang and Liang-Chi Chang are members. - Regularly review the organizational procedures of the Remuneration Committee and make recommendations for amendments. - Establish and regularly review the policies, systems, standards, and structures for performance evaluations and the remuneration of directors and managers. - Regularly assess and determine the remuneration of directors and managers.	- Five meetings were held. - The remuneration system is essential to corporate governance and risk control management. Annual performance and remuneration of directors and senior managers were assessed and reviewed, the provision of annual directors' remuneration and employees' remuneration was reviewed, and productivity and business performance of the enterprise were improved to further promote the sustainable development of the business.
Risk Management Committee	- Eight to 10 members are appointed to the Risk Management Committee; one serves as the convener. The Chair invites one independent director with a professional background in financial insurance, accounting, or finance to serve as the convener. In addition to the President and head of the Risk Management Department, ex-officio members, other members are designated by the convener. - Cheng-Ching Huang, the independent director with a professional background of financial insurance and finance, is the convener; in addition to the President and head of the Risk Management Department who are ex-officio members, other members are designated by the convener. - Responsibilities of the Company's Risk Management Committee: - Formulate risk management policies, structures, and organizational functions, establish qualitative and quantitative management standards; regularly report to the Board of Directors; promptly report to the Board of Directors on implementing risk management; make necessary improvement suggestions. - Implement risk management decisions of the Board of Directors and regularly review the development, establishment, and implementation effectiveness of the Company's overall risk management mechanism. - Assist and supervise all departments in risk management activities. - Assist in reviewing relevant operations related to the formulation of risk limits.	- Five meetings were held. - The risk management report, self-risk and liquidity assessment reports were submitted; the risk control mechanisms for natural disaster insurance were formulated, etc.
Sustainable Development Committee	- The Committee comprises at least three directors recommended by the Board of Directors, with more than half of its members being independent directors. One independent director recommended by all the members serves as the convener. - Cheng-Ching Huang, the independent director, serves as the convener, and independent directors Nien-Tsu Chiang and Liang-Chi Chang are members. There are a total of three members. - Responsibilities of the Company's Sustainable Development Committee: - Formulate, promote and strengthen the Company's Sustainable Development Policy, annual plans and strategies, etc. - Review, track, and revise sustainable development implementation and effectiveness. - Supervise the disclosure of sustainable information and review the Sustainability Report. - Supervise the implementation of the Company's Sustainable Development Code and other sustainable development-related work resolved by the Board of Directors.	- Two meetings were held. - In addition to reporting on the formulation and implementation of Material topics of sustainable development, the committee established management policies and short, medium, and long-term goals specifically focusing on the importance of issues related to Human Rights protection.

1.2.7 Remuneration Policy for Directors and Managers

I Directors' Remuneration

Reasonable remuneration of TFMI's directors is provided in accordance with Article 35-1 of the Articles of Association; it states that "if the company makes a profit for the year, it shall allocate 1% to 5% of the profit as employee compensation and allocate up to 5% as director compensation. Independent directors shall not participate in the distribution of director compensation," in consideration of the Company's operating results with reference to their contribution to the Company's performance. In the future, the Company plans to link the directors' remuneration with ESG-related performance evaluation.

I Managers' Remuneration

Managers' remuneration includes monthly salary, festival bonuses, year-end performance bonuses, managers' benefits, and special bonuses granted based on managers' professional qualifications, special contributions, and outstanding achievements. The remuneration of each manager shall be handled according to Measures for the Administration of Managers' Remuneration; it is deliberated by the Remuneration Committee and approved by the Board of Directors following resolution. The Company has formulated management methods and targets for Material topics of sustainable development (short, medium, and long-term targets), covering the three significant aspects of E-S-G, for committing to creating the most significant contribution to society and the environment in achieving the Company's sustainable operations. Variable bonuses of senior managers are linked to sustainable development indicators and are listed as one of the annual personal performance appraisal items.

Performance indicators		Weight of performance (%)
Unit performance		50
Management performance		5
Corporate governance performance (audit/compliance)		15
Sustainable development	Practice of major ESG issues:	
	- Environmental protection (E): climate change management - Social responsibility (S): product marketing and information transparency, talent cultivation and development, talent attraction and retention, employee health and workplace safety - Corporate governance (G): ethical management, compliance, corporate governance, information security and customer privacy, operating performance, digital finance and innovation, risk management	4
	Talent cultivation	4
	Work innovation and other optional items	12
Work attitude		10
Total		100

I Relevancy of Procedures for Determining Remuneration to Operating Performance and Future Risks

The remuneration procedures follow the relevant performance evaluation methods of TFMI's directors and managers as the basis for evaluation. The evaluation items of directors' performance include directors' participation in the Company's operations, improvement in the Board of Directors' decision-making quality, understanding of the Company's goals and missions, understanding the directors' responsibilities, management and communication of internal relations, and strengthening expertise and continuing education, etc. The evaluation items of managers' performance include goal-reaching rate, profit rate, project performance, management performance, etc. Reasonable remuneration is provided based on evaluation. Relevant performance assessments and the reasonableness of remuneration are reviewed by the Remuneration Committee and the Board of Directors. The remuneration system is reviewed as appropriate based on the actual operating conditions and in accordance with relevant laws and regulations to pursue a balance between corporate sustainable management and risk control.

1.3 Ethical Management

TFMI considers ethical management critical, from establishing a corporate ethical culture to corporate ethics and social responsibility. A Sustainable Development Committee has been established under the Board of Directors. Members of the committee are all independent directors. The Planning Department is appointed as the full-time (part-time) unit to promote the Company's ethical management. It is responsible for the formulation and supervision of the implementation of ethical management policies, operating procedures, and behavioral guidelines. It reports regularly (at least once a year) to the Board of Directors on the implementation status of ethical management operations and response measures to incidents involving dishonest behavior.

Highlights for Promoting Ethical Management

- 1 Assist in integrating integrity and ethical values into the Company's business strategy; ensure the formulation of relevant anti-harm measures of ethical management in conjunction with the statutory system.
- 2 Regularly analyze and evaluate the risks of dishonest behavior within the business scope; formulate operating procedures and behavioral guidelines accordingly; formulate work and business-related standard operating procedures and behavioral guidelines in each plan.
- 3 Plan internal organization, preparation and function, and set up mutual supervision and checks and balance mechanisms for business activities that have the risk of dishonest behavior within the scope of business.
- 4 Promote and coordinate the training of integrity policy advocates.
- 5 Establish a whistleblowing system to ensure the effectiveness of implementation.
- 6 Assist the Board of Directors and management in verifying and evaluating the effectiveness of the preventive measures established by the implementation of ethical management; regularly report on the assessment of relevant business processes and compliance.



Summary of the Key Points for the Code of Ethical Conduct

Key points	Content
1 Prevention of conflict of interest	State proactively whether there is a potential conflict of interest with the Company.
2 Avoidance of opportunities for self-interest	Be responsible for increasing the legitimate benefits that the Company can obtain when the Company has a chance to make a profit.
3 Responsibility for confidentiality	Have an obligation to keep confidential the information of the Company itself or its upstream and downstream suppliers, except for the disclosure of the information authorized or required by law.
4 Fair trade	Treat fairly the Company's suppliers, customers, competitors and employees; do not manipulate, conceal or misuse the information obtained due to their positions.
5 Protection and appropriate use of company assets	All employees and stakeholders are responsible for protecting the Company's assets and ensuring they are used effectively and legally for official business.

I Anti-Corruption and Dishonest Risk Assessment

TFMI conducts business activities based on the principles of fairness, honesty, trustworthiness, and transparency. To implement ethical business policies and actively prevent dishonest behaviors, the Company has established an assessment mechanism for the risk of dishonest behavior in accordance with the Company's "Ethical Management Guidelines" and "Ethical Management Operating Procedures and Conduct Guidelines." This serves to analyze and evaluate business activities with high risks of dishonest behavior within the business scope, which is reported to the Board of Directors regularly (at least once a year). In 2024, the Company's 44 operating locations conducted self-assessments on business activities with high risks of dishonest behavior within their business scope; the results show that no dishonest behavior occurred.

The Company has set up a whistleblower hotline (2371-7019) and e-mail (EthicalManagement@tfmi.com.tw) in accordance with the "System for Handling Whistleblowing of Illegal Cases" to provide internal and external personnel with the reporting channels for contacting the dedicated unit for handling matters discovered. It implements a whistleblower protection mechanism to protect the identity of whistleblowers and make the Company's operations more transparent. The Company not only internally requires employees to abide by moral values and professional behaviors, but also strictly prohibits conflicts of interest that arise externally or may arise between suppliers and the parties concerned. In addition to requiring suppliers not to provide improper benefits to the concerned parties, the Company may simply cancel or terminate the contract if there is a breach of integrity or corruption.

The Company's management strictly adheres to the principle of integrity. The heads of each department are responsible for carrying out anti-corruption advocacy within the department to instill the appropriate concepts within its employees. The Company had not committed any illegal acts during the reporting period. All staff are 100% in compliance with ethics and regulations, and internal education and training are carried out every year. In 2024, all employees completed ethical management courses and online tests, with test scores of 100 points and a completion rate of 100%. The corporate integrity management concept has been specifically implemented.

I Anti-Money Laundering and Combating the Financing of Terrorism

Policy and Process

TFMI has formulated management policies for risk assessment and prevention plans of money laundering and the financing of terrorism, regularly reviewing relevant policies and procedures each year. It has established a name verification system to connect to the core system. This system screens and verifies the identities of all parties involved in business transactions with the Company, including policyholders and insured persons from quotation to policy issuance, beneficiaries of claim payouts during claims settlement, third-party refund recipients for premium returns, investment objects handled by the Finance Department and the Company's employees and contractors.

To cooperate with laws and regulations related to the prevention of money laundering and the fight against financing terrorism formulated by the competent authorities, the Company has drafted a list of absolute prohibited transactions; if anyone is found on the list, the Ministry of Justice Investigation Bureau will be notified in accordance with the regulations after internal operating procedures are completed. If not in the list, the risk level of the customer will be assessed according to the nature of the business and background and customer due diligence will be conducted. Customer profiles above the medium risk level are reviewed by a dedicated officer. A transaction status report is established in the system to monitor suspicious transactions continually.

Education and Training

The dedicated unit regularly implements awareness around anti-money laundering among colleagues each year. All employees undergo two-hour online e-learning anti-money laundering education and training for 921 person-time yearly, for a total of 1,842 hours. Additionally, underwriting, claim settlement, financial personnel and colleagues performing business related to anti-money laundering are provided with two-hour physical education and training via the dedicated unit. The content includes updates on anti-money laundering prevention, information on fraud prevention, and teaching colleagues how to detect fraud. The management supervisors, special supervisors, and dedicated personnel of each unit also receive 12 hours of physical education and training each year to provide colleagues with knowledge and professionalism regarding anti-money laundering.

Verification Mechanism

Through the insurance industry's three lines of defense, the Legal Compliance Office conducts self-assessments on law compliance twice a year in accordance with relevant laws and regulations on anti-money laundering. The Audit Department formulates self-auditing matters based on relevant internal control regulations and conducts general audits regularly to ensure the effective implementation of money laundering prevention.

1.4 Responsible Investment

TFMI follows Article 4 of the Taiwan Stock Exchange Corporation: “Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies,” which states that the financial and insurance industry shall strengthen the disclosure of specific policies on environmental and social aspects of corporate financial products and services. Following the above policy, companies should also encourage and focus on customers or other clients within the scope of an agreement or transaction; follow the operating procedures required by financial and insurance providers in environmental and social aspects; achieve reasonable performance indicators. The above corporate financial commodities should include, at the least, lending, project financing, mutual funds, and insurance and investments of enterprise and other stakeholders.

Facing increasingly severe environmental pollution, climate change, energy supply and demand issues, and other ecological crises—as well as social and industrial economic challenges—the Company has developed the Investment Management Process Practices based on the Stewardship Principles for Institutional Investors by the Taiwan Stock Exchange Corporation and the Principles for Responsible Investment (PRI), including social responsibility as a consideration in corporate investment. While selecting investment targets, the Company not only complies with relevant financial norms, but also considers whether an investment target protects the environment and upholds corporate integrity and social responsibility. This ensures that the Company’s investments have positive economic benefits for society, creating sustainable social value for the capital market and the public in implementing corporate social responsibility.

By the end of 2024, the face value of sustainable development bonds invested by the Company in the TPEX reached NTD 50 million. The stock investments in solar power plants, which are public investments, amounted to NTD 200 million.

The Company invested in AcSun Energy Inc. with an investment amount of NTD 200 million, obtaining investment income from stable electricity sales yearly. AcSun Energy Inc. has two subsidiaries with 71.18 MW solar power generation projects currently. In 2024, green electricity generation reached 99.71 million kilowatt-hours. Based on the calculation with the 2023 annual electricity carbon emission coefficient of 0.494 kg CO₂/kWh announced by the Bureau of Energy, 49,256 metric tons of CO₂ emissions can be reduced. In addition to signing power purchase and sales contracts for solar photovoltaic power generation systems with Taiwan Power Company, AcSun Energy Inc. has also signed green power transfer contracts with private companies. It will continue to develop the project site and actively promote green power sales services in the future.

Total Investment Assets Classified per Industry and Asset

NO.	Investment item	Total investment amount (NTD Thousand)	Ratio (%)
1	Real estate	2,263,982	10.93
2	Secured loans	0	0.00
3	Policy loans	0	0.00
4	Foreign stocks	0	0.00
5	Foreign fixed income (including international bonds)	1,167,530	5.64
6	Domestic fixed income	5,130,450	24.78
7	Domestic stocks and funds	3,912,619	18.90
8	Deposits and equivalent cash	7,327,778	35.39
9	Venture investments and public investments	904,632	4.36
Total		20,706,991	100.00

1.5 Regulatory Compliance

I Regulatory Compliance Risk Management System

TFMI has established a regulatory compliance management and supervision mechanism and handles regulatory compliance assessments semi-annually to respond to strict financial supervision trends and effectively improve law compliance risk monitoring. With long-term concerns about the requirements of and updates to regulations that impact relevant company operations and the financial insurance and legal environment internally and externally, the Company has established a “regulatory compliance system.” This system ensures that all departments adhere to legal requirements and promote a culture of compliance. The Company has established the Regulatory Compliance Office, which is responsible for reviewing and updating the regulatory compliance system of the Company in a timely manner, based on changes in laws and regulations issued by the Financial Supervisory Commission and other relevant units. The head of the Regulatory Compliance Office reports to the President semi-annually on the Company’s regulatory compliance implementation. It periodically implements regulatory compliance risk assessments and reports to the Board of Directors. In 2024, there were no major violations related to corporate governance, the environment, or labor.

Each unit shall follow internal and external laws and regulations and, if necessary, establish rules for internal operations. The Regulatory Compliance Office urges departments to review their operational regulations to ensure compliance. It conducts cause analysis and impact assessments for significant deficiencies or shortcomings, providing recommendations for improvement. Relevant documents are submitted to the Board of Directors for real-time updates and decision-making.

I Technology-based Risk Management of Regulatory Compliance – Establishment of Regulatory Compliance Risk Assessment Management System

Based on the existing management and supervision framework of regulatory compliance, the Company’s Regulatory Compliance Office continuously focuses on identifying and evaluating different regulatory compliance risks. It has established a regulatory compliance risk assessment management system to ensure compliance with external laws, regulations, and the Company’s internal policies during corporate operations. A comprehensive regulatory compliance risk assessment management system is used to measure the risk weight of each business to review high-risk business projects and units; based on the risk assessment test results, the Office provides analyses and suggestions to lower the legal risks of the Company’s operations management and degree of impact.

The Company was granted a utility model patent for the “Regulatory Compliance Risk Assessment Management System” by the Ministry of Economic Affairs in April 2022. The system’s establishment was completed during the 4th quarter of 2023. During this process, 74 risk cases were identified and assessed for a preliminary assessment of the Company’s current legal risks. The regulatory compliance tests were conducted on risk units to gradually inspect the Company’s regulatory compliance and strengthen the monitoring mechanisms.

I Education and Training for Regulatory Compliance

The Company continually provides regulatory compliance-related education, training, and business advocacy to enhance employees’ knowledge and capabilities in regulatory compliance, strengthen their legal expertise and promote key compliance concepts. Employees are educated on risks and preventive measures in processes, operations, and systems, and required to implement them to ensure that all operating procedures comply with relevant regulatory requirements. Additionally, the Company organizes an online “Annual Regulatory Compliance Test” for employees to review their understanding of relevant laws and regulations. The average score of TFMI’s 2024 Regulatory Compliance Test reached 99.09 points, indicating that employees’ awareness of regulatory compliance has been integrated into daily operations.

I Improvement of Penalty Cases

In 2024, TFMI had one penalty case, which was not a major violation (judgment criteria: major penalty cases of the Company identified or announced by the Financial Supervisory Commission). The Company has conducted a cause analysis for the penalty case, assessed the possible impact, and put forward improvement suggestions. All units and industries have completed the necessary improvements.

I Main Duties of Regulatory Compliance Office

1. Establish clear and appropriate mechanisms for regulation delivery, consultation, coordination, and communication.
2. Confirm that relevant operation and management rules are updated to align with the necessary regulations in time to ensure compliance of each operating activity under the regulatory provisions.
3. When the Company launches various services, insurance products, or products that require approval as recognized by the competent authority due to major changes—or when it uses specific or significant funds—the regulatory compliance supervisor of the general institution shall issue relevant opinions to ensure compliance with laws, regulations, and internal policies, and shall sign them for accountability.
4. Establish evaluation criteria and procedures for regulatory compliance; supervise and encourage each unit to regularly conduct a self-inspection of the implementation status of criteria and procedures.
5. Assist in organizing regulatory compliance advocacy, education, and training to strengthen the Company’s internal compliance culture and awareness.
6. Supervise and encourage the regulatory compliance officer of each unit to introduce, establish, and implement relevant internal policies and procedures.

1.6 Participation in Associations and Memberships

To promote the development of the insurance finance industry in Taiwan, TFMI actively participates in the activities and various matters of relevant unions, associations, institutions, and other organizations. It frequently conducts intensive communication and exchanges with industry members, aiming to contribute to property insurance and financial industry markets. The Company also provides feedback on the outcomes of exchange to the community and its customers; it continues to introduce all types of insurance products and services that closely align with customer needs. In the future, we will continue to participate in organizations and initiatives related to sustainability—such as externally initiated ESG efforts, in addition to existing fields, to promote the sound and sustainable development of the Company and the insurance industry.

List of Participating Unions

Associations as of December 2024

No.	Name of organization	Member representative	Position held
1	Taiwan Chamber of Commerce & Industry	Steve Lee, Chairman	Governor
2	Taoyuan Enterprise Chamber	Steve Lee, Chairman	Member Representative
3	Taiwan Listed Companies Association	Steve Lee, Chairman John Chen, President	Member Representative Member Representative
4	Insurance Society of the Republic of China	John Chen, President Chia-Lin Sheu, Executive Vice President	Member Representative Member Representative
5	The Non-Life Insurance Association of the Republic of China	John Chen, President Chia-Lin Sheu, Executive Vice President Allen Cheng, Vice President	Member Representative/ Governor Member Representative Member Representative/ Supervisor
6	Risk Management Society of Taiwan	Chih-Hui Hsu, Manager	Member Representative
7	Taiwan Financial Services Roundtable	John Chen, President	Member Representative
8	Nuclear Insurance Association of the Republic of China	John Chen, President	Member Representative
9	Taiwan Residential Earthquake Insurance Fund	Hong-Hsing Chuang, Associate	Member of Coinsurance
10	Engineering Insurance Association (EIA)	John Chen, President Andrew Hsieh, Vice President	Member Representative / Director
11	Institute of Financial Law and Crime Prevention	Hong-Hsing Chuang, Associate	Member Representative



1.7 Information Security and Customer Privacy Protection

In the era of rapid digital development, information security and customer privacy protection have become core responsibilities of corporate operations. Upholding the concept of “trust, integrity and security,” the Company is committed to establishing a sound information security management mechanism to ensure the confidentiality and integrity of customer information. It continuously strengthens information security protection measures, complies with relevant regulations and international standards, and mitigates information security risks through employee training and technological innovation. We provide customers with a safe service experience and implement sustainable business commitments.



Execute and promote the “Personal Data Management” and “Information Security Management” systems to conduct comprehensive inventory-taking of current processes and security control and equipment security regularly; implement risk assessment and analysis.

Establish an automatic email filtering system, proactively intercept the scanning of personal data, and strengthen network information security.

Regularly update the firewall system, establish IP defense control systems, prevent the invasion of malware, introduce an allowlist management system, etc., to strengthen the system’s personal data protection procedures.

Carry out information classification and personal computer installation program control, establish network isolation and attack block facilities, and continually monitor external threats.

Prioritize and uphold the preservation of customer privacy, protection of sensitive data, respect of intellectual property, application of electronic communication, etc., fulfill the responsibilities of management and protection; comprehensively implement customer privacy and personal data work in a systematic and organizational way.

Conduct simulation drills of emergency events regularly to strengthen the strain capacity against information security incidents.

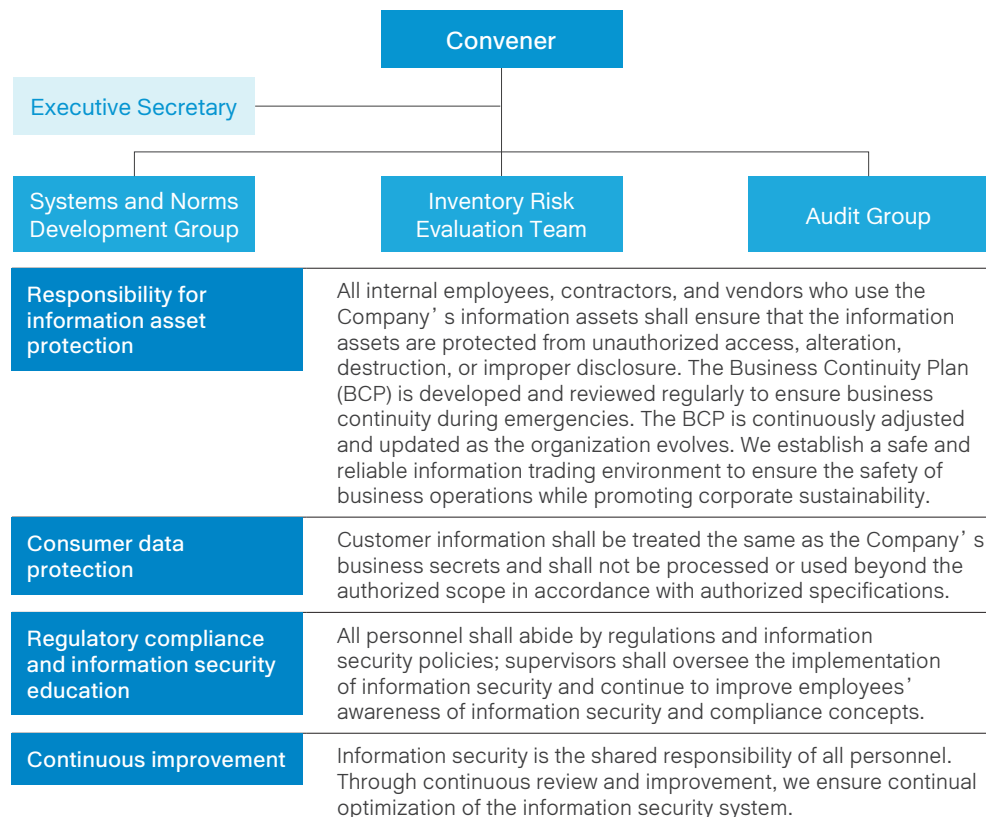


1.7.1 Information Security Management

TFMI has established an information security management plan, adopted the “Plan-Do-Check-Act” (PDCA) management model, and established an Information Security Management System (ISMS) in accordance with ISO/IEC 27001 international standards. By continuously optimizing and strengthening information security management, we ensure the confidentiality, integrity, and availability of customer and internal operating information, reducing operational risks.

I Information Security Policy

The Company has established an “Information Security Management Committee” to regularly review the information security management system and implementation effectiveness each year to ensure the effectiveness of information security management operations. We have established an information asset inventory and risk management mechanism while taking appropriate risk management and control measures for risks above acceptable levels to reduce information security risks.



I Investment of Resources in Information Security Management

TFMI currently has two dedicated information security units and 10 Information Security Management Committee members. Information security insurance is renewed yearly, with the insurance scope covering data leakage responses, administrative fines and penalties, restoration, business interruption, cyber extortion, cybercrime, payment card industrial data security standards, confidentiality and privacy responsibilities, cybersecurity responsibilities, media responsibilities, etc. Regular management review meetings are held yearly to review the implementation of information security strategies and systems. This ensures continuous optimization and adjustment of information security management.

Information security education and training/advocacy	Participants	Total hours
Information Security Advocacy Course	917	2,751
Information Security Trojan War-Social Engineering and Hacking Techniques	212	424

I Information Security Risk Management Structure and Specific Management Plan

The Company regularly conducts information security risk assessments each year to take remedial measures and strengthen defense mechanisms for assets or operating processes above acceptable levels. This ensures that information security risks can be effectively managed and reduced.

The division of functions and responsibilities of the Information Department are as follows: the control of system development and program modifications; preparation of system documents; the control of access to programs and data; the control of data input and output; the control of data processing; access control in computer rooms; security control of systems, files, computers, and communication equipment; control of the purchase, use, and maintenance of hardware and system software; the prevention and control of computer viruses and network intrusions; the control of system recovery plans, disaster preparedness plans, and test procedures; the control of outsourcing core business; the control of confidentiality and security of confidential information of customers and the Company; the prevention and control of computer-related crimes—these are all handled in accordance with the self-regulatory standards established by the commercial trade association to which they belong.

I Information Security Engineering, Testing, and Protection against Scanning

The Company regularly conducts vulnerability scanning, penetration testing, source code scanning, and other testing operations across various systems. It performs risk assessments based on each test result. For high-risk items, repair or compensatory control measures are initiated immediately. For medium- and low-risk items, appropriate improvement measures and completion schedules are established, and progress is continuously tracked.

In accordance with the “Principles for Information Security Assessment Operation of Computer Systems in the Insurance Industry,” information security assessment operations are conducted regularly each year. These cover various aspects of the system’s information architecture, network activities, security testing, compliance with information security policies, etc. This ensures the system’s ability to prevent various attacks and comply with relevant security standards. It continuously improves system stability and reliability, reduces potential information security risks, and protects the data security of the Company and its customers.

I Information Security Inventory and Drills

The Company regularly conducts inventory operations of assets such as permissions, accounts, and equipment to ensure the security and legitimacy of each asset; it avoids unauthorized access or a waste of resources, ensuring the safe and stable operations of the information system.

A comprehensive continuous operation drill plan has been established. Relevant tests are regularly carried out in accordance with the plan to ensure that the systems in the information room can quickly resume operation in the face of attacks or emergencies, to minimize the risk of business interruption. The effectiveness of various emergency plans is reviewed; improvements are made based on drill results to enhance the resilience and stability of the system.

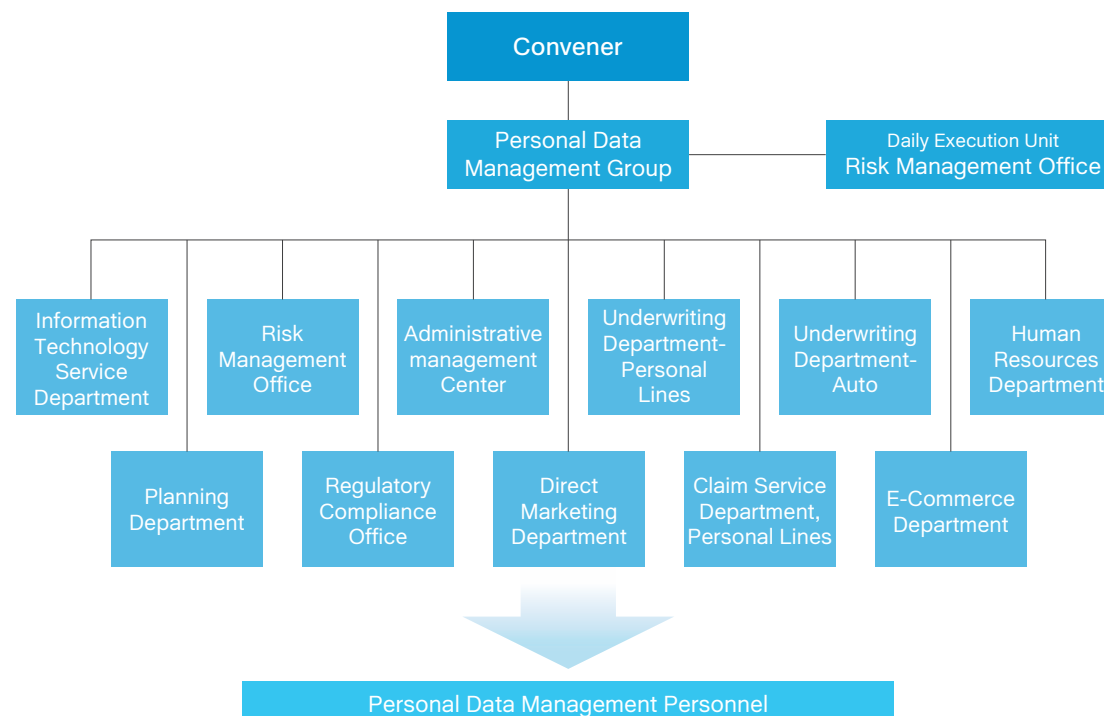
To ensure business continuity, the Company launched the “Taiwan Fire & Marine Insurance Company Information Management System Off-site Backup Drill Implementation Plan” on November 16, 2024. Its purpose is to ensure that when the Company’s information management system is subject to cyber-attacks, ransomware, file system abnormalities, or other catastrophic scenarios that may cause system interruption, the off-site system backup can start remotely at the Company’s external location. Thus, the system can operate continuously to ensure normal business operations.

There were 0 incidents of violations of information security in 2024.

1.7.2 Personal Data Protection

To fulfill its responsibilities for protecting and managing customers’ personal data and implement the personal data management system, TFMI has established a “Personal Data Management Organization.” The organization implements the personal data management system based on hierarchical responsibilities, with the convener, personal data management team, and personal data management personnel, respectively. The Risk Management Office of the Company’s Personal Data Management Group serves as a daily execution unit to assist in the maintenance and implementation of the Company’s personal data management system. It proposes new or revised suggestions regarding personal data policies, internal specifications, and procedures. It formulates annual effectiveness measurement settings and target values of the personal data management system, assists each unit in carrying out personal data inventory and risk evaluation, and assists in identifying possible business risks and the progression of implementing improvement plans. It also organizes the audit team for the personal information management system. It carries out audit operations, tracks corrective and preventive measures, and implements company-wide advocacy, education, and training in personal data protection.

Personal Data Management Organizational Structure



International certification and regulatory compliance

1. TFMI obtained the certification of “BS10012: 2017 Personal Information Management System” in 2022. It entrusts a third-party agency to conduct certification rechecks each year to ensure the certificate’s validity. In 2023 and 2024, the Company passed the annual review operation to maintain the validity of the certificate.
2. To ensure the lawful collection, processing, and use of customer data—and to protect the security of customers’ personal information—the Company regularly updates internal policies in accordance with applicable laws and regulations. It also conducts self-assessment of compliance with the law, internal verifications, and regular training to ensure that colleagues implement personal data protection practices. The Personal Data Management Group also holds a personal data management review meeting each year. A personal data management review meeting was held on December 12, 2024, to review the implementation status of relevant work operations and discuss internal and external issues.

Employee personal information protection education and training

To enable personnel who must be exposed to personal data during the course of business to understand the requirements of relevant laws and regulations on personal data protection and implement the obligation to keep customers’ data confidential: the Company provides online courses to inform all colleagues of the scope of responsibility, mechanisms, procedures, and measures for personal data protection, and to strengthen all colleagues’ awareness of personal data protection. In 2024, a total of 921 individuals completed the online personal data protection course; the total course hours reached 1,842. The proportion of employees trained reached 100%, with a pass rate of 100%.

Personal data accident response mechanism

1. To effectively respond to personal data incidents and minimize potential damage, when a suspected or confirmed risk of personal data leakage occurs, the “Personal Data Safety Incident Notification Form” must be completed within four hours to notify the Daily Execution Unit. After receiving the “Personal Data Safety Incident Notification Form,” the Daily Execution Unit will convene a meeting with the Personal Data Management Group to jointly determine emergency response measures; meeting minutes will be recorded. The Daily Execution Unit will report to the Convener before implementation.
2. If a Level 3 accident occurs, the unit where the accident occurred must complete the “Personal Data Infringement Accident Notification and Recording Form” and notify the Personal Data Management Group. After the form is submitted to the convener for a report to the President, the President will notify the competent authority. After the handling of the personal data accident is completed, the Daily Execution Unit will convene a review meeting.

Personal data accident drills

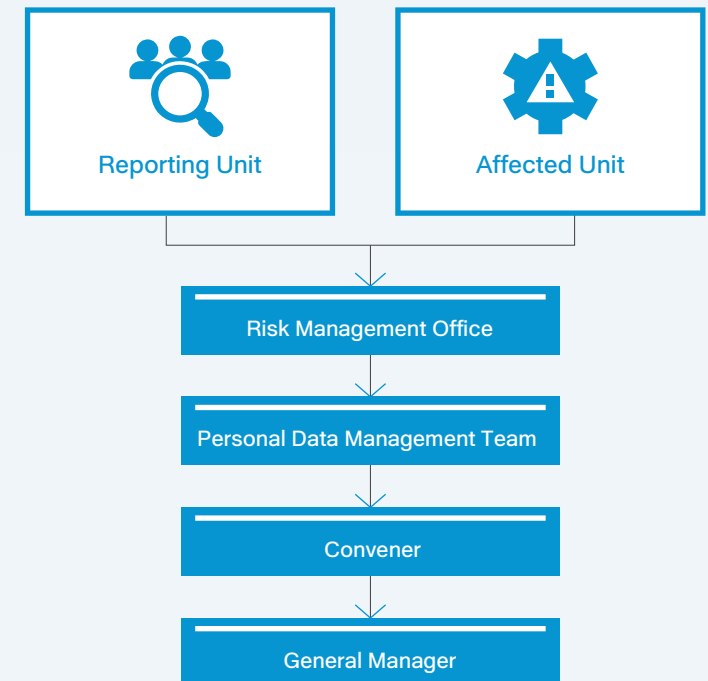
The Daily Execution Unit conducts a personal data safety accident drill annually, formulates a drill plan, actual drill notification process, and related handling measures. The execution of the drill, drill results, and relevant evidence are recorded and preserved by the Daily Execution Unit.

Personal data accident complaint and incident handling

In 2024, three complaints related to personal data were received. After investigation, the results indicate that no personal data leakage or infringement of customers’ personal data was involved; replies were sent to all complainants within 30 days. There were no incidents of personal information leakage in 2024; the number of personal data leakage incidents was 0.



Emergency Response Processing Flow Chart



CH2

Sustainable Brand and Innovative Finance

Consistent with our operation strategies of “stable operations” and “customer orientation,” we uphold the spirit of the insurance industry, understand the needs of all sectors of society, and engage in innovative development of insurance products that meet the needs of the public and other companies. TFMI provides customers with high-quality services with complete protection, reasonable service rates, and proactive and quick claims. Recently, we have focused on emerging market risks, sustainable development, and the principle of treating customers fairly, as well as strengthening the development of innovative products, to increase market share and provide comprehensive protection.

Regarding insurance products, TFMI has developed and designed insurance products related to extreme weather, vulnerable groups, agriculture and fishery industries, environmental protection, green energy, and other related fields. This enables more vulnerable groups to afford premiums, access basic security, and avoid major incidents that could severely impact their economic well-being. We aim to make a greater contribution to Taiwanese society, fulfill our corporate social responsibility, and serve as a central pillar of social and economic stability.

In recent years, the Company has responded to government policies by establishing a FinTech digital platform, resulting from over 70 years’ experience in the industry. We have continuously innovated and designed insurance products and customized business models that meet the needs of the public. The Company has also created a comprehensive property insurance service platform to provide efficient and safe services. We optimize the advantages of internal talent education and training to demonstrate the determination of TFMI to transform and reform within a new generation, create industry benchmarks, meet customer expectations, and provide all-around protection.

TFMI has implemented the Treating Customers Fairly Principle in the Financial Services Industry promulgated by the Financial Supervisory Commission. It conducts internal advocacy, education and training, enhances colleagues’ awareness of financial consumer protection and compliance with relevant laws and regulations, and regularly reviews implementation to ensure sufficiency. It regularly reports to the Board of Directors on the execution of relevant business. We also strengthen the public’s understanding and education of insurance products, gain the trust of consumers, and contribute to the sustainable development of the industry.

Corresponding to the United Nations SDGs (Sustainable Development Goals)



2.1 Customer-oriented Caring Service

I Operation of Customer Care and Division of Work

Adhering to the “customer-orientation” business strategy, the Company plans and designs tailored product schemes and risk control plans for various customer groups and insurance products. The executive management is committed to the principle of “Customers Come First,” ensuring that in the service flow from customers applying for insurance, policy service to final claim services. TFMI provides a professional service team with well-managed divisions of professionals to enhance service quality and minimize potential risks to customers. We aim to establish a process flow management system with monitoring mechanisms, supported by our insurance tech streaming platform of innovative digital insurance technology, which digitizes, specializes, and streamlines processes. Assisted by continuous internal staff education and training, regular departmental follow-ups, and reviews of processes and performance, we continue to enhance pre-sales and after-sales services. Looking ahead, we will integrate artificial intelligence (AI) and automation technology to create high-quality online and offline service experiences. This includes offering differentiated insurance products, developing automatic claims, personalized rates, proactive planning, and other advanced services to enhance customer loyalty and satisfaction.

I Listening Attentively to the Voice of Policyholders

We have conducted a market survey to understand the satisfaction of policyholders with our services. TFMI regularly presents information on customer feedback in monthly business meetings. It develops improvement plans and tracks progress, and continuously optimizes customer relationships via digital technology. This brings us closer to the goal of intelligent operations while offering a proactive and personalized customized service platform to become the preferred quality property insurance company in consumers’ minds.

Each year, the Poll Center of Shih Hsin University is commissioned by the Magazine of Excellence to conduct an online survey by experts and scholars. TFMI has been awarded the “Best Service Quality Award for Insurance Excellence” for five consecutive years. TFMI develops front-end sales staff’s attention to detail and listening skills through professional education, training, and advocacy. This ensures employees understand customer needs and clearly explain policy terms and claim scope, thereby upholding the principle of treating customers fairly. Using digital technology and social media to continuously improve service flow and maintain interactive contact with customers, we have strengthened our brand image, actively developed more online insurance products, and strengthened claim processing efficiency and care.

I Diversified Service Platform and Communication Channels

TFMI has established a customer service center that includes an 0800 special-purpose phone line, email, fax, online messenger, and other various channels, providing customers with a personal and convenient one-stop service. We offer product consulting satisfaction, approval of guarantees, inquiries such as those related to the claims process, case progress, complaint feedback, and others, saving valuable time. This increases our communication opportunities with customers directly to help solve problems. Our systems also enable responses to ideas in related departments and ongoing review and process improvements, further improving quality and efficiency in customer service.

Communication channels	Communication items
Company official website	- Provides comprehensive product information. - Insurance service consultation. - Professional customer service that understands customer needs and offers suitable insurance products to save customer time. - Digital platform that meets the needs of timely insurance arrangement.
Free phone service, email, network insurance platform	- Setting up an 0800-specific service line to promptly respond to customer needs and provide relevant information. - Provides the most complete product information and prompt insurance channels from the network insurance platform.
Official FB, blog	- Providing people with insurance-related knowledge to understand insurance commodities and building people’s awareness of insurance and disaster loss prevention. - Providing the latest information to protect the rights and interests of policyholders, and social news sharing.
Official Line account	- Convenient personal motor insurance service for the inquiry of motor insurance policies and the download of compulsory electronic certificates. - Online insurance services for various personal insurance products. - Connecting with online motor insurance case reporting through LINE and cloud document addition services.
Official press releases	- Provides important information to stakeholders such as investors, policyholders, and others. - Describes the general condition of corporate governance and operations. - Focuses on social issues.
Lecture and forum activities	Holding financial lectures occasionally to enhance the policyholders’ awareness of financial management and insurance; provides the latest news and market development.

I Thoughtful Customer Service

Through regular education and training and advocacy as needed, claims service personnel are required to actively listen to the actual needs of customers, reduce the occurrence of complaints, attach importance to every commitment to policyholder protection, and uphold the principles of the Financial Consumer Protection Act. We continuously innovate and optimize operational processes to make claims processing more efficient and remain committed to providing customers with better goods and services. Through the implementation of financial digital technology, TFMI provides online insurance claims reporting, cloud document addition services, and claims progress inquiry services, significantly reducing travel time and enhancing customer convenience.

We offer a higher insurance product rate for automobile insurance: when a policyholder is involved in a traffic accident, TFMI promptly dispatches professionals to the scene to provide assistance, effectively reducing the stress of the policyholder and offering support. Policyholders who receive assistance are invited to complete a customer satisfaction survey afterward. We remain committed to providing active care and assistance, and the most efficient and professional service to meet customer needs.

2.2 Implementing the Principle for Financial Service Industries to Treat Customers Fairly

The Company has established the “Policy for Treating Customers Fairly Principle” and “Strategies for Treating Customers Fairly Principle” in accordance with regulations such as the Principle for Financial Service Industries to Treat Customers Fairly, Financial Friendliness Service Guidelines for the Insurance Industry, and the Financial Consumer Protection Act. These measures aim to enhance employees’ understanding of financial consumer protection, ensure compliance with relevant regulations, reduce unlawful costs, boost consumer confidence in the financial services industry, and uphold the business philosophy of treating customers fairly.

To further extend the “Treating Customers Fairly Principle,” the Company established the “Treating Clients Fairly Principle Implementation Group” in 2016, with the President serving as the group leader and the Vice President as the executive secretary. This group collaborates with dedicated departments to plan and promote operations related to this principle. The group supervises each department’s implementation, identifies potential violations, and proposes targeted solutions. Supervisors at the Vice President level or above oversee relevant meetings, review matters quarterly, and regularly report to the Board of Directors at least twice a year. This process ensures the Board can effectively supervise the implementation of the fair treatment principle.

I Ten Principles of Treating Customers Fairly

Principle	Specific basic content and implementation key points
Principle of fairness and good faith upon entering into agreements	Establish contracts of financial products or services with finance consumers in accordance with the principles of fairness, reasonableness, equality, mutual benefit, and good faith.
Principle of due care and fiduciary duty	Do their best to be kind managers when providing finance or insurance products or services.
Principles of actual advertisement and solicitation	All advertisements or published content must be true and correct without being exaggerated or falsely advertised.
Principle of suitability of products or services	Maintain a good understanding of the consumer’s related data, including meeting the conditions for insurance, their purpose, and requirements to ensure that the product or service is appropriate for finance consumer before entering into a contract with a consumer.
Principle of information and disclosure	Duly perform the obligations of clarification and disclosure; fully disclose the risks by text or other means that can be fully comprehended by financial consumers.
Principle of balance between remuneration and performance	When commissions are calculated and issued, non-financial indicators such as service quality and regulatory compliance should be fully considered; performance should not be used as the only criterion for remuneration.
Principle of complaints protection	Establish unimpeded and barrier-free appeal channels so that appeal cases can be fairly, impartially, and swiftly handled in real time.
Principle of the professionalism of businesspeople	Business personnel must comply with statutory qualifications such as insurance clerk management rules to ensure the necessary expertise.
Principle of friendly service	The needs of the elderly, people with physical and mental disabilities, and disadvantaged groups are considered from product design to sales; fair, reasonable, friendly, and convenient services are provided.
Principle of implementing ethical corporate management	Promote a culture of ethical corporate management from top to bottom; establish an effective internal control system to prevent the risk of unethical acts and ensure the finance consumers’ interests.

When engaging in business solicitation, underwriting, claim settlement, and other relevant work, the Company provides insurance products and services in accordance with the principles of fairness, reasonableness, equality, mutual benefit, and good faith. When a dispute regarding the interpretation of an insurance contract arises, the Regulatory Compliance Office is assigned to handle the matter in line with the principle of interpretation most favorable for the insured. The development and design of products begin with a focus on ensuring the customers' best interests. To safeguard the rights and interests of consumers with physical and mental disabilities, the Company provides service channels for communication, consulting, and appeal (e.g., a customer service hotline, and a dedicated webpage for online messaging and friendly service) so that they can express their opinions. The Company provides relevant business services with an active and friendly service attitude. It responds to the needs of consumers with physical and mental health issues and offers appropriate service measures. The Company conducts direct face-to-face communication from a fair, objective, and considerate standpoint, and clarifies and responds to their queries.

I Taiwan Fire & Marine Insurance Company

Number of complaints	Total number of cases (persons) for contract signing (Note 1)	Complaint rate (0.01%) (Notes 2)
140	3,412,918	0.41020616

Note 1. Total number of cases (persons) for contract signing: This refers to the sum of the total number of property insurance policies signed, total number of effective personal insurance contracts, and the total number of people signing effective group insurance contracts of this insurance company within the statistical period of complaint rate.

Note 2. Complaint rate = [Number of complaints/Total number of cases (persons) for contract signing] *10000

2.3 Digital Finance and Innovation

Digital transformation of insurance is a future trend in response to rapid changes in the digital era. The Company has been dedicated to promoting and developing an e-commerce platform in recent years. The Company has created an online insurance and each digital platform service in accordance with the Directions for Insurance Enterprises Conducting Electronic Commerce issued by the Financial Supervisory Commission. It provides diversified, individualized, and accurate services and insurance products to bring clients a convenient and fast e-commerce platform with complete information transparency, so that more consumers' needs can be satisfied.

I Continuous Optimization of the Digital Platform

In recent years, TFMI has established a complete and diverse e-commercial platform based on consumers' insurance needs in everyday lives, tourism, and other aspects. Currently accepted product items include: compulsory automobile liability insurance, supplementary automobile insurance, comprehensive travel insurance, personal injury insurance, comprehensive home contents insurance, comprehensive home insurance, comprehensive residential gas insurance, ticket cost loss insurance, and home rental expense compensation insurance. In 2024, new products such as exclusive insurance for electric vehicles and comprehensive motorcycle liability insurance for excess liability additional clauses-Type A were also be introduced. In terms of travel insurance, the Company's overseas unexpected medical health insurance rider (including statutory infectious diseases) has included statutory infectious diseases in the insurance coverage. In addition to severe cases caused by COVID-19, measles, monkeypox, and other epidemics that occur abroad are also within the scope of coverage, which provides insurance customers with more complete and secure insurance services.

The active development of more online insurance products will become a continual development direction; enabling consumers to purchase required insurance in a one-stop manner is also an important objective. In addition to different choices for insurance products, network services, and consumer service experience are also highlights of development. Therefore, the Company actively launches online services and individualized message notification services so that policyholders can query information related to their personal insurance in a more convenient and real-time manner, e.g., online auto insurance trial premium storage services, LINE claims housekeeper integration services, inconvenience insurance claims progress inquiries and other services, to meet policyholders' expectations for transparent information and service efficiency.

The e-commerce platform combines virtual and real online and offline customer service channels. It provides convenient and efficient services for policyholders to promptly complete insurance operations and obtain sufficient and complete protection. It also combines personalized services, allowing policyholders to check personal insurance-related information in real time. Based on the Principle of Notification and Disclosure, the Company provides policyholders with accurate insurance service information and clearly discloses various product information and insurance terms on the website, complying with the Principle of Treating Customers Fairly.

Up to 2024, the total number of members of the Company's e-commerce platform increased by 88,942, totaling 451,626 people, growing 24.5% compared to 2023. The change in consumer behavior and the preferential rate policy of online insurance have significantly increased customers' willingness to apply for insurance on our official website. In 2024, the number of motor insurance policies used for online reached 48,073 with the insured amount totaling NTD 170 million. The number of comprehensive travel insurance policies applied for online reached 81,431 with the insured amount totaling NTD 91.13 million, indicating that applying for insurance online is now the preferred method among customers.

Since consumers have gradually become accustomed to electronic policies, it not only reduces the risk of losing insurance policies and the environmental impact due to mail and paper but also contributes to environmental protection and reducing carbon dioxide emissions. In 2024, the proportion of electronic motor insurance policies reached 71.3%, which shows that when guided correctly, with the convenient platform available, consumers embrace the transformations brought about by the digital age.

E-commerce Platform Operation and New Service Items in 2024:

Theme	Optimization item
Platform instant monitoring and optimization	Daily monitoring of the stability of the website platform services and strict control of information security and privacy protection to effectively reduce the error rate and avoid hacking.
Insurance Life Blog	Based on the Treating Customers Fairly Principle and the Principle of Notification and Disclosure, consumers are provided with clear and correct information to understand how to obtain the most suitable insurance product to transfer risks via insurance. Therefore, the Company has particularly drafted blog articles to share insurance knowledge via daily information. Topics include auto insurance, travel, residential housing, house rent, and others. Article titles and contents are provided below: • Flight Delay Quick Claim Guide: "Logging Flight Details" Tutorial: Step onto Taiwan Fire & Marine Insurance Company's Service Portal! • Auto Comprehensive Insurance Simplified: The Great Debate Between Type B & Type C Coverage! Protection Scope & Claim Cases Explained • Auto Insurance Made Easy! 3 Major Coverage Plans & FAQ Guide • 3-Minute Guide to Auto Insurance Coefficients: Factors Affecting Car Insurance Premiums • What is Residential Fire Insurance? Is It Necessary? 5-Minute Breakdown of Coverage & Claim Limits! • Is European Travel Worth It? 3 Must-Visit Countries in Your Lifetime - Happy Travelogue of Netherlands, Belgium & France!
E-service	Based on the principle of friendly service, and to improve service efficiency and customer service experience, several online services are provided so that consumers can use them anytime. • Online auto insurance trial premium storage service: Members can store trial calculation data in records to facilitate quick insurance during the next operation; if multiple written calculation data are stored, members can visit the member area of the website to inquire and compare various trial calculation plans, then choose the most suitable plan to insure. When the trial insurance effective date is about to expire, the system will proactively remind members to complete the insurance operation as soon as possible to avoid insurance rights being affected. • LINE claims housekeeper integrated service: LINE official accounts integrate auto insurance claims services, including online reporting, cloud document addition, claims progress inquiry, etc. • Travel inconvenience insurance claims progress query: Policyholders can log in as members to inquire; the query results will display the claim case number, processing progress, and contact information of the claims service personnel. If policyholders want to inquire for more information, they can contact claims personnel for further information.
LINE personalized service	Taking advantage of LINE's immediacy and personal media features, the Company has developed LINE personalized services and positioned it as "LINE Insurance Butler." This ensures that the needs of policyholders can be met at any time, such as auto insurance claim assistance, policy inquiry, online insurance, and other various applications, which shortens the distance with the policyholders and integrates insurance into their daily life. • Auto insurance online reporting notification completion notice: Anyone who uses the auto insurance online reporting service through LINE can receive a confirmation notice in real time in the LINE chat window. This allows policyholders to confirm that they have completed the reporting operation as soon as possible without having to contact customer service again or claims personnel for confirmation. • In addition to online auto insurance reporting and cloud document addition services, the auto insurance claims progress query service is integrated into the LINE personalized service. This makes it more convenient for policyholders to use the claims service and obtain relevant information through a single user interface. • More insurance services: These include online insurance, road rescue service, information on insurance products, etc. Policyholders who purchase motor insurance through the e-commerce platform can also receive a reminder of insurance renewal from LINE 30 days before expiry of the auto insurance, keeping insurance services unimpeded. By the end of 2024, the number of LINE official account friends reached 113,957, with an addition of 25,188 new members this year, a significant annual growth of 28%.
FB (official Facebook fan group)	The number of members in the official Facebook fan group https://www.facebook.com/tfmi.bewithyou has exceeded 12,000. Through the continuous posting of articles in the official fans group of FB throughout the year, TFMI strengthens community services and connections, narrows the distance between consumers and TFMI, and provides correct insurance concepts and information.

2.4 Characteristic Services

I Traffic Safety, Anti-fraud Collaboration

Traffic accidents and financial fraud are emerging one after another, while the chances of people encountering related risks have significantly increased. Thus, to improve traffic safety and fraud prevention awareness, the Company's team led by Wen-jin Chu, Marketing Director, joined hands with the New Immigrant Family Growth Center of Eden Social Welfare Foundation. We held a lecture on "Improving Traffic Safety and Fraud Prevention Risk Awareness in the New Generation" at the Wanhua New Residents Association in Taipei City. The team actively delved into communities and visited places to raise new residents' awareness of traffic safety and to establish the concept of financial fraud prevention. During the lecture, through life-based traffic accident cases and financial fraud patterns, the team led new residents to understand the causes of traffic accidents and related fraud methods in daily life, hoping to plant traffic safety and financial fraud prevention seeds in the hearts of new residents for them to stay away from fraud.

Taiwan Fire & Marine Insurance Company adheres to the spirit of treating customers fairly, and implements the concept of "middle point" and no "ending point" !



I Safe Taiwan, Happy Children

On November 1, 2024, TFMI and Daji Junior High School in Chiayi County jointly held an advocacy activity titled "Improving Teenagers' Awareness of Earthquake Disaster Prevention Safety Risks." Zhu Wenjin, Marketing Director, served as a lecturer. Through in-depth and straightforward disaster prevention education, combined with case explanations, interactive questions and answers, the three steps of earthquake self-protection of "lying down, covering, and stabilizing," this activity enabled students to understand the correct way to respond to an earthquake. On December 26, 2024, to enhance young people's awareness of the importance and basic knowledge of earthquake disaster prevention, the Company once again joined hands with Daji Junior High School in Jiayi County to hold a student painting competition with the theme of "Disaster Prevention and Safety in Earthquakes." Artistic creation was used to deepen students' understanding and application capabilities of earthquake disaster prevention. The event not only attracted students' input through painting competitions but also offered disaster prevention advocacy lectures simultaneously. This allowed participants to feel the responsibility of conveying disaster prevention concepts while receiving honors, which has further impacted their families and communities.

Uphold corporate social responsibilities, implement treating customers fairly, work hard to create a safer social environment, and protect the light of every life!



2.5 Inclusive Finance

Inclusive finance emphasizes more equal access to and sustainable financial services. It ensures that all individuals and businesses, especially disadvantaged groups, have access to appropriate and affordable financial products. The Company is committed to promoting inclusive finance, lowering financial thresholds, and improving risk protection through innovative insurance products and digital technology applications, and education promotion to allow more people to enjoy comprehensive financial services.

2.5.1 Micro-Insurance

Micro-insurance is an insurance with a low insurance amount, a low premium, and simple protection content. TFMI actively responds to government policies to promote micro-insurance, expand the protection umbrella of insurance; thus, economically disadvantaged and people of specific identities can access basic life insurance protection under the framework of a social safety net, to compensate for the lack of a social assistance mechanism.

Type of insurance	2024		2023		2022	
	Number of effective policies (persons)	Claim settlement amount (NTD)	Number of effective policies (persons)	Claim settlement amount (NTD)	Number of effective policies (persons)	Claim settlement amount (NTD)
Micro-insurance	1,067	270,444	3,065	302,144*	2,862	906,040

Note : The claim settlement in 2023 used to be NTD 602,144, while the updated data was NTD 302,144. Since it is presented in the amount of claim settlement paid for this year, the erratum and explanations are hereby provided.

2.6 Reinsurance

The insurance company bearing risks can use a reinsurance company to jointly bear and transfer risks. Especially in an environment where the risk of natural disasters has increased dramatically due to climate change, risk factors have increased significantly; TFMI chooses to share the extreme risks faced with other reputable reinsurance providers who value risk management and sustainable operation. With the support of such reinsurance companies, TFMI's risks can be spread; its underwriting energy, experience of stabilizing losses and technical exchanges can be expanded to achieve sustainable operation goals.

The reinsurance providers of TFMI include insurance companies and reinsurance companies that operate reinsurance businesses. TFMI follows the Regulations Governing Insurance Enterprises Engaging in Operating Reinsurance and Other Risk Spreading Mechanisms and has established the Reinsurance Risk Management Practice Guidelines and Operation Main Point of Reinsurance Exchanges Maintenance and Control Management for the selection and regulation of reinsurers and reinsurance brokers.

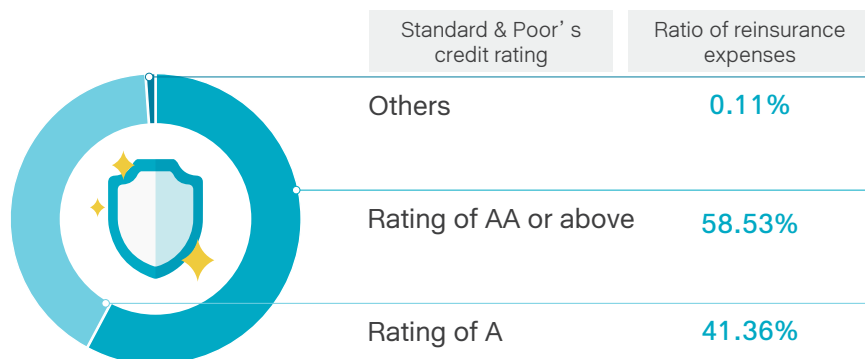
The Company continues to understand the credit ratings, operation direction, underwriting policies, risk management, compensation amortization efficiency, and profitability of reinsurance companies with a rigorous attitude. We stay up-to-date with the changes in reinsurance companies and maintain good, long-lasting interactions with them. Regular quarterly reinsurance review meetings are held with the Department of Commodities to understand the use of reinsurance contracts, company business development, new reinsurance needs, changes in the international reinsurance market, changes in the domestic product insurance industry market, and compensation development, etc. Colleagues in TFMI's reinsurance business unit regularly participate in internal (external) reinsurance education and training courses, which enhances the professional ability of the reinsurance personnel and enables them to select suitable reinsurance conditions and resources to provide strong and stable support to the Company's operations.

TFMI's choice of reinsurance providers is subject to the following stringent standards:

1. The insurance company with the approval of the competent authorities to specialize in or concurrently engage in the operation of reinsurance business in Taiwan.
2. The foreign insurance company with the permission of the competent authorities to specialize in or concurrently engage in the operation of reinsurance business in Taiwan.
3. The foreign reinsurance or insurance organization with an international credit rating of a certain level or above.
4. The reinsurance organization, insurance organization, or risk dispersion mechanism that may operate reinsurance business in accordance with the laws of our nation
5. Other reinsurance organizations, insurance organizations, or risk dispersion mechanisms approved by the competent authorities
 - BBB rating by Standard & Poor's Corporation
 - B++ rating by A.M. Best Company
 - Baa2 rating by Moody's Investors Service
 - BBB rating by Fitch Group
 - twA+ rating by Taiwan Ratings
 - Other equivalent ratings accredited by credit rating agencies recognized by the competent authorities.

In the case of reinsurance broker selection specifications, the reinsurance brokers selected by TFMI for reinsurance division business must be approved by the competent authorities in Taiwan and have a practicing certificate.

In 2024, regarding the credit rating of TFMI's reinsurance providers, 99.89% of our reinsurance providers achieved a Standard & Poor's credit rating of A or above, with the credit status in good condition. We also keep abreast of reinsurers' movements, track the progress of reinsurance payment amortization monthly, and review reinsurers' credit rating information semi-annually.



In addition to carefully selecting reinsurance providers, the Company attaches great importance to maintaining a good working relationship. Through interactive communication and information sharing, we gain an in-depth understanding of sustainable operations, financial status, underwriting policies, risk management, and efficiency of claims amortization of the reinsurance companies. We can understand the changes around the world in real time as the basis for assessing long-term transactions. These serve as the basis for our evaluation of long-term collaborations.

Reinsurance providers that work with TFMI engage in dispersing risk liability, expanding underwriting energy, and stabilizing loss experience. We work with these providers to enhance the professional competency and analysis skills of our colleagues, which is an essential step in mutual assistance in the industry. They offer TFMI with domestic and foreign educational training courses and occasional seminars on underwriting, claims, and reinsurance. They also provide incisive analysis and experience sharing for catastrophe risk, emerging risk, and international reinsurance market development trends. With experience in underwriting, actuarial specialties, and the insurance market in other countries, they actively assist the Company in developing new products. Reinsurance providers not only limit the Company's risks but also offer a range of professional abilities and support for our business development.

2.7 Utility Model Patents

Human activities and daily living can become more convenient through continuous technology R&D and innovation. In accordance with the provisions of the Patent Act of Taiwan, patents are classified into inventions, utility model patents, and design patents. A utility model patent refers to an article of use value and actual usage manufactured based on the creation of shape, structure, or combinations. The Company continues to encourage colleagues to create utility model patents and provide clients with better services. In 2024, the Company acquired a total of two utility model patents.

Name of patent	Description
Group Insurance Risk Assessment System	This patent subdivides group insurance risk factors into data such as "enterprise attributes (occupational classification), work nature (work content), age of the insured, gender of the insured, loss rate parameters," etc. It builds modules based on the above data and conducts system analysis. It uses five color lights to present high-quality, excellent, good, poor, and inferior business. This allows salespersons to judge corporate risks in real time when providing quotes; the opportunity to quote on the frontline; underwriters can also quickly and objectively evaluate the case when reviewing it. The loss rate after insurance or underwriting evaluation can also be fed back to the system to enhance module data.

Auxiliary System for Commercial Fire Insurance Intelligent Underwriting	The "Auxiliary System for Commercial Fire Insurance Intelligent Underwriting" is adopted; all underwriting notices and related underwriting information are transmitted online through the system. The goals that can be achieved are as follows: 1. Setting up the agent system: Establish an agent in advance. Agents and supervisors can continue operations through the system to maintain service quality when a colleague is on leave. 2. Transparency in approval progress: The system can reveal the approval progress and time for easy tracking and management. 3. Reminder of quotation date and contract effective date: The quotation date and effective date are set in advance during signing and approval. The system will send an email reminder every day from three days before the deadline to the deadline so that omissions or delays caused by a large number of cases can be avoided. 4. Business conflict check: Mandatory input of information such as the policyholder, insured, and the address of the largest target object during signing and approval. If the system detects any duplication, it will be handled in accordance with the Company's business conflict management rules. 5. Achieving carbon reduction goals: Delivery via the online system can reduce paper use, which aligns with the Company's energy conservation and carbon reduction policies.
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2.8 Green Operation Plan

2.8.1 Green Operation Plan

I Digital E-Services and Brand-new Digital Experience

With the development of financial technology and the continuous improvement of various electronic information technologies, TFMI continually considers how to actively promote carbon reduction and help society transform toward a low-carbon economy to comply with the new trend of financial technology. In recent years, we have continued to promote the digital E-operation of internal operation processes and external policyholder services; under the premise of a high degree of information security, we actively electronically integrate administrative operations, business operations and other processes, significantly reduce the consumption of paper and logistics resources generated by the round-trip of internal documents, and reduce environmental impacts.

In collaboration with the Insurance Bureau of the Financial Supervisory Commission, we are investing in the development and rollout of various electronic insurance policies, with the goal of electronic policy implementation within the next three years. Moreover, with the realization of electronic processes, the operation time process of insurance, the consumption of energy resources, and the carbon emissions generated by mailing to policyholders are completely reduced, and a low-carbon financial service model is established.

I Paper Free Policy Documents to Reduce Paper Usage and Carbon Emissions

In August 2014, the Financial Supervisory Commission approved the “Precautions for the Insurance Industry to Handle E-Commerce,” which opened the insurance industry operation network for the application of insurance for the first time. It encouraged the nation’s financial enterprises to cooperate with FinTech policy. TFMI responded quickly to the Financial Supervisory Commission’s policy and has gradually launched various online insurance products since February 2015 to meet the needs of consumers for insurance services.

In property insurance services, online insurance products such as compulsory auto insurance and arbitrary auto insurance renewed yearly, have shown a gradual and steady upward growth. In 2024, the number of electronic insurance policies was 193,957, accounting for 27.62%. This shows that the public’s acceptance of the electronification of insurance policies is increasing. Based on calculating the number of electronic insurance policies, the greenhouse gas emissions and resource consumption benefits generated by more than 770,000 insurance paper documents can be saved. This not only improves the efficiency of operations, but demonstrates the performance of protecting the environment and caring for the earth, promotes the realization of green value chains for coexisting with the natural environment.

In the future, the Company will continue to improve the construction of E-commerce platforms. In addition to providing consumers with different types of insurance product choices, we will actively launch online and personalized message notification services. This makes it more convenient and immediate for policyholders to inquire about personal insurance related information, aligning with the high efficiency and paperless environmental protection trend of modern society. We will further lead and promote the use of online insurance and electronic insurance policies of policyholders; customers can experience instant and convenient services while working together to care for the environment and move toward the goal of paper reduction.

Insurance product	2024			
	Number of electronic insurance policies (A)	Total number of contracts (B)	Ratio (A/B)	Number of pieces of paper saved
Motor insurance	191,474	313,229	61.13%	765,896
Housing rental expense compensation insurance (lessee edition)	148	410	36.10%	592
Housing rental expense compensation insurance (lessor edition)	145	1,134	12.79%	580
Residential fire and earthquake basic insurance	2,190	496,559	0.44%	8,760
Total	193,957	811,332	27.62%	775,828

Note 1: The statistical method is based on the electronic/paper type applied when the policy is introduced.

Note 2: The size of a physical receipt is approximately four pieces of A4 paper.

2.8.2 Multiplied Online Insurance Products with Convenience and an Eco-friendly Service Platform

The currently available online process insurance items at the “Online Zone” of the E-Commerce Online Insurance Platform of Taiwan Fire & Marine Insurance Company include:

1. Automobile insurance
2. Motorcycle insurance
3. Personal injury insurance (applicable to persons for overseas travel, study abroad, working holiday)
4. Home property/ residential gas insurance
5. Residential fire and earthquake basic insurance; home comprehensive insurance
6. Ticket cost loss insurance
7. House rental expense compensation insurance (renter insurance-lessee edition and lessor edition)

Through the well-established online E-commerce platform with various options for instant premium calculation and 7/24 non-stop convenience insurance service, consumers can easily and simply complete the application process with the network platform and online payment function only. This is not only convenient and prompt but also reduces transportation time, paper waste, and all other related process costs. The E-commerce platform ensures that policyholders enjoy the wonderful experience of technology, decreases greenhouse gas emissions significantly, and further builds an innovative, low-carbon service process. Moreover, it provides an online claim settlement zone to provide online reporting services, online document addition for auto insurance, etc., which reduces the carbon emission caused by round-trip travel and meets customer needs for rapid service.

I Number and Ratio of Electronic Auto Insurance Policies

Year	Online insurance performance (number)	Ratio for selecting electronic policies
2022	45,263	54.7%
2023	49,550	62.5%
2024	48,073	71.3%

I E-Process Operation of Office Work Progress

TFMI has developed the “Cloud E-Process Platform” as an industry-leading system to fully implement both internal official document handling and work processes in an electronic and paper-free manner. This not only reduces energy consumption and carbon emissions by minimizing paper use and round-trip transportation, but also enhances confidentiality management, lowering the risk of information leaks.

TFMI has already implemented a paper-free policy in its internal meetings, general official matters, training and lectures, and administration processes, (e.g., requesting leave, signing official documents, applying for asset changes, fee requests, and general and financial affairs) via an electronic signature mechanism. Through the internal E-process platform and official document system bulletin board, the Company’s internal and external announcements and meeting records are all electronic to minimize environmental impact. If hard copies of any documents are required, double-sided or multi-page printing is encouraged; non-important documents are printed on the back of recycled paper to minimize the use of paper and printing toner. Through the systematic implementation of the E-Process platform, paper waste has been dramatically reduced in recent years, helping the Company achieve energy-saving and carbon-reduction goals.

2.8.3 Product Carbon Footprint

Faced with the challenge of global climate change, Taiwan Fire & Marine Insurance Company has proactively taken the initiative to quantify the life-cycle carbon emissions of its products and services, in order to develop effective carbon reduction strategies and minimize the environmental impact of its insurance operations. In April 2024, the Company obtained the “ISO 14067:2018 Product Carbon Footprint” standard. It has calculated that the carbon emissions of each property insurance service (regardless of type) are 2.4 kg CO₂e. In June of the same year, it obtained the “Carbon Footprint Label” certification of the Ministry of Environment again. In the future, based on the results of the carbon footprint inventory, the Company will actively promote carbon reduction actions, implement low-carbon transformation goals, and strive to move toward the vision of net-zero emissions.



2.9 Sustainable Products

Sustainable goods balance economic development, environmental protection, and social responsibility; they provide long-term value protection for enterprises and consumers. The Company adheres to the philosophy of sustainable management. It actively develops insurance products that comply with environmental, social and governance (ESG) principles to respond to challenges such as climate change, industrial transformation, and social needs. The Company has launched a variety of sustainable products, including the “Precipitation Parameter Aquaculture Insurance” and the “Typhoon Wind Speed and Precipitation Parameter Wax Apple Insurance” to help farmers and fishermen reduce extreme weather risks; the “Residential Green Energy Upgrade Additional Clauses” to support people’s investment in energy conservation and carbon reduction actions; the “Installation Engineering Comprehensive Insurance” and the “Electronic Equipment Comprehensive Insurance” to strengthen the operational resilience of solar energy equipment. Through innovative products, we are committed to providing insurance services that not only ensure economic security, but also care about the environment and society, so that we can work together to achieve a sustainable future.

Sustainable products	Product features	2024			2023		
		Number of underwriting cases	Premium revenue (NTD)	Claim settlement amount (NTD)	Number of underwriting cases	Premium revenue (NTD)	Claim settlement amount (NTD)
Precipitation Parameter Aquaculture Insurance	This product uses accumulated rainfall as a requirement for initiating compensation. This product encourages the aquaculture operators in Kaohsiung and Pingtung areas to perform safety, disaster prevention, and loss prevention related to aquaculture and fishery. If the accumulated rainfall meets the agreement of the coverage, this product is a risk management tool to transfer rainfall risks. It serves as backing for aquaculture operators to reduce the losses they incur.	30	3,218,013	2,235,428	54	5,536,111	0
Typhoon Wind Speed and Precipitation Parameter Rose Apple Insurance	This product uses typhoon wind speed, cumulative rainfall, and temperature as the requirements for initiating compensation. With this product, farmers farming wax apples in Liugui District, Kaohsiung City, are encouraged to take relevant safety measures. If typhoon wind speed or cumulative rainfall meets the agreements of insurance coverage, farmers can quickly obtain compensation and resume cultivation as soon as possible to reduce the losses incurred.	39	1,402,638	1,555,637	38	1,286,076	1,641,353
Residential Green Energy Upgrade Additional Clauses	For policyholders who are insured for TFMI’s residential fire and earthquake basic insurance or comprehensive insurance of residential fire insurance products in Taiwan: this product is designed to respond to environmental protection to create a better living environment. When the subject matter of insurance is damaged due to an accident, policyholders can choose to use green energy building materials and equipment that is energy-saving, carbon reduction, and environmentally friendly.	1,165	113,314	0	492	50,436	0
Installation Engineering Comprehensive Insurance	It covers the contractor for damage or loss caused by sudden and unforeseen accidents in the insurance period during the construction of solar energy equipment; a third-party accident liability insurance may also be added.	1,025	23,472,135	14,255,886	1,019	27,037,483	1,046,347
Electronic Equipment Comprehensive Insurance	It insures the finished products of solar energy equipment (including solar panels and inverters, etc., subject to the equipment specifications) for damage or loss of the subject matter due to sudden and unforeseen accidents in the insurance period.	2,313	84,829,374	15,582,749	2,120	68,485,749	3,630,242

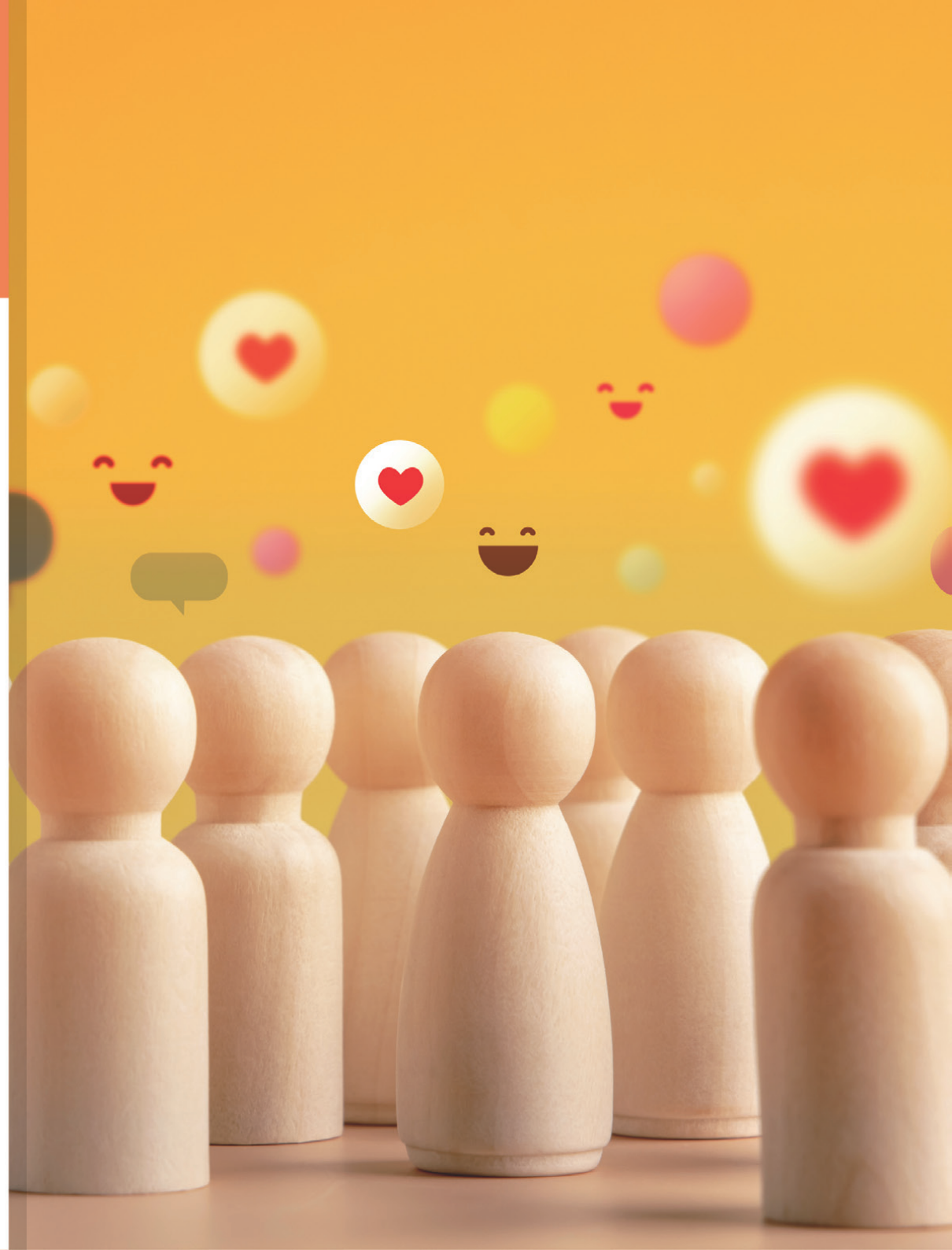
CH3

Employee Care, Friendly Workplace

TFMI actively cultivates a happy and friendly workplace environment, cares for the physical and mental health of employees, and is committed to creating an environment with work – life balance that promotes stable and harmonious labor-manager relations through practical actions. Employees are the keystone of enterprise growth. The Company regards employees as its most valued assets. Through a structured program for new hires and career advancement—including attracting, cultivating, and retaining talents—we comprehensively address the diversified needs of our employees, providing them the space to reach their full potential. Through diversified training and development courses, we also develop employees' financial and insurance professional skills, cultivating their future digital finance transformation capacities. We look forward to growing together with our colleagues and becoming the friendliest working environment in the non-life insurance industry. Since the COVID-19 pandemic, we are paying closer attention to smooth communication channels between employees and management—as well as employee health and safety—by listening to employees and helping everyone achieve a balance between work and family life, conveying happiness and joy to our customers and society.

Facing future digital transformation market changes, enterprises must strengthen the reserve of more diversified and professional talents to achieve the goal of corporate sustainable operations. We therefore encourage our employees to continue learning and striving to develop their skills while strengthening the management ability of supervisors at all levels. We aim to foster a culture of mutual respect, collaboration, and creativity to improve employee well-being, encourage the pursuit of excellence, and build a high-quality workplace.

Corresponding to the United Nations SDGs (Sustainable Development Goals)



3.1 Diversity in Employee Employment and Implementation of Human Rights Protection

Employees are the driving force for TFMI's continuous progress and our strongest supporters of sustainable development. We have built a diverse and inclusive workplace based on co-prosperity, and we provide employees with sustainable development goals, highly competitive remuneration, diversified and equal working conditions, and close employee relations. In 2024, the total number of employees was 923, including 189 supervisors and 732 general staff members. Supervisors accounted for 20.48%, of which female supervisors accounted for 39.15%. At the senior management level are deputy general managers or above, 100% of whom are Taiwanese. Among total employees, we have 401 male employees, accounting for 43.45%, and 522 female employees, accounting for 56.55%. Regarding age, 13.33% of employees are under the age of 30, 62.62% of employees are 31 to 50, and 24.05% of employees are over the age of 50. Furthermore, 10.51% of employees have a master's degree or higher qualification. The head office also employs four cleaning personnel.

The total number of employees in 2024 increased by 11 from 2023. Regarding regular employment and resignation, there were no significant fluctuations. The number of cleaning personnel employed by head office is the same as in 2023 with no changes.

I Table of Composition of Employees

Category		Head office				Branch				Total
		Male		Female		Male		Female		
		Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number
Statutory working hours	Full-time employee	182	19.72%	229	24.81%	219	23.73%	293	31.74%	923
	On-call employee	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Employment contract	Full-time employee (including work-study student)	182	19.72%	229	24.81%	219	23.73%	293	31.74%	923
	Part-time employee	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
	External personnel (cleaning personnel)	1	25.00%	3	75.00%	0	0.00%	0	0.00%	4
Position	Department head (manager or above)	20	60.61%	4	12.12%	9	27.27%	0	0.00%	33
	General staff	162	18.20%	225	25.28%	210	23.60%	293	32.92%	890
Age	Under 30	22	17.89%	39	31.71%	23	18.70%	39	31.71%	123
	30 to 50	111	19.20%	165	28.55%	106	18.34%	196	33.91%	578
	50 or above	49	22.07%	25	11.26%	90	40.54%	58	26.13%	222
Education	Doctorate	1	100.00%	0	0.00%	0	0.00%	0	0.00%	1
	Master’ s	35	36.46%	25	26.04%	24	25.00%	12	12.50%	96
	Bachelor’ s	136	17.53%	195	25.13%	182	23.45%	263	33.89%	776
	Senior high school or below	10	20.00%	9	18.00%	13	26.00%	18	36.00%	50
Diversity indicator	Indigenous people	1	10.00%	4	40.00%	2	20.00%	3	30.00%	10
	New residents	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
	The physically and mentally disabled	4	33.33%	2	16.67%	2	16.67%	4	33.33%	12

Note : Statistical data as at December 31, 2024.

All TFMI employees have formal employment contracts and are entitled to full employment and collective labor security. TFMI is committed to strictly complying with the International Labor Human Rights Convention (ILO). The Company has formulated commitments for social responsibility, aligning with social responsibility policies such as freedom of association, no forced labor, prohibition of child labor, and others, demonstrating the Company's emphasis on Human Rights encompassing all employees, business partners, suppliers, and contractors. These policies are used as the basic standards and specifications that shall be adhered to by all colleagues in their work and business activities; systems such as the principles for reporting and appeals, and management measures for illegal infringement in the workplace are in place. In terms of talent recruitment policies—which are based on the principles of equality, anti-discrimination, diversity and inclusion—there are no differences in the recruitment, screening, salary and benefits, promotion, education and training, or retirement plans of employees based on race, class, religion, party, gender, age, marital status, appearance, physical and mental disability, etc.

Moreover, we are fully committed to ensuring the fair and pluralistic employment rights of people with disabilities while complying with the requirements of laws and regulations. Under the principle of appropriate talents, TFMI had 12 people with disabilities employed in 2024 (higher regulatory requirements), who are provided with suitable recruitment channels and job opportunities. We offer appropriate positions and necessary assessments and assistance for the individual needs of each colleague with physical or mental disabilities. We create an inclusive and equitable work environment—both physically and culturally—so that individuals from vulnerable groups can contribute their talents and thrive in a fair and mutually respectful workplace.

3.2 Talent Attraction and Retention

TFMI maintains a comprehensive talent management system that includes competitive compensation, strong workplace welfare measures, and short-, medium-, and long-term career development plans tailored to each employee's profession and skillset. The Company's transparent and robust internal appraisal system is aligned with a differentiated bonus structure, grounded in the principle of equal opportunity. This system ensures that all employees receive a fair and transparent path for promotions and performance evaluations.

In 2024, 130 employees left the company—55 men and 75 women—with a turnover rate of 14.08%. During the same period, 142 new employees were hired, with a recruitment rate of 15.38%, with 63 men and 79 women.

Category of employee (Taiwan)	Per age	Male		Female		Subtotal		Remarks
		Number	Rate	Number	Rate	Number	Rate	
New employees	Under 30	26	41.27%	27	34.18%	53	37.32%	1. New recruit rate = number of new employees for the year / number of full-time employees for the year * 100%
	30~50	36	57.14%	49	62.02%	85	59.86%	
	Above	1	1.59%	3	3.80%	4	2.82%	
Total		63	44.37%	79	71.43%	142	100.00%	2. Turnover rate: number of separate employees for the year / number of full-time employees for the year * 100%
Resigned employees	Under 30	17	30.91%	24	32.00%	41	31.54%	
	30~50	24	43.64%	46	61.33%	70	53.85%	
	Above	14	25.45%	5	6.67%	19	14.61%	
Total		55	42.31%	75	57.69%	130	100.00%	

TFMI establishes a work – life balance working environment, create a planned talent development program, cultivate professional management skills, and provide employee career development opportunities to promote the retention rate of employees. We encourage colleagues to rotate across departments and expand their work capacity in other areas. Every year, we select colleagues with outstanding contributions to present awards at the year-end banquet to affirm their performance. This ensures we maintain competitiveness and endurance regarding the Company's resources and operations.

3.3 Talent Cultivation and Development

3.3.1 Complete Employee Development System

TFMI believes that talents are the most critical asset of the Company and the key foundation for sustainable operations. The Company continues to identify and cultivate key and dedicated talents, strengthening the organization's ability in response to the development and cultivation of diversified talents during digital transformation. Regarding talent cultivation, we actively recruit elites and outstanding talents in the industry through diversified recruitment channels and industry – academia cooperation. We plan various employee training blueprints according to the Company's operating policy direction and objectives. In 2024, the internal and external training per person for annual training hours is 45.93 hours. Once employees report for duty, they engage in a robust education and training plan to develop the core knowledge required for their roles. From basic systems to professional skills training, this meets the work needs of various departments and levels. Employee development plans are differentiated so colleagues can continuously enrich their skillset, gain new knowledge, and improve their professional abilities.

TFMI has established an "Internal Self-Organized Training, External Institution Training, Department Internal Training, and Overseas Professional Training" program as the core foundation of skills development. It conducts an annual review of employee career development and growth, encourages employees to actively participate in internal and external training courses and obtain professional licenses, and enhances innovative professional capabilities in work and management. Through a planned approach, we can cultivate the professional and management capabilities of employees, establish a talent development training program, and improve the efficiency and effectiveness of talent utilization. Helping employees navigate toward suitable career options can significantly improve the productivity and efficiency of the Company.

Refresher training programs can be divided into two categories: OJT (on-the-job training) and Off-JT (off-the-job training). Based on job function and role, training programs—including new hire onboarding, individual development, self-directed learning, and other methods—are designed to deepen talent capabilities and enhance professional skills. These initiatives support talent deployment, workforce diversity, strengthen core business competencies, and cultivate digital financial professional knowledge and technology application skills.

TFMI complies with the relevant statutory education and training hours standard formulated by the Financial Supervisory Commission. Those with property insurance sales qualifications and registration shall receive adequate education and training for more than 12 hours per year. In accordance with the provisions of the law, the completion rate of Company employee training courses in 2024 reached 100%. This included two hours of training surrounding the Money Laundering Control Act, two hours on the Personal Data Protection Act, two hours on Ethical Corporation Management, two hours for Protection of Insurance Rights and Interests for Senior Citizens, and other course covering compliance with laws and regulations as well as self-check education.

Regarding management levels, the Company designs various training courses according to personnel functions. It provides them with appropriate management skills and knowledge to strengthen the management mindset of leadership and team communication and cohesion, deepen understanding of market dynamics, stimulate department and team momentum, and improve department work efficiency and management performance. The Company also encourages all colleagues to learn spontaneously to enhance their skills and strengthen professional knowledge. It has established clubs, such as a book club and underwriting claim examination classes, to improve the exchange of relevant professional knowledge. Moreover, the Company has established the Professional License Examination Incentive Scheme to subsidize application fees for obtaining external licenses or certificates, textbook costs, leave for review before tests, bonuses for passing tests, and other preferential benefits for colleagues.

ESG certificates for 2024	Number of people
Certificate of basic sustainable financial capabilities	12
Certificate of advanced sustainable finance capabilities	3

ESG Sustainable Talent Training Courses in 2024	Male (persons)	Female (persons)	Total training hours
Sustainable Information Management Internal Control System Advocacy Meeting in 2024	1	1	6
Sustainable Knowledge Empowerment Advocacy Course	1	0	6.5
Lecture on Sustainable Finance in Construction ESG Context, Development and Future Trends	1	0	3
Sustainable Finance Basic Capabilities License Training Course	1	1	24.5
Sustainable Finance and Corporate Sustainability Strategies	8	5	39
Sustainable Financial License Advanced Ability Course	2	1	28.5
Digital Innovation in the Insurance Industry and Application of Green and Sustainable Finance	2	0	4
Effective Internal Control and Audit to Practice ESG Sustainable Social Responsibility	2	1	9
Keywords for Corporate ESG Sustainability	32	38	140

3.3.2 Overview of Education and Training in 2024

I Profile of Education and Training Courses Offered in 2024

Primary classification	Secondary classification	Internal training (hours)	External training (hours)	Total time (hours)	Average time (hours)
Employee category	Supervisory position	9,522.65	2,274.46	11,797.11	62.42
	Non-supervisory position	28,734.92	1,764.98	30,499.9	41.67
Gender	Male	16,716.32	2,361.43	19,077.75	47.81
	Female	21,541.25	1,678.01	23,219.26	44.48
Total time (hours)		38,257.57	4,039.44	42,297.01	45.93
Average time (hours)		41.54	4.38	45.93	

In 2024, the total training for all employees reached 42,297 hours; the average number of training hours was 46 per individual. Based on job category, the average number of training hours for employees in management positions was 62.42 per individual, and 41.67 per individual among non-management employees.

Looking to the future, we will continue strengthening investment in talent cultivation, education, and training resources, dynamically adjusting the training plan each year. We strive to accelerate talent development by enhancing the training and promotion system. We aim to strengthen employees' functional capabilities and ensure access to multi-level education pathways and comprehensive vocational training resources. We strive to ensure that employees perform at their highest potential and that their skills align with business needs, strengthening the Company's capability and competitiveness.

I Top 10 Courses with the Most Participants in 2024

Classification		Course name	Person-times	Total hours
Internal training	1	Treating Customers Fairly Principle in the Financial Services Industry	921	2,763
	2	Education and Training: Standards for Financially Friendly Services in the Insurance Industry	921	460.5
	3	Education and Training: Procedures for Handling of Internal Major Information	921	460.5
	4	Education and Training: Information Security Advocacy	921	2,763
	5	Education and Training: Ethical Corporate Management	921	1,842
	6	Education and Training: Anti-Money Laundering and Combating of Terrorism Financing (AML and CFT)	921	1,842
	7	Education and Training: Personal Data Protection Act	921	1,842
	8	Education and Training: Occupational Safety and Health	921	921
	9	Rules for Management of Insurance Agents	921	460.5
	10	Education and Training on Prevention & Control of Sexual Harassment in the Workplace	921	460.5
External Training	1	OJT of AML and CFT Personnel: Practice of Anti-Corruption and Whistleblower Protection	30	90
	2	OJT of AML and CFT Personnel: New Amendments to Domestic and Foreign Laws on AML and CFT (including Targeted Financial Sanctions and International Weapons Proliferation Prevention)	30	90
	3	OJT of AML and CFT Personnel: Use of Emerging Technologies to Manage Money Laundering and Financial Crime Risks	30	90
	4	OJT of AML and CFT Personnel: Money Laundering and Terrorist Risk Trends and Patterns	30	90
	5	OJT of Regulatory Compliance Personnel: Protection against Personal Data Leakage	32	96
	6	OJT of Regulatory Compliance Personnel: Newly Amended Laws and Regulations	32	96
	7	OJT of Regulatory Compliance Personnel: Analysis of Major Insurance Fraud Cases in Taiwan	32	96
	8	OJT of Regulatory Compliance Personnel: Application of Artificial Intelligence and Information Security Protection in Insurance Technology	32	96
	9	OJT of Regulatory Compliance Personnel: New Insurance Products and Related Regulations	32	96
	10	Seminar on Improving Compulsory Automobile Liability Insurance Underwriting and Claims Settlement Operations	26	91

3.4 Healthy and Friendly Fulfilling Workplace

3.4.1 A Healthy and Friendly Fulfilling Workplace

To cultivate a positive work environment, TFMI treats all colleagues as valued members of the Company family. The Company offers a welfare system organized by the Employee Welfare Committee. The Company offers a range of diverse welfare programs and employee health management initiatives to support the physical and mental health of employees while increasing morale. We aim to build a “Happy Enterprise” by fostering a supportive work environment that promotes work – life balance and a strong sense of belonging.

Through annual performance appraisals, we implement a differentiated compensation and rewards system that recognizes employees with outstanding performance with promotions, performance-based salary adjustments, year-end bonuses, and formal commendation at annual events.

The Company also regularly holds internal and external sports and cultural and entertainment activities, such as birthday celebrations, corporate club activities, employee travel activities, and others, with the goal of building friendships among colleagues and cultivating a healthy and ambitious workforce. The Company offers a robust employee welfare plan, including three festival bonuses, year-end bonuses, and various welfare subsidies (e.g., insurance, subsidies, leisure), and several welfare policies, encompassing marriage, childbirth, birthdays, travel subsidies, annual health examinations, labor health insurance, group insurance pensions, and emergency assistance and care.

I Main Employee Welfare Items

Employee Health Management

- In addition to labor and universal health insurance, there is also comprehensive staff group insurance plans, including occupational disaster insurance, life insurance, cancer insurance, accident insurance, etc.
- Each year, a health check-up is held for all colleagues to consider their physical and mental health.

Establishment of a Staff Welfare Committee

- The Welfare Committee is responsible for the planning and implementation of welfare initiatives that align with the needs of colleagues, including the Mid-Autumn Festival, Dragon Boat Festival, wedding and funeral cash gifts/condolence money and travel subsidies, vouchers from department stores/shopping malls, dinners and fellowship, and other diversified welfare activities.

Fair, Reasonable, and Competitive Pay Policy

- The Company adheres to the fairness concept of “internal fairness and external competitiveness” and has formulated a performance management system, addressing indicators such as job title, annual performance and work ability. We recognize and reward colleagues with excellent performance, maintain competitive market salary levels, and establish a fair, transparent salary structure to ensure internal equity.
- TFMI salaries are primarily based on personal experience, job responsibilities, and performance; salaries do not vary depending on gender, race, religion, marriage, or other such demographics. The proportion of women and men paid is essentially the same to fully implement the concept of gender equality.

Comprehensive Retirement System

- To ensure employee well-being after retirement and promote labor-management cooperation to enhance work efficiency, the Company has established specific regulations governing employee retirement.
- Aligned with the Labor Retirement Pension Act implemented since July 1, 2005, the Company regularly contributes to the pension accounts of employees who opt for the new system. Actuaries are entrusted to evaluate and calculate the reserve for employee retirement, presenting relevant actuarial reports in accordance with IAS19 provisions. These reports serve as a critical basis for adjusting the Company’s retirement reserve ratio, ensuring full guarantee of employees’ retirement benefits.
- In 2024, the Company allocated NTD 8,919,000 to the Trust Department of Bank of Taiwan for the reserve of employee retirement under the old system, bringing the cumulative reserve in this account to NTD 72,821,000 by year-end. Additionally, the Company sets aside 6% of employees’ monthly salaries for their personal pension accounts at the Bureau of Labor Insurance, Ministry of Labor, for those participating in the new pension system. In 2024, the Company contributed a total of NTD 30,992,000 under the new system, ensuring full retirement benefits for its employees.

Specific Urgent Assistance and Care for the Young and Elderly

- We proactively visit and offer ongoing support for colleagues whose families are facing financial difficulties or property loss due to natural disasters. The Company provides substantive assistance on a case-by-case basis for assistance in overcoming difficulties.

Diversified Cultural and Entertainment Activities

- We organize birthday celebrations, staff trips, year-end parties, and lucky draws to promote colleagues’ physical and mental well-being outside of work.

Community Support

- We support the Company’s club activities in the long term. Currently, 10 employees have established clubs to connect with each other and cultivate their physical and mental health.

Various Grants and Support

- We encourage colleagues to continue their studies and provide further education grants to obtain professional certificates.

Note : The Company does not currently provide benefits related to employee shareholding.

3.4.2 Expenses of Average Salary and Welfare of Full-time Employees Not in Supervisory Positions

I Average Salary of Full-time Employees Not in Supervisory Positions

Unit: NTD 10,000

Item	2022	2023	2024
Total number of full-time employees not in supervisory positions (unit: person)	842	840	841
“Average salary” of full-time employees not in supervisory positions	100	105.5	107.6
“Median salary” of full-time employees not in supervisory positions	78	83.1	83.6

I Average Benefit Expenses for Employees Not in Supervisory Positions

Unit: NTD thousand

Item	2022	2023	2024
Total employee benefit expenses for employees not in supervisory positions	946,843	1,002,396	832,404
Number of employees not in supervisory positions	874	877	732
Average employee benefit expenses for each employee not in supervisory positions	1,083	1,142	1,137

3.4.3 Attaching Importance to Gender Equality in the Workplace

TFMI promotes a work – life balance, considers the needs of employees with young children, and enables employees to care for their families in addition to developing their careers. To provide support for colleagues caring for young children, we provide corporate family care leave, paternity leave, childcare leave without pay, and other benefits. Female employees are additionally entitled to menstrual leave and pregnancy-related bed rest leave. If employees have childcare needs, they can apply for childcare leave without pay according to Management Measures for Leave Without Pay and return to the same role in the same department when the leave is over.

I Statistics for Employees Applying for Childcare Leave without Pay in 2024

Item	Male	Female	Subtotal
Headcount of childcare leave without pay: Use in 2024	16	31	47
Headcount of childcare leave without pay: Applications in 2024	0	6	6
Headcount of employees who should be reinstated as of 2024 (A)	0	11	11
Headcount of employees actually reinstated in 2024 (B)	0	6	6
Reinstatement rate % (B/A)	0%	54.5%	54.5%
Headcount of reinstated employees in 2023 (C)	0	3	3
Headcount of reinstated employees who continued to work over 12 months after childcare leave without pay in 2023 (D)	0	2	2
Retention rate % (D/C)	0%	66.7%	66.7%

Note 1: Reinstatement rate = (headcount of employees actually reinstated in 2024 / Headcount of employees who should be reinstated in 2024) * 100%.

Note 2: Retention rate = (headcount of reinstated employees who continued to work over 12 months after childcare leave without pay in 2023 / Headcount of reinstated employees in 2023) * 100% 3.

Note 3: According to the Act of Gender Equality in Employment, TFMI agrees that an employee may apply for childcare leave without pay until the participants' children are age three, only when they have been on duty for six months and children are not over three years old; but not to be leave over two years.

3.5 Labor-Management Communication Channels

The Company attaches great importance to communication with each employee. It has established a diversified communication platform to promote effective communication between labor and management, ensuring smooth and confidential communication channels to listen directly and effectively to each employee's voice, seeking consensus in resolution. Colleagues can email suggestions or complaints to the President and department heads so that employees' feedback and complaints can be handled accordingly. The Company promotes key issues through various channels, including new employee training, monthly business meetings, internal communications, process development, and official announcements.

During the reporting period, there were no significant operational changes that materially affected the rights of employees. The Company listens to the opinions of each colleague with respect, equality, open-mindedness, and smooth communication channels. This fosters peer learning, strengthening employees' sense of identity and commitment to the company as they collaborate to achieve its next milestone.

Discuss issues regarding communication between labor and management	Description of conclusions
Labor-management meetings	- In accordance with the Regulations for Implementing Labor-Management Meetings, the Company holds at least quarterly labor-management meetings. This serves to explain the Company's business development, employee health, safety, welfare, salary, rewards, and punishments and other key operational decision-making to labor representatives. Every four years, labor representatives are formally elected by all employees and join management-appointed representatives to establish and maintain effective channels for employee consultation. Meeting minutes are shared with all employees. - In accordance with the Rules Governing Organization of Supervisory Committee of Business Entities' Labor Retirement Reserve, TFMI holds quarterly the meeting of the Labor Retirement Reserve Supervisory Board. - In the face of major labor welfare issues, TFMI facilitates close communication between management and labor through transparent communication and discussion with employees to promote good labor-management relations. This helps to provide an effective working environment and reduces the turnover rate of employees, maintaining employee satisfaction and enthusiasm.
Prevention of sexual harassment	- TFMI provides a working environment in which employees are free from sexual harassment. It comprehensively publicizes sexual harassment in the workplace to avoid workplace sexual harassment incidents and establish a safe work environment. - The Company cooperates with the competent authorities to revise the "Regulations for Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at the Workplace." It has established a dedicated telephone line for staff complaints regarding sexual harassment. It has also fulfilled business implementation and created an equal employment environment to protect the rights and interests of its employees.
Notice period for major operation changes	Regarding the minimum notice period for job changes, TFMI informs employees of changes in advance—whether the role is being eliminated, transferred, is no longer needed due to market changes, or whether the employee is not suited for the job. In accordance with the provisions of the Act, depending on the employee's seniority, 10 to 30 days before announcing the termination of the labor contract, the competent authorities and labor representatives shall be notified of the dismissal plan.

3.6 Implementation of Human Rights Protection and a Gender Friendly Workplace

Following labor-related laws and regulations, the Company protects all legal rights of employees. We are committed to realizing gender equality, implement equal rights for men and women, and support and identify with the United Nations Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and all Human Rights-related conventions worldwide. TFMI fulfills all its Human Rights responsibilities, treats all employees with dignity; it guarantees and protects all employees from physical or mental abuse when performing their duties. The Company has established a labor complaint channel for employees to submit grievances; we do not tolerate any workplace bullying or violence. We consider ourselves responsible for both internal and external members to be treated equally and respectively as a reflection of our values and Human Rights commitments.

In response to the United Nations Gender Equality as the Company's sustainable development goal, TFMI is committed to equality from recruitment through to performance evaluations and promotions, education and training, and management methods. Based on the 2024 year-end statistics, full-time female employees accounted for 56.6% of staff; females at management levels accounted for 45.8%; and senior female supervisors accounting for 12.1%. These statistics illustrate the Company's commitment to promoting gender equality in the workplace.

We actively promote the Act of Gender Equality in Employment and Sexual Harassment Prevention and related policies. TFMI is a voice for non-discrimination and fairness in the workplace, and asks all employees to respect and cooperate with each other. TFMI effectively implements the concept of gender equality into the workplace of daily work. It encourages colleagues to take active actions to achieve the goal of eliminating gender discrimination and substantive gender equality in employment.

The Company is committed to caring for employees while implementing Human Rights and gender equality. Training on Human Rights-related issues is included in the annual compulsory education and training of colleagues, thereby enhancing colleagues' attention to Human Rights issues. The overall training completion rate in 2024 was 100%. Directors also participated in the "Financial Friendliness and Convention on the Rights of Persons with Disabilities (CRPD) Advocacy Course," with a participation rate of 100%. The Company will continue conducting regular Human Rights risk assessments and implement improvements based on the results, working toward zero Human Rights violations and no workplace inequality incidents.

TFMI had no incidents of discrimination, sexual harassment, coercion, or other related violations of employee rights during the reporting period.

Specific Implementation Guidelines and Practices for Gender Equality

Implementation policy	Specific practice
Providing a safe and healthy working environment	- With the goal of cultivating a "friendly workplace," TFMI has designated a lactation room so that colleagues who return to the workplace after childbirth can tend to both family and work needs. - TFMI possesses a "Code of Practice on Safety and Health" to raise a high level of safety awareness through ongoing labor safety and health education and training courses. Occupational Safety and Health supervisors and priority emergency responders are equipped in accordance with the provisions of the Occupational Safety and Health Act. - To monitor indoor air quality and prevent excessive carbon dioxide levels in the office, TFMI conducts annual environmental carbon dioxide testing. Based on the "Implementation Measures for the Monitoring of Labor Operation Environment," this serves to maintain the respiratory health of employees. - TFMI regularly carries out bacteria content tests for water quality to provide colleagues with high-quality clean drinking water.
Equal pay for men and women	Salary conditions among TFMI's male and female employees are the same, regardless of gender or other factors.
Elimination of illegal discrimination and ensuring equal opportunities for work	TFMI upholds the principle of equal opportunity, attaches importance to the diversity of employee backgrounds, and does not discriminate based on race, class, language, ideology, religion, party, place of origin, place of birth, gender, sexual orientation, marriage, appearance, facial features, age, physical or mental disabilities, and so on.
Prohibition of child labor	In accordance with the Labor Standards Act, individuals under the age of 16 are not employed.
Prohibition of forced labor	When the employment relationship with an employee is established, a written labor contract is signed in accordance with the law. The contract states that the employment relationship is based on an agreement between the parties without forced or compulsory labor.
Independent complaints mechanism	- TFMI has established a "Staff Complaint Handling Method" to provide a good communication channel for employee advice and complaints. - TFMI holds quarterly labor-management meetings and Labor Pension Supervision and Administration Commission meetings. - TFMI has set up personnel assessment committees to handle the rights and interests of employees fairly and impartially. This serves to further to implement relevant provisions on errands management, recruitment operations, childcare leave without pay, sexual harassment prevention, related rules, and in accordance with the norms of the Act of Gender Equality in Employment.

3.7 Employee Performance Evaluations

The performance management system is the core of the Company's talent development, management, salary, and bonus design and planning. Through the talent development-oriented performance management plan and two-way communication, the Company's supervisors and colleagues jointly review annual work performance, set appropriate work goals, explore development directions with potential, search for the most suitable talents for each role, and provide them with diversified development stages. This process helps employees establish a fulfilling career while aiding colleagues who do not meet expectations to grow in their roles and receive coaching.

To initiate a multi-phase evaluation structure, department managers and staff carry out performance appraisals based on established evaluation systems. This not only prioritizes annual key mission targets but also values the daily work behavior of results with instant feedback. Through annual work performance management cycles, the Company supports the development of targeted training plans that align with job roles and enhance individual motivation and effectiveness. This process fosters stronger communication between managers and staff, inspires individual and team potential, and ultimately improves overall organizational performance.

All employees undergo performance evaluations and appraisals annually as the foundation for promotions and bonuses. To ensure objective performance evaluations, TFMI provides an annual summary of related issues for each manager as a reference at year-end. Managers assist employees with specific project training to ensure they meet their performance goals and improve in their roles. When employees perform well, TFMI provides opportunities for promotion, salary increases, and year-end bonuses based on the annual performance review and individual work performance. Managers connect corporate-wide and individual targets to measure the skills development of their employees and create a win-win situation for the Company and individuals.

Work priorities	Output results
Beginning of the year Confirming job responsibilities and performance appraisal-related indicators.	Annual personal goals are set jointly by supervisors and colleagues.
Middle of the year Evaluating daily assessment records and goal implementation progress.	Flexible coaching adjustments are made depending on implementation status.
End of the year Annual performance appraisal with performance interviews and coaching by supervisors.	Plans are developed for promotions, salary increases, personnel development directions, training targets, and others.

Number of Employees Receiving Target Performance Assessment

Appraisal or not	Persons
Performance appraisal conducted (not including employees on probation)	882
Performance appraisal not conducted (employees on probation)	22

Job Performance Appraisal by Gender and Category

Category	Male		Female	
	Number of people	Proportion	Number of people	Proportion
Supervisory position	113	60.4%	74	39.6%
General staff	276	39.7%	419	60.3%
Total	389	44.1%	493	55.9%



3.8 Safe Working Environment

TFMI is committed to creating a safe, comfortable, happy, and harmonious working environment. It aims to continuously improve employees' healthcare and workplace safety measures. The Company places strong emphasis on workplace safety by promoting occupational safety and health and reducing the risk of incidents.

TFMI has a total of 11 occupational safety and health business executives and six emergency priority responders, covering all Company employees and operating sites. The Company has formulated the Occupational Safety and Health Code of Conduct in accordance with the Occupational Safety and Health Act. It implements workplace safety and promotes employee health through continuous education and training courses on workplace safety and health, as well as communication and training on various internal safety and health issues. This ensures that all employees are aware of emergency accident handling, fire response, occupational safety and health, and other safety matters. All offices in the province have public accident insurance coverage in terms of property protection.

In accordance with the Fire Services Act, the head office regularly conducts fire drills for office building fires to reduce possible hazards in the work environment and provide employees with improved awareness of working environment safety and self-protection. Special doctors are asked to conduct work environment inspections regularly; relevant intensive measures are adopted continually, ensuring that the number of work-related injuries during work hours is reduced.

1. Deployment of Emergency Responders

Emergency responders are deployed at the head office building to strengthen the health protection of Company employees.

2. Implementation of Safety and Health Education and Training

In compliance with relevant regulations, each unit's occupational safety and health supervisors are required to complete six hours of on-the-job training every two years through certified external organizations. Priority emergency responders undergo three hours of on-the-job training from an external accreditation organization every three years. New employees are provided with three hours of pre-service general safety education and training. In-service employees are provided with three years of three-hour occupational safety training courses to improve personnel safety awareness.

3. Office Air Quality Testing

In accordance with the "Implementation Measures for the Monitoring of Labor Operation Environment," the head office regularly tests the environmental carbon dioxide to monitor the office environment. This serves to prevent an over-concentration of carbon dioxide, which could result in difficulty concentrating and endangered health, whereby maintaining the respiratory health of employees. The annual test results are better than the statutory permissible standards.

Number of Work-Related Injuries and Hours among Male and Female Employees in 2024

Statistics of work-related injuries	Gender	
	Male	Female
Number	0	2
Hours	0	56

Note 1: The above statistics are related to traffic accidents that occurred on the way to/from home/work among employees. The number of deaths from occupational injuries was ZERO; no employee suffered from work-related injuries while working or at the Company's workplace.

Note 2: There were no incidents of non-employee occupational injuries in the Company in 2024.

Disability Injury Statistics for 2024

Category of work-related injuries	Gender	Statistical data
Disability injury frequency rate (FR)	Male	0%
	Female	0%
	Total	0%
Disability injury severity rate (SR)	Male	0%
	Female	0%
	Total	0%
Frequency-severity indicator (FSI)	Male	0%
	Female	0%
	Total	0%
Absence rate (AR)	Male	0.16%
	Female	0.37%
	Total	0.54%

Note 1: In 2024, the number of personal leave hours was 3,454 hours; sick leave was 6,556 hours; and work-related injury leave was 56 hours.

Note 2: Disability injury frequency rate (FR) = total number of disability injuries per million hours of work. The total number of injuries caused by incompetence is calculated to include the total number of people who died, had a permanent total disability, permanent partial disability, or temporary total disability.

Note 3: Disability injury severity rate (SR) = total number of days lost per million hours of work due to a disability injury.

Note 4: Frequency-severity indicator (FSI) = F.R. times S.R. and divided by the square root of 1,000.

Note 5: Absence rate (AR) = (total absence days / total working days) * 100%.

3.9 A Healthy and Active Workplace



TFMI provides a comfortable, safe, and healthy working environment, protecting the rights and interests of its employees. All TFMI employees enjoy group insurance, including life insurance, accident insurance, medical insurance, and cancer insurance, safeguarding their safety and health. TFMI also provides annual employee health examinations by engaging a specific unit for employee healthcare-related issues. We hire a well-being group to visit Company sites and provide our employees with health checks as required by the government; we offer additional abdominal ultrasounds, ovarian cancer index checks, prostate checks, colorectal cancer checks, liver cancer checks, and other tests. This process is designed to offer employees more comprehensive and convenient health examinations to reduce travel time to and from clinics. In 2024, to better meet the differing health examination needs across age groups, we adjusted both the number of examination items and the reimbursement amounts based on age. Holistic health reports and professional explanations from medical personnel are provided following health checks so that employees can gain a better understanding of their health. We also provide an APP online health check report query, which not only offers information services, but allows employees to grasp personal health information in real time. We assign contract physicians for further individual investigations and regular management if any test results show abnormalities, rearranging work where reasonably possible to support colleagues. We aim to improve employee health through analyzing health management statistics.

Internally, in accordance with regulations, TFMI hires nursing staff and professional contract physicians to provide health education with related forums and consults to promote colleagues' safety and health awareness. This service encompasses health-related instruction, the prevention and treatment of work-related injuries and diseases, first aid and emergency treatment, and others. To support employee safety and health, TFMI periodically shares relevant information and educational content on the internal website to help employees maintain a balance across work, physical, and mental well-being. Additionally, TFMI publishes "Weekly Health e-News," which offers professional health guidance from medical experts and includes the latest health-related news and issues, both within and outside the organization.

TFMI actively encourages employees to establish regular exercise habits. It supports employee sports and sports-related employee benefits. These activities effectively encourage employee morale, enhance corporate image, and strengthen the management effectiveness of economic advantages. Recently, the Company continues to pass the "Certification of Sports Companies," and were certified again in 2020. We have also passed the Smoke-Free Workplace Health Start-Up Certification of the National Health Department of the Ministry of Health and Welfare in establishing a smoke-free, healthy work environment. To promote workplace health, the "Healthy Weight Loss E-together Activity" was held in 2024, with 35 groups of 120 individuals participating. The activity was divided into two phases. The first was from May 27 to December 15, 2024 (weight loss period); the second phase of testing (maintenance period) was carried out on March 4, 2025. From implementation to the end of the first phase, staff lost a total of 450.1 kilograms; the top three teams who lost the most weight were awarded at the year-end banquet.

TFMI is comprised of young, sports-loving individuals. As such, the Company allocates a budget to support various associations and clubs after work, hoping employees can engage in activities to enhance physical and mental health. Currently, the Company boasts ten employee-established clubs, including aerobic dance, mountain climbing (Changhua, Tainan), bowling, walking, billiards, archery, table pool, badminton, and golf (Kaohsiung). These clubs encourage colleagues to engage in various sports and enjoy competitions. We aim to foster an environment that promotes healthy exercise habits and overall well-being, enhances work efficiency, strengthens team spirit, and fosters vitality. Looking ahead, we will continue to encourage employees to establish good exercise habits and embed these practices into our corporate culture. This commitment reflects our dedication to corporate social responsibility by caring for our employees and promoting sports within the Company.

CH4

Cherish the Earth, Sustain the Environment

Climate change and related environmental risks are critical global challenges that must be addressed with caution. For insurance companies, they represent core risks to long-term operations. To respond to operational risks caused by climate change to insurance companies and to continue strengthening climate change-related response and governance, the Company lists climate change as one of the most important issues today.

The Company has established a Risk Management Committee and a Sustainable Development Committee under the Board of Directors. Each committee regularly reviews the development, establishment, and implementation effectiveness of the Company's overall risk management mechanism in accordance with its functions. It discloses relevant information across four significant areas of governance, policy, risk management, indicators, and goals based on the guidance framework for the "Recommendations on Climate-Related Financial Disclosures" released by the Task Force on Climate-Related Financial Disclosures (TCFD). They identify and take stock of potential climate change risks, opportunities, and financial impacts in company operations, and formulate risk management strategies for major risks as action measures to address climate change. Dedicated units report on the implementation of relevant risk management strategies to the Board of Directors at least once a year. The Board of Directors reviews the implementation status and outcomes and encourages the Taskforce to make necessary adjustments to strengthen climate governance and management.

Corresponding to the United Nations SDGs (Sustainable Development Goals)



4.1 Operational Risk Management

Stable operations are a key component for a property insurance company to effectively mitigate customer risks, protect customer rights and interests, enabling individuals and organizations to develop amid a robust and safe work environment through adequate coverage. Accordingly, TFMI has developed risk management policies to comprehensively understand risk factors faced during operating processes through systematic risk analysis and identification. Based on our established risk control mechanism, the main risks identified include market risk, credit risk, liquidity risk, operational risk, insurance risk, asset-liability matching risk, and climate change risk; corresponding management standards are formulated for each risk to ensure that all units follow them.

To strengthen risk management effectiveness, the Company has established a Risk Management Committee affiliated with the Board of Directors, with an independent director serving as the convener. The committee is responsible for implementing the Board's risk management decisions and regularly reporting the risk management status to the Board. The Committee regularly reviews the development, establishment, and implementation effectiveness of the Company's overall risk management mechanism, ensuring that risk management strategies keep pace with the times. The Company also established a Risk Management Department independent of business units. This department plans, supervises, and implements risk management matters and regularly submits risk management reports. Each business unit assigns risk management personnel to assist in executing risk management operations, ensuring risk management is implemented in daily operations.

Regarding "Acts of God" insurance business that may cause significant losses, natural disaster risk analysis is also performed by citing risk simulations of well-known foreign natural disaster models, Risk Management Solutions® (RMS) and Verisk Touchstone®. The results demonstrate that our robust financial structure provides sufficient solvency to absorb the risk of natural disasters affecting our customers.

I Dedicated Unit for Risk Control Operations

TFMI has established a dedicated Risk Management Department to play the core function of the Company's operational risk management competency. It works within each business area to extend the needs and effectiveness of risk management via mutual communication and distribution of responsibilities.

The Risk Management Department is dedicated to the planning and implementation of risk monitoring. It provides risk information to facilitate the management's decision-making in response to risks, such as risk aversion, risk transfer, risk control, risk taking, capital requirements, and others. The Risk Management Department maintains regular two-way communication with all business units to support the implementation of risk identification, measurement, and control planning. This ensures operations and front-line ownership, which strengthens early prevention and warning mechanisms, enabling a truly integrated and effective approach to risk management.

I Extreme Weather Risk Assessment

Climate change has increased the frequency of extreme weather events, posing a significant challenge to the disaster insurance business. The Company has used well-known foreign disaster models Risk Management Solutions® (RMS) and Verisk Touchstone® to conduct disaster risk analysis. We have adjusted reinsurance strategies accordingly to reduce potential losses caused by extreme weather. The Company regularly evaluates the long-term impact of climate change on its business. It formulates corresponding risk management measures to ensure that it can maintain a sound financial structure and liquidity in the context of climate change.

I Identifying and Responding to Major Risks

During operations, TFMI considers internal and external operation process management requirements through structural and systematic means. It refers to the Insurance Risk Management Practice Code established by the Life Insurance Association of the Republic of China and the Non-Life Insurance Business Association of the Republic of China, and has been adopted by the competent authorities. By identifying all potential causes and consequences of possible risk events, we establish a holistic risk management strategy. We assess the effectiveness of internal controls as the basis for indicators creating and quantifying risks to ensure operational objectives are met. After identification, the risks that the Company's operations may face include market risk, credit risk, liquidity risk, operational risk, insurance risk, asset-liability matching risk, climate change risk, and others. As such, risk management policies and related management mechanisms are formulated through the Risk Management Committee under strict requirements for all units to follow.

Operational Risk Items and Response Management Methods of TFMI

Nature of risk	Response management method
Market risk	Through adequate market risk control management procedures, risks associated with the identification, measurement, and control of investment plans are controlled to a reasonable and affordable extent from changes in interest rates, equity securities, exchange rates and real estate prices.
Credit Risk	Through adequate credit risk management mechanisms, the credit rating of counterparties, issuers, guarantee institutions and others is carefully assessed; the risks that may arise are kept within reasonable and bearable limits by credit grading limit management and continuous tracking of counterparty credit status.
Liquidity risk	Reduce the risk of non-performance by taking appropriate liquidity risk management measures to avoid excessive concentration of funds; establish emergency fund contingency mechanisms; hold appropriate amounts of cash; immediately realizable marketable securities, and others.
Operational risk	During the execution of each business, risk management procedures or tools are used to reduce or control the risk that may result from operational negligence to a reasonable and affordable extent through the system of collection, discussion, notification, and early warning of risk information.
Insurance risk	Through adequate commodity design procedures, underwriting policies, claims policy, rate review, reinsurance risk management plans, stress testing, various reserve assessment procedures, and other management mechanisms, the losses due to unexpected changes—such as commodity design and pricing risk, underwriting risk, reinsurance risk, catastrophe risk, claim settlement risk and reserve risk—are controlled within a reasonable and bearable degree.
Asset-liability matching risk	Form, execute, monitor and revise asset and liability related strategies to achieve the intended financial objectives to the extent that they are affordable through appropriate asset-liability matching risk management mechanism.
Climate change risk	Rely on effective climate change risk management to establish adequate control mechanisms to maintain potential risks within reasonable limits. This follows an evaluation of physical risks from direct or indirect losses due to specific natural disasters linked to climate change or long-term climate model shifts, as well as transition risks arising from the low-carbon economy transformation.

I Emerging Risks

In recent years, emerging risks that might occur during operations have increased sharply (information security risks, global infectious diseases, etc.). The Company lists emerging risks as one of the risk assessment items and regularly evaluates potential risks that have an impact on the Company's future business. In addition to establishing items and management mechanisms to address emerging risks, the Company has added and revised various risk management rules and monitoring indicators in a timely manner in accordance with the requirements of the competent authorities and changes in the economic environment.

Emerging Risks Faced by Taiwan Fire & Marine Insurance Company

Nature of risk	Possible impact on Taiwan Fire & Marine Insurance Company	Responses and approaches
 Information security	- In a digital environment, risks such as malicious attacks or data theft have increased significantly; information security has also become a core key item of operations. - Accidental leakage of personal data may elicit regulatory fines and litigation risks, negatively affecting the Company's finances and reputation.	- An independent information security unit conducts annual information security risk assessments in accordance with laws and standards; passed the ISO27001 information security management system verification to ensure system security. - Information security insurance is arranged to reduce the possible impact of data leaks, cyber extortion and cyber crime. - Information security advocacy education and training are carried out each year for all employees; information security personnel receive professional information security training to further mitigate related risks.

I High Standard of Capital Adequacy Ratio, Fully Adapted Stress Test

In accordance with the “Regulations Governing Capital Adequacy of Insurance Companies” published by the Financial Supervisory Commission, the insurance industry is required to test and assess the financial position of insurance companies by using various risk factors under the assumption of extreme event scenarios. This serves to simulate financial pressures that may arise as an assessment of the Company’s solvency effectiveness.

Results from TFMI’s past stress tests show that, even under various extreme events, the capital adequacy ratio remains above 500%, far exceeding the statutory standard of 200%. This indicates that even in the face of major risks, the solvency of TFMI will not be significantly affected.

I Formulate Standard Crisis Control Management Procedures to Prevent Significant Operational Impact Risks

In response to major operational crises, TFMI has established the Operational Key Points of the Operational Crisis Control Management Group. This framework ensures that, in the event of a major operational crisis, the situation is handled swiftly, accurately, and appropriately to protect employee safety, safeguard company property, and minimize losses.

In the main operating points, the following items are included in the relevant business crisis accidents:



- Natural and human-caused disasters (e.g., earthquake, flood, fire, windstorm).
- Fraud resulting from poor internal control or material weakness.
- Security maintenance (e.g., robbery, major theft, damage to office premises or equipment, or intimidation).
- Business (e.g., major claim settlement cases, false policies, embezzlement of premiums), major financial deficiencies (or capital use), or major financial losses.
- Media reporting that affects the Company’s reputation.
- Mass contract terminations.
- Occurrence of cybersecurity incidents.
- Business related to insurance invested offshore violates regulations on anti-money laundering and combating the financing of terrorism.
- Individual major credit risk incidents taking place overseas and in mainland China involving creditors’ rights or investment loss equivalent to USD 10 million or above, through evaluation.
- Occurrence of a systematic risk crisis: refers to a potential risk of a chain liquidity crisis in other insurance companies triggered by the contagion effect of an operational crisis at the Company. Such an event could severely disrupt the insurance industry and threaten financial stability.
- Other major incidents.

Through a comprehensive risk management structure, risk analysis tools, and rigorous risk control mechanisms, the Company ensures that it can respond promptly when facing various risks while protecting customer rights and interests and maintaining operational stability. In the future, the Company will monitor emerging risks and adjust risk management strategies in a timely manner to respond to the shifting economic environment and market challenges.

4.2 Governance Framework for Climate Change Issues

The Company has established a Risk Management Committee and a Sustainable Development Committee under the Board of Directors. Each committee regularly reviews the development, establishment, and implementation effectiveness of the Company's overall risk management mechanism in accordance with its functions. Committees disclose relevant information across four major areas of governance, policy, risk management, indicators, and goals based on the guidance framework for the "Recommendations on Climate-Related Financial Disclosures" released by the Task Force on Climate-Related Financial Disclosures (TCFD). They identify and assess potential climate change risks, opportunities and financial impacts in company operations, and develop risk management strategies for to address major climate-related threats. Dedicated units report on the implementation of relevant risk management strategies to the Board of Directors at least once per year. The Board of Directors reviews the implementation status and outcomes while encouraging the Taskforce to make necessary adjustments to strengthen climate governance and management.

I TCFD Index Disclosure Structure and Actual Actions of Taiwan Fire & Marine Insurance Company

Core factors	Governance	Strategy	Risk management	Indexes and targets
Description	Disclosure of TFMI's governance of climate-related risks and opportunities	Disclosure of the actual and potential climate change-related impacts on TFMI's business, strategies, and financial planning	Disclosure of how the organization identifies, evaluates, and manages climate change-related risks	Disclosure of the indexes and targets of climate change-related issues for important information
Actual actions of Taiwan Fire & Marine Insurance Company	- The issue of climate change is integrated into the Company's overall risk management; the Board of Directors appoints a Risk Management Committee to report to the Board on climate change-related issues regularly. - The Company strengthens service operation processes and innovates and reshapes the product structure in accordance with ESG principles and related environmental issues. - The Board of Directors continuously monitors developments related to climate change, sets operational targets and plans, and conducts regular reviews to drive ongoing improvements.	- Identify climate change-related risks and opportunities the Company faces in the short-, medium-, and long-term; analyze climate change risks for the industry; enhance the Company's bearing capacity by improving its financial structure. - Plan and sign the TCFD report framework in accordance with the requirements of the competent authorities. - Climate factors must be incorporated into product planning, innovation, and actuarial evaluations to address increasingly severe environmental challenges and demonstrate the social value and resilience of property insurance. - Pre-calculate the impact of varying carbon reduction scenarios and time points on business operations; set a long-term carbon reduction goal.	- Establish related control and regulation methods, identifying, adjusting, monitoring, and managing climate change risks. - Strengthen the risk and opportunity identification capabilities of various departments of the Company; enhance the Company's internal awareness of climate change risks. - Establish risk assessment procedures for identifying, measuring, monitoring, reporting, and managing high-risk climate issues.	- The Risk Committee continuously monitors the results of the Company's environmental strategy and risk management processes to develop related risk and opportunity indexes and plans. - The Company discloses the main greenhouse gas emissions data of TFMI in the Sustainability Report, and is devoted to lowering emissions density toward achieving the low-carbon service goal. - The Company began tracking greenhouse gas inventory in 2022.

4.3 Climate Change Related Risks and Opportunities

To identify climate change risks and opportunities, TFMI utilizes the IPCC's RCP 4.5 and 8.5 scenarios to analyze and assess potential climate-related impacts on its business, operational strategy, and financial and investment positions under varying climate scenarios.

Through the Risk Management Department, all units collaborate to discuss and evaluate the impact of climate change on business operations. They actively identify risks and opportunities and assess their potential financial, operational, and business impacts. Considering the likelihood of occurrence, units identify the Company's significant climate-related risks and opportunities. The Risk Management Committee develops long-term policies and action plans, regularly tracking implementation to ensure effective control and improvement of climate-related risks and opportunities. The Company aims to establish mechanisms addressing financial impacts and other risks and opportunities from climate change. By 2025, the Company plans to quantify the costs associated with managing these impacts.

I Identifying Climate Change Related Risks and Opportunities

1	Data collection and evaluation
	Distribute questionnaires to relevant business units to collect industry trends, analysis, and evaluation data related to climate change.
2	Risk and opportunity identification
	Analyze potential transformation risks, physical risks, and opportunities based on the impact of climate change on insurance, investment, and operations.
3	Impact assessment
	Assess the impact of climate change-related risks on the Company's assets and liabilities, investment portfolio, underwriting business, and operations.
4	Response strategies
	Formulate risk management measures and response strategies; incorporate them into the Company's risk management mechanisms.

I Analysis of Impacts of Major Climate Risks and Opportunities

Category	Theme of climate risk/opportunity	Description of climate risk/opportunity	Impact on the value chain	Operational and financial impacts	Response measures
Transformation risk	Changes to climate-related regulations	The global reinsurance industry promotes carbon reduction measures; the high-carbon emission industry faces limitations on underwriting conditions.	Impact on reinsurance arrangements	Increasing retained risk and underwriting costs.	Adjust underwriting strategies and strengthen the management of underwriting conditions.
	Carbon pricing mechanisms	Carbon taxes or carbon trading mechanisms increase business operating costs.	Impact on insurance and investment businesses	Affecting the financial performance of investment targets in the high-carbon emission industry.	Monitor carbon market changes and adjust investment portfolios.
Physical risk	Extreme weather events	Typhoons, floods, and other disasters increase policy claims.	Impact on insurance claims and reinsurance arrangements	Increasing claim settlement costs are affecting profitability.	Strengthen catastrophe models and adjust risk transfer mechanisms.
	Sea level rise	Long-term flood risk affects the value of insurance subject matter.	Impact on asset and underwriting risk assessment	Adding long-term financial pressure.	Strengthen regional risk assessments and adjust underwriting policies.
	Risk of operational interruption	Extreme weather events affect logistics and supply chains, disrupting business operations.	Impact on internal operations	Increasing business continuity management costs.	Strengthen business continuity plans to ensure uninterrupted business.
Opportunity	Green financial investment	Demand for ESG-related investment targets increases.	Increasing investment opportunities	Improving long-term return on investment.	Increase the proportion of green bonds and investments in environmentally-friendly companies.
	Low-carbon insurance products	Enterprises' demand for carbon footprint management increases.	Expansion into new markets	Promoting business growth.	Develop exclusive insurance products for low-carbon industries.
	Renewable energy development	Renewable energy infrastructure increases demand for insurance.	Expanding the insurance market	Increasing insurance products and revenue.	Expand the scope of carbon inventory and promote paperless operations.
	Sustainable operating mechanisms	Green operating models reduce long-term operating costs.	Enhancing corporate image	Reducing energy costs and aligning with market trends.	Expand the scope of carbon inventory and promote paperless operations.

4.4 Climate Disaster Management in the Context of RCP Warming Scenarios

The Company estimates, analyzes, and evaluates the climate-related impacts that the Company may experience on its business, operational strategies, financial and investment conditions under different climate scenarios; this is based on the 4.5 and 8.5 scenarios in the Representative Concentration Pathway (RCP) of the Intergovernmental Panel on Climate Change (IPCC). Through the Risk Management Office, all units collaborate to discuss and evaluate the impact of climate change on business operations. They actively identify risks and opportunities while assessing potential impacts on the Company's finance, business, and operations. Considering the likelihood of occurrence, they identify the Company's significant climate-related risks and opportunities. The Risk Management Committee develops long-term policies and action plans, regularly tracking implementation to ensure effective control and improvement of climate-related risks and opportunities.

4.5 Climate Change Indicators and Targets

TFMI actively cultivates a low-carbon operating environment with a digital and low-carbon business strategy to respond to carbon reduction initiatives that align with international and social standards. It has initiated ISO 14064-1 greenhouse gas inventory and assurance operations and plans to introduce and implement certifications such as the ISO 14001 Environmental Management System. The Company pursues low-carbon transformation by strengthening socially sustainable investments, enhancing digital green products and services, promoting the energy resource industry, and developing environmentally resilient insurance products. These efforts aim to accelerate the green transformation of the insurance industry and contribute to the shared goal of slowing global warming.

4.6 Environmental Sustainability

In recent years, extreme weather events driven by global climate change have threatened human lives and properties, highlighting the urgent need to protect the Earth and reduce resource consumption in corporate operations. To address these challenges, the Company has established a Sustainable Development Committee, with the President serving as convener. This committee collaborates with relevant departments to plan and promote sustainable development strategies and project plans. Under the Taskforce, there are four groups: Environmental Protection Group, Social Responsibility Group, Corporate Governance Group 1, and Corporate Governance Group 2, each addressing environmental (E), social (S), and corporate governance (G) sustainable development issues. Through regular reporting and review meetings, the teams stay informed about environmental changes and sustainable development trends, propose practical solutions to operational challenges, and swiftly adjust strategies to address environmental risks.

To achieve its sustainability goals, the Company optimizes equipment usage, promotes green awareness and culture, and encourages employees to adopt environmentally friendly habits. These efforts aim to significantly reduce the Company's carbon footprint and expand the impact of green protection, contributing to environmentally sustainable development.

Green operations are both a business strategy and a reflection of social responsibility. The Company is dedicated to creating a new green operational model through product innovation and social participation. By leading the industry toward a sustainable future, the Company aims to realize global environmental sustainability through active enterprise participation and joint social efforts. This commitment is for future generations and reflects our responsibility to the Earth. Moving forward, the Company continues to promote green operations concepts, striving for a win-win between environmental protection and corporate sustainable development.

4.6.1 Energy and Resource Management

Enhancing the Company's sustainable image, ensuring the sustainable and stable development of environmental ecosystems, effectively implementing climate change management mechanisms, strengthening environmental management, and establishing a green, low-carbon corporate environment are key priorities for TFMI.

We collaborate with all units to comprehensively implement low-carbon operations and advocate for environmental protection, enhance environmental sustainability action plans (e.g., greenhouse gas management, energy consumption reduction, and water and waste management), and continue to actively set environmental improvement goals through the cyclical process of planning, implementing, inspecting, and improving. These actions demonstrate our responsibility as a citizen of the Earth to reduce the impact on the environment and achieve sustainable green operational goals.

The Company continues to promote and plan various energy resource improvements, green services, and related integration plans. Through enhancements in hardware development and software standardization, we align with green energy conservation international trends by implementing improvement programs. This includes replacing office equipment with energy-saving alternatives, implementing various energy-saving measures in the office, and reducing waste. We engage in energy conservation, carbon reduction, environmental protection, paper and transportation reduction, and other actions by promoting e-commerce platforms and internal operational processes. As an environmentally-friendly company, we contribute to the global environment and internalize the concept of ESG into our daily operations.

TFMI promotes three core energy efficiency initiatives under the concept of green living: water conservation, electricity savings, and green procurement. The company builds environmental awareness among employees through continuous energy efficiency improvements and internal advocacy. The Company has practiced green procurement in recent years, built a cloud-based e-office system, replaced and improved indoor LED light systems, generated long-term statistics on water and electricity consumption, and introduced various innovative energy-saving and carbon-reducing methods. Using statistical analysis, we manage data on the use of resources while making gradual improvements. We strive to be a leader in best practices for environmental responsibility by consistently achieving energy conservation and carbon reduction in our operations.

Actions promoted by the Company are as follows:

Energy-saving items	Description
 Electricity distribution system	Based on the excellent results of TFMI's electricity and power savings management, the head office's "Contract Capacity" of total electricity dropped from 900 KW to 750 KW, reducing the power grid burden of Taiwan Power Company.
 Air-conditioning equipment	- TFMI sets "Improving the Air Conditioning Efficiency" and "Lowering the Air Conditioning Electricity" as two main directions to further improve engine room management. The entire building's air-conditioning equipment has been recently updated, with strict advocacy requiring that the summer air-conditioning temperature must be set higher than 26 degrees, limiting the opening of doors and windows. - Cooling water tower cleansing and maintenance are implemented twice yearly; the cleansing frequency may vary depending on water quality. - A/C operation is adjusted flexibly by season: its start time is set at 7:30 am with early shutdown time at 5:30 pm from May to September; its start time is delayed to 8:30 am with early shutdown time at 5:00 pm from October to April.
 Lighting devices	- In support of the World Wide Fund for Nature's "Earth Hour," TFMI turns off office lights for one hour during the lunch break and switches off unused lighting after office hours. This also decreases electricity consumption and lowers temperatures for the Earth. - The latest model of LED lighting has been installed at head office and Company branches.
 Resource recycling	- We promote efficient paper use by encouraging double-sided printing for non-confidential and non-sensitive documents. - We emphasize resource recycling and reuse ideas to reduce waste. - Regenerated items are destroyed and recycled by qualified vendors.
 Water resource management	Water-saving devices have been installed on water taps and in restrooms to adjust water output to manage water source effectively.
 Cloud office	- We implement cloud E-offices, establish various cloud operating systems, and adopt electronic sign-off for important administrative operations to achieve energy conservation and carbon reduction. - Paper copies are not distributed or printed for meetings.
 Green supply procurement	TFMI continues to implement green procurement by purchasing environmentally friendly toner cartridges made from non-toxic materials, reducing both environmental impact and waste generation.
 Minimize business trips	TFMI uses a video system to implement teleconferences and internal training courses. This reduces personnel's travel time and expenses and lowers carbon emissions from round-trip travel.
 Drinking water safety	TFMI provides quality, safe drinking water to reduce the waste generated by employees' purchasing bottled water or other beverages.

4.6.2 Managing Greenhouse Gas Emissions

During the preparation of the Sustainability Report, the Company statistically analyzed the greenhouse gas emissions generated by the Company's 44 operating locations and 4 non-operating locations (Information Technology Service Department and warehouses used only for document storage) in 2024. The Company's greenhouse gas emissions are primarily from electricity consumption for office use. The carbon dioxide equivalent generated by the use of electricity is calculated and disclosed based on the statistics of monthly electricity energy consumption.

In response to the digitalization of operations, TFMI has progressively upgraded and expanded its IT system servers and added equipment to meet regulatory requirements. Thus, overall emissions have gradually increased compared to previous years. However, going forward, energy management in the computer room will focus on "improving air conditioning efficiency" and "reducing air conditioning electricity consumption" to optimize system operations management and lower carbon emissions in internal operations. Based on the ISO 14064-1 external greenhouse gas inventory results, we formulate strategies and action plans for energy conservation and carbon reduction to gradually reduce greenhouse gas emissions.

Year	Total Electricity Amount	Total Joules (MJ)	Source density (total Joules per person)	Total carbon dioxide emission (tons)	CO ₂ emission per person (kg)
2021	1,743,950	6,278,220.0	6,839.02	887.671	967
2022	1,625,335	5,851,206.0	6,436.97	827.296	910.1
2023	1,589,566	5,722,437.6	6295.3109	786.835	862.8
2024	1,570,047	5,652,169.2	6,123.6936	744.203	806.3

Note 1: Emissions data were determined based on the Company's power consumption. Concerning ISO 14064-1 Organizational Greenhouse Gas Inventory Standard, and pursuant to the statistics of power emission coefficient released by the Bureau of Energy in 2024, 1 kWh of electricity would generate 0.474 kg CO₂e.

Note 2: CO₂ emission density per person was calculated using the number of employees of the Company with December 31, 2024 as the denominator.

I Total Greenhouse Gas Emissions in 2024

Greenhouse gas emissions (metric tons CO ₂ e)		2023	2024
Scope 1	Category 1: Direct greenhouse gas emissions	87.6838	68.6570
Scope 2	Category 2: Indirect greenhouse gas emissions from input power	786.8314	744.2025
Scope 3	Category 4: Indirect greenhouse gas emissions from product use		
	4.1 Emissions from the purchase of products	187.3061	215.5666
	4.3 Emissions from the disposal of solid and liquid waste	14.4038	12.6547
Total		1,076.2251	1,041.0808

Note 1: ISO 14064-1:2018, Greenhouse Gas Inventory Protocol: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals was used as the inventory method for Category 1; 2022 IPCC AR6 was sourced for GWP values; emission factors were cited from EMA's Greenhouse Gas Emission Factor Management Table Version 6.0.4.

Note 2: ISO 14064-1:2018, Greenhouse Gas Inventory Protocol: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals was used as the inventory method for Category 1; 2022 IPCC AR6 was sourced for GWP values; emission factors were cited from the latest factors published by the Energy Administration; the emission factor for electricity in 2024 was 0.474 kg of CO₂e/kWh.

Note 3: The Company's Category 1 greenhouse gas emissions include direct greenhouse gas emissions. These are mainly emissions from diesel emergency generators, gasoline and diesel official vehicles, septic tanks, and refrigeration equipment. Category 2 greenhouse gas emissions come from purchased electricity. Category 4 includes waste from purchasing tap water, photocopy paper, fuel, and energy-related activities and operations. Boundary settings and emissions sources include carbon dioxide (CO₂), nitrous oxide (N₂O), methane (CH₄), and hydrofluorocarbons (HFCs).

I Density of Greenhouse Gas Emissions

The Company's greenhouse gas organizational boundaries are set in accordance with the "Operational Control Law." In 2023, the Company's 44 operational and three non-operational sites comprise the organizational boundaries. In 2024, the Company's 44 operational and four non-operational sites comprised the organizational boundaries.

Year	Category 1 (tCO ₂ e)	Category 2 (tCO ₂ e)	Total (tCO ₂ e)	Density (tCO ₂ e)/ NTD million)
2023	87.6838	786.8314	874.5152	0.1292
2024	68.6570	744.2025	812.8595	0.1107

Note : Greenhouse gas intensity was calculated using the Company's annual operating income as the denominator.

4.6.3 Water Resource Management

Given the impact of climate change on the global environment and the frequent occurrence of natural disasters, the Company is continually concerned about the possible water shortage crisis. Currently, 100% of the Company's water sources (including the head office and each branch) come from Taiwan Water Corporation and are all fresh water. Sources of water intake are not from areas with water pressure; neither groundwater nor other water sources that impact the environment are taken. The water used in each building is limited to the domestic water of employees (including water for drinking, washing, air conditioning, and environmental cleaning). Wastewater is lawfully discharged through the sewage sewer system in accordance with laws and regulations; meeting the relevant treatment standards, it has no significant impact on environmental water sources. The World Resources Institute (WRI)'s "Aqueduct Water Risk Atlas" indicates that Taiwan is generally in an area with low risk of water pressure or water shortages; the Company's operating sites are all located in Taiwan, and are thus not in areas with limited water resources.

To implement water resource management, the Company maintains and strengthens equipment management collectively by the administrative management center to avoid water leakage; measures include regularly cleansing the water tower of office buildings and installing water-saving facilities in the office bathrooms. Through slogans and employee engagement, we continue to advocate water conservation measures to encourage colleagues to improve resource utilization.

I Water Resource Use in the Past Two Years

Item	2023	2024
Water consumption (millions of liters)	11.400	12.407
Operating income (NTD million)	6,768.286	7,340.275
Water consumption intensity (million liters/NTD million)	0.00168	0.00169
Number of employees (millions of liters)	912	923
Water consumption per person (millions of liters)	0.0125	0.0134



4.6.4 Sustainable Supply Chain

The Company operates in financial and insurance services, covering the design, underwriting, claims settlement, and after-sales support of insurance products. It provides professional insurance coverage for individual and corporate clients through multiple channels. Along the value chain, the Company primarily relies on contractors, distributors, consultants, and other suppliers to provide professional services such as information system support, marketing, human resources, and regulatory compliance. Most of the Company's key suppliers are located in Taiwan, with geographical and language advantages that can ensure communication efficiency and real-time response capabilities, improving operational efficiency.

In addition to suppliers, the Company maintains close commercial partnerships with major insurance brokers, insurance agents, cooperative banks, and strategic alliance partners to jointly expand markets and enhance service accessibility. Downstream activities include insurance services, claims processing, after-sales tracking, and customer satisfaction management. The Company values long-term customer relationships and continues to optimize service processes and digital tools to ensure improved customer experience and trust.



Upstream suppliers

Supplier types

Our leading suppliers include consulting service providers, information system developers, marketing and advertising companies, and equipment engineering suppliers. They assist in supporting business processes, technology construction, and business development.

Contract arrangements

Most contracts are based on the nature of the project or an annual cooperation agreement. The contract period is flexibly determined based on service content and operating needs and is managed based on internal procurement methods.



Organization's core operating activities

Main business

The Company focuses on financial and insurance business, covering the design, underwriting, claim settlement, and follow-up services of insurance products, and provides integrated protection solutions through direct business and strategic channels.

Operating sites

The Company's 44 operating sites are located in Taiwan; its service network covers all counties and cities in Taiwan.



Downstream services

Service targets

The main customer groups are individuals and legal persons; the service scope covers general consumers, small and medium-sized enterprises, and corporate groups.

Contract types

Insurance contracts are mainly for one year; protection options for different periods are provided based on product attributes and customer needs to enhance risk management flexibility.

I Supplier Commitment

To collaborate with suppliers on corporate social responsibility and ESG, the Company has specially formulated "Procurement Operation Measures." When procurement related to property, engineering, or labor services is handled, suppliers must complete the "Supplier's Commitment to Implement Corporate Social Responsibility" and the "Supplier's Self-Assessment Form for Implementing Corporate Social Responsibility and ESG." This guides them to understand and review their practices in environmental protection, labor rights, workplace safety, and ethical management. We aim to establish long-term, trustworthy, and socially responsible cooperative relationships with suppliers through an institutionalized sustainable management process, working to achieve sustainable management goals.



I Local Procurement

TFMI continues to adhere to local procurement policy; Taiwanese local manufacturers are given priority in all procurement cases. We also incorporate green environmental protection in the procurement process to promote the upgrading of environmental protection in Taiwan. This serves to improve the overall environmental circumstances of society, exert a positive social influence, and jointly create sustainable supply chain opportunities through procuring green building materials, recyclable, reusable, and energy-saving products, and reducing the procurement of energy-intensive machinery and equipment with high pollution rates.

A “zero-carbon product” means that a product’s carbon footprint equals its carbon credit, i.e., the carbon dioxide emissions equivalent over the product’s life cycle is offset by the carbon credit generated through carbon reduction activities. The Company supports zero-carbon products through practical actions. By purchasing products from the zero-carbon brand “O’ right,” the Company reduced 1,027 kg of domestic carbon emissions in 2024. This reduction is roughly equivalent to the annual carbon absorption of 93 large 20-year-old trees. Consequently, the Company achieved zero carbon emissions and zero environmental impact while actively participating in environmentally friendly green consumption.

In 2024, local procurement accounted for 100% of the total annual procurement.



I Amount of Suppliers’ Local Procurement in the Most Recent Three Years

Unit: NTD	
Area	2024
Head office	4,731,574
Banqiao Branch	227,780
Taoyuan Branch	314,005
Hsinchu Branch	1,325,514
Taichung Branch	1,070,277
Changhua Branch	98,541
Chiayi Branch	197,610
Tainan Branch	59,175
Kaohsiung Branch	365,310
Yilan Branch	153,095
Hualien Branch	251,675
Total	8,794,556



4.6.5 Waste Management

The Company is committed to waste reduction through these measures and actively participates in environmental protection actions to do its part to cherish the Earth's resources.

Unit: kg

The Company			
2024	General waste	Paper	Plastic bottle (PET bottle)
Total	9,026.08	2,443.19	288.63



Waste classification

The Company's primary waste is general domestic waste; employees are encouraged to proactively implement environmentally friendly recycling measures regarding workflow and environmental management. Waste can be divided into the following two categories based on its nature:

- General waste: refers to general waste that is not recyclable, such as toilet paper (cotton), rags, food residue, etc.
- Resource waste: includes paper (e.g., office paper, cartons), metals (e.g., aluminum cans, iron cans), and plastics (e.g., PET bottles).

According to waste classification standards, office waste should be further classified into categories such as general waste, resource recycling, and kitchen waste to facilitate subsequent treatment.

Waste management in office areas

General waste bins and resource recycling bins are placed near the rear stairwell on each floor of the head office, with regular maintenance of containers and cleaning of the surrounding area. Employees are expected to sort waste before placing it into the appropriate bin to ensure proper disposal.

To effectively promote waste reduction and resource recovery mechanisms, the Administrative Management Center implements the three principles of "reduce," "reuse," and "recycle" based on the waste classification treatment methods of Taipei and various counties and cities. Employees are responsible for sorting waste, which is then centrally collected and uniformly managed by cleaning service providers at the head office and all branches across Taiwan. Finally, the waste is handed over to a qualified waste removal company for proper handling to ensure compliance with environmental protection regulations.

Large-scale and business waste treatment

If any unit at the head office generates a large amount of waste, it must consult the unit responsible and store it at a designated site. Arbitrary disposal is not permitted.

When construction or repair projects are carried out in the office, business waste (wood, glass, plastic, etc.) generated shall not be combined with general waste. Such waste should be removed by the project contractor and supervised by the requesting unit to ensure disposal methods comply with relevant regulations.

Cleaning and transportation operations

To maintain a clean and hygienic office environment, general waste generated by the head office daily is sorted and cleared by the cleaning company. Resource recycled products are properly destroyed and recycled by qualified vendors to ensure the effective operations of environmentally friendly recycling mechanisms.

Resource recovery and waste reduction measures

The Company encourages employees to implement environmentally friendly recycling measures in their daily work. For example, printing equipment in the office uses environmentally friendly toner; used toner cartridges are handed over to professional vendors for recycling to avoid pollution and resource waste.

To further waste reduction, the Company implements the following internal measures:

- Implement a smoking ban policy and reduce pollutant emissions.
- Classify beverage packaging to ensure adequate resource recovery.
- Encourage employees to use eco-friendly products, such as reusable cups, bowls, tableware, and bags, to reduce disposable waste.
- Promote efficient paper use by encouraging double-sided printing for confidential and non-sensitive documents to reduce paper waste.

CH5

United in Kindness, Moving Forward Together

The Company has long upheld the belief of “giving back to society,” continually deepening social care and supporting diverse social development initiatives. In September 2015, the Company established the “Taiwan Fire & Marine Insurance Foundation” to integrate resources into practical actions. Initiatives include special education for children with developmental delays and anti-drug initiatives for youth, focusing on four main public welfare aspects: promoting artistic and cultural activities, cultivating sports talents, caring for disadvantaged groups, and awarding scholarships to young students. The Foundation works to optimize medical environments, bridge social gaps, promote community education and volunteer services, fostering a cycle of kindness and social care.

Through collaborating with the parent company, Navigator Group, the Company effectively integrates resources to engage in public welfare activities with compassion and care, aiming to provide both immediate assistance and long-term development support. The goal is not only to “recognize needs” but to “participate together” and create lasting “ripple effects.” This approach enables the Company to take practical actions in response to social needs, gradually expand its positive impact, and form collective efforts to address social issues. Looking ahead, the Company continues to uphold its corporate social responsibility, striving to be a leader of social progress. By jointly addressing social issues and responding to relevant social policies, the Company aims to lead through the power of kindness to create a greater societal impact.

Corresponding to the United Nations SDGs (Sustainable Development Goals)



5.1 Charitable Donation Venues of the Taiwan Fire & Marine Insurance Foundation

Activity venue	Work item	Implementation method and content	Implementation benefits
Various places throughout Taiwan	Activities of sponsoring and rewarding academic research, exchange, etc.	The Company's donations help relevant units hold academic seminars on public policies, social welfare policies, and various exchange activities to support communication between the government and the public. It helps cultivate young students' ability to work together and care for society.	We support Taiwan University's "Education and Summit Plan" to achieve the goal of cultivating, recruiting, and retaining talents. The estimated number of participants (beneficiaries) is approximately 3,000.
	Promotion of artistic, cultural, and sports activities	Donations are provided to Chen Chung-Kuang Cultural and Educational Foundation, The Paper Windmill Arts and Educational Foundation, Taiwan Ladies Professional Golf Association (TLPGA), Woodpecker Cultural & Educational Foundation, and the General Association of Chinese Culture, and other units to promote artistic, cultural, and sports activities.	- By sponsoring artistic, cultural, and sports activities, we help people acquire more opportunities to participate in various activities. - Sports activities include competitions in Little League Baseball, women's golf, etc. - Art and cultural activities include performances such as the Paper Windmill "Paper Windmill 368 Townships and Urban Children's Art Project," and "Saving Faust," which promotes anti-drug awareness among youth, along with performances in remote areas. - The estimated number of participants (beneficiaries) is approximately 8,500.
	Awarding and assisting financially disadvantaged and outstanding students	We donate to the Taoyuan TFMI Volleyball Team.	In addition to supporting volleyball, we encourage players to pursue their education by awarding scholarships and grants to those who complete a master's degree through a graduation thesis. During this period, three players received these awards.
	Awarding and assisting public welfare groups	The Company collaborates with various public welfare groups such as Eden Social Welfare Foundation, The Affiliated Special Education School in Taipei of the First Social Welfare Foundation, and Heng-Shan Social Welfare Foundation.	We have sponsored the Eden Social Welfare Foundation's "Rural Home Repair Project" to assist economically disadvantaged and disabled people, providing assistive cleaning services. We cooperate with other public welfare groups to support the promotion of special education for children with developmental delays and the development of regional culture. The estimated number of participants (beneficiaries) is approximately 5,000.
	Other relevant public welfare, cultural, and educational affairs aligning with the purpose of the Foundation	We implement the "Micro-Insurance, Warmth for the Weak" social welfare program and design cultural activities for older adults with the goal of building cross-generational learning and co-creation.	- We collaborate with the offices of Taipei City Xinyi District, Zhongshan District, Datong District, and Wanhua District. The Chinese Association for Vocational Skills of Persons with Disabilities, the Chinese Social Care and Welfare Association for the Visually Impaired, the Self-reliance Entrepreneurship Association for Persons with Disabilities of the Republic of China, and the Taiwan Rett Syndrome Association will promote micro-insurance. The estimated number of participants (beneficiaries) is approximately 800. - We co-organized a cultural event with the New Taipei City Cultural Foundation and entrusted Rolling in Life Co., Ltd. The "Vintage Clothing & Newsstand" event had 23,854 visitors.

5.2 Charitable Donations Objects of the Taiwan Fire & Marine Insurance Company



Category of donation object	Name of group receiving the donation	Date of donation	Donated amount (NTD)	Total of all categories of donation (NTD)
Public welfare groups	Woodpecker Cultural & Educational Foundation	2024.01.04	2,000,000	5,110,000
	Xingtian Temple	2024.02.15	60,000	
	Taiwan Foundation for Disaster Relief	2024.04.29	2,000,000	
	New Taipei City Culture Foundation	2024.09.12	1,000,000	
	Eden Social Welfare Foundation	2024.10.09	50,000	
Stakeholders	Taiwan Fire & Marine Insurance Foundation	2024.08.28	8,000,000	8,000,000
Academic groups	National Dong Hwa University - Academic reward money for the 1st period	2024.01.05	180,000	5,210,000
	University of Taipei	2024.02.22	1,500,000	
	General Association of Chinese Culture	2024.05.08	1,000,000	
	University of Taipei	2024.05.23	200,000	
	University of Taipei	2024.07.03	1,500,000	
	National Dong Hwa University - Academic reward money for the 2nd period	2024.07.05	180,000	
	Taiwan Space Agency	2024.10.22	250,000	
	Chung Yuan Christian University	2024.12.30	400,000	
Occupational groups	Rotary Club of Taipei Oriental Cheers	2024.02.15	579	2,232,804
	Rotary Club of Taipei Oriental Cheers	2024.03.14	300	
	Taiwan Chamber of Commerce & Industry	2024.03.22	150,000	
	Rotary Club of Taipei Oriental Cheers	2024.04.16	300	
	The Non-Life Insurance Association of the Republic of China-Financial Service Education Public Welfare Foundation	2024.04.29	80,000	
	Rotary Club of Taipei Oriental Cheers	2024.08.23	300	
	Rotary Club of Taipei Oriental Cheers	2024.10.09	300	
	Rotary Club of Taipei Oriental Cheers	2024.10.18	300	
	Rotary Club of Taipei Oriental Cheers	2024.10.23	300	
	Chinese Taipei Volleyball Association	2024.10.29	2,000,000	
	Rotary Club of Taipei Oriental Cheers	2024.11.27	325	
	Rotary Club of Taipei Oriental Cheers	2024.12.06	100	
Total				20,552,804

5.3 Sports Programs Sponsored by the Taiwan Fire & Marine Insurance Company



The Company has supported sports and public welfare activities over the long term. It is dedicated to cultivating local grassroots sporting talent in Taiwan in response to the government's promotion of enterprises' sponsorship of sports activities. In 2017, the University of Taipei's softball team was established; it participated in the corporate women's softball league under the name "Taiwan Bulldogs." In 2021, the softball team was sponsored by the Taipei City Government and renamed the "TFMI Bulldogs." In 2022, the softball team was engaged in the corporate women's softball league named "Taipei TFMI Bear Awesome." The Company collaborated with the Taoyuan City Government in 2019 to jointly form the Taoyuan TFMI Eagle Volleyball Team. Players from Chung Yuan Christian University were recruited to participate in the corporate volleyball league through industry – government – university collaboration, contributing to developing volleyball and local athletic talent in Taiwan.

The Company firmly believes in the importance of sports activities for personal growth and social cohesion. It is committed to continually supporting sports development in Taiwan by providing high-quality training resources, organizing sports events, and promoting sports culture. These efforts aim to inspire more people to participate in sports, cultivate excellent athletes, and contribute to advancing sports in Taiwan. Looking ahead, the Company continues to collaborate with all levels of government, sports organizations, and various sectors of society to promote the flourishing of sports in Taiwan. The goal is to create a healthy and vibrant sports atmosphere, allowing more people to enjoy the benefits and fun of sports. This collaborative effort aims to foster the prosperity and progress of domestic sports and cultivate athletes who can shine on the world stage.



Appendix 1: GRI Standards Index Comparison Table

1 Statement of use of corporate governance	Taiwan Fire & Marine Insurance Company has already reported the contents from January 1, 2024 to December 31, 2024 according to GRI standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI industry standards	Not applicable since the GRI industry standards of the financial insurance industry have not been published yet.

GRI 2021 Standards

GRI 2 General Disclosures (2021)						
GRI standard category/issue	No.	GRI standard disclosures	Corresponding indicator	Material topics	Chapter	Description
The Organization and its reporting practices	2-1	Organizational details	No corresponding Material topics	Company Profile	4	
	2-2	Entities included in the Organization 's sustainability reporting	No corresponding Material topics	About the Report	1	
	2-3	Reporting period, frequency, and contact point	No corresponding Material topics	About the Report	1	
	2-4	Restatements of information	No corresponding Material topics	About the Report	1	
	2-5	External assurance	No corresponding Material topics	About the Report	1	
Activities and workers	2-6	Activities, value chain, and other business relationships	No corresponding Material topics	About the Report About Taiwan Fire & Marine Insurance Company CH1 Corporate Governance 2-6 Reinsurance 4-6-4 Sustainable Supply Chain	1 4 23 46 73	
	2-7	Employees	Talent cultivation and development Talent attraction and retention	3-1 Employee Diversity, Employment, and Implementation of Human Rights Protection	52	
	2-8	Workers who are not employees	Talent attraction and retention	3-1 Employee Diversity, Employment, and Implementation of Human Rights Protection	52	
Governance	2-9	Governance structure and composition	Corporate governance and ethical management	1-2-1 Organizational Chart 1-2-3 Board Composition and Independence 1-2-4 Diversity Policy for Board Members	25 26 27	
	2-10	Nomination and selection of the highest governance body	Corporate governance and ethical management	1-2-3 Board Composition and Independence	26	
	2-11	Chair of the highest governance body	Corporate governance and ethical management	1-2-3 Board Composition and Independence	26	
	2-12	Role of the highest governance body in overseeing the management of impacts	Corporate governance and ethical management	Sustainable Development Organization Stakeholder Engagement	6 7	
	2-13	Delegation of responsibility for managing impacts	Corporate governance and ethical management	Sustainable Development Organization	6	
	2-14	Role of the highest governance body in sustainability reporting	Corporate governance and ethical management	About the Report Sustainable Development Organization	1 6	

GRI standard category/issue	No.	GRI standard disclosures	Corresponding indicator	Material topics	Chapter	Description
Governance	2-15	Conflicts of interest	Corporate governance and ethical management	1-2-3 Board Composition and Independence 1-3 Ethical Management	26 31	The Company does not compile statistics on cross-shareholdings with suppliers or other stakeholders, nor does it disclose information regarding stakeholder groups and their relationships, transactions, or outstanding balances.
	2-16	Communication of critical concerns	Corporate governance and ethical management	Sustainable Development Organization 1-2-3 Board Composition and Independence	6 26	
	2-17	Collective knowledge of the highest governance body	Corporate governance and ethical management	1-2-5 Professional Governance	28	
	2-18	Evaluation of the performance of the highest governance body	Corporate governance and ethical management	Sustainable Development Organization 1-2-3 Board Composition and Independence	6 26	
	2-19	Remuneration policies	Corporate governance and ethical management	1-2-6 Functional Committees 3-4 Healthy and Friendly Fulfilling Workplace	28 56	
	2-20	Process to determine remuneration	Corporate governance and ethical management	1-2-6 Functional Committees	28	
	2-21	Annual total compensation ratio	No corresponding Material topics		-	
Strategy, policies and practices	2-22	Statement on sustainable development strategy	Corporate governance and ethical management	Letter from the Chair	3	Total annual remuneration ratio is the Organization' s confidential information.
	2-23	Policy commitments	No corresponding Material topics	3-1 Employee Diversity, Employment, and Implementation of Human Rights Protection 3-6 Implementation of Human Rights Protection and a Gender Inclusive Workplace	52 59	
	2-24	Embedding policy commitments	Corporate governance and ethical management	Stakeholder Engagement 1-3 Ethical Management 3-6 Implementation of Human Rights Protection and a Gender Inclusive Workplace	7 31 59	
	2-25	Processes to remediate negative impacts	Regulatory Compliance Operating performance Digital finance and innovation Talent attraction and retention	2-1 Customer-oriented Caring Service 2-2 Implementation of the Principle for Financial Service Industries to Treat Customers Fairly 2-3 Digital Finance and Innovation 3-1 Employee Diversity, Employment, and Implementation of Human Rights Protection 3-5 Labor – Management Communication Channels	41 42 43 52 58	
	2-26	Mechanisms for seeking advice and raising concerns	Corporate governance and ethical management	1-3 Ethical Management	31	
	2-27	Compliance	Compliance	1-5 Compliance	34	
	2-28	Membership associations	Operational Risk Management	1-6 Participation in Associations and Memberships	35	
	2-29	Approach to stakeholder engagement	No corresponding Material topics	Stakeholder Engagement	7	
	2-30	Collective bargaining agreements	Talent attraction and retention		-	

Main Material Topics

GRI standard topic	Disclosure	Corresponding indicator	Chapter/ page	Description
Corporate governance and ethical management				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topic	7 10	
GRI 3 Material Topics 2021	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
GRI 205 Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	1-3 Ethical management	31	
GRI 205 Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	1-3 Ethical management	31	No corruption incident.
Information security				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topics	7 10	
GRI 3 Material Topics 2021	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
GRI 418 Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	1-7-1 Information Security Management 1-7-2 Personal Data Protection 2-3 Digital finance and innovation	37 38 43	No substantiated complaint concerning breaches of customer privacy or losses of customer data.
Digital finance and innovation				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topics	7 10	
GRI 3 Material Topics 2021	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
Operating performance				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topics	7 10	
GRI 3 Material Topics 2021	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
GRI 201 Operation Performance 2016	201-1 Direct economic value generated and distributed	1-1 Operating Performance	24	For detailed information on this year' s welfare plan, please refer to the Company' s Annual Report.

GRI standard topic	Disclosure	Corresponding indicator	Chapter/ page	Description
Compliance				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topics	7 10	
GRI 3 Material Topics 2021	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
GRI 205 Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	1-3 Ethical management	31	
GRI 205 Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	1-3 Ethical management	31	No corruption incident.
Operational Risk Management				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topics	7 10	
GRI 3 Material Topics 2021	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
Treating customers fairly and customer experience				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topics	7 10	
GRI 3 Material Topics 2021	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
GRI 416 Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	2-2 Implementation of the Principle for Financial	42	No violation of regulations.
Talent cultivation and development				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topics	7 10	
GRI 3 Material Topics 2021	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
GRI 404 Training and Education 2016	404-1 Average hours of training per year per employee	3-3-2 Overview of Education and Training in 2024	55	
GRI 404 Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	3-7 Employee Performance Evaluation	60	
GRI 405 Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	1-2-4 Diversity Policy for Board Members 3-1 Employee Diversity, Employment and Implementation of Human Rights Protection	27 52	

GRI standard topic	Disclosure	Corresponding indicator	Chapter/ page	Description
Talent attraction and retention				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topics	7 10	
GRI 3 Material Topics 2021	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	3-2 Talent attraction and retention	53	
GRI 401 Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	3-4-1 Healthy and Friendly Fulfilling Workplace	56	
		3-4-3 Attaching Importance to Gender Equality in Workplace	57	
GRI 401 Employment 2016	401-3 Parental leave	3-4-3 Attaching Importance to Gender Equality in Workplace	57	
Climate change management				
GRI 3 Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement Material Topics	7 10	
GRI 3 Material Topics 2021 Disclosures	3-2 List of material topics	Material Topics	10	
GRI 3 Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement Material Topics	7 10	
GRI 302 Energy 2016	302-1 Energy consumption within the organization	4-6-2 Management of Greenhouse Gas Emissions	71	No renewable energy was used.
GRI 302 Energy 2016	302-3 Energy intensity	4-6-2 Management of Greenhouse Gas Emissions	71	
GRI 302 Energy 2016	305-1 Direct (Scope 1) GHG emissions	4-6-2 Management of Greenhouse Gas Emissions	71	
GRI 302 Energy 2016	305-2 Energy indirect (Scope 2) GHG emissions	4-6-2 Management of Greenhouse Gas Emissions	71	
GRI 302 Energy 2016	305-4 GHG emissions intensity	4-6-2 Management of Greenhouse Gas Emissions	71	

Other corresponding indicators

GRI standard topic	Disclosure	Corresponding indicator	Chapter/ page	Description
GRI 201 Operation Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	4-3 Climate Change Related Risk and Opportunities	68	Please refer to the Company' s financial reports for the fourth quarter of 2024, P.51~P.54.
	201-3 Defined benefit plan obligations and other retirement plans	3-4-1 Healthy and Friendly Fulfilling Workplace	56	
GRI 202 Market Presence 2016	202-2 Proportion of senior management hired from the local community	3-1 Employee Diversity, Employment and Implementation of Human Rights Protection	52	
GRI 204 Procurement Practices 2016	204-1 Proportion of spending on local suppliers	4-6-4 Sustainable Supply Chain	73	
GRI 206 Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopolistic practices	1-3 Ethical Management	31	No legal action involving anti-competitive behavior, antitrust, or monopolistic practices occurred.
GRI 303 Water and Effluents 2018	303-3 Water withdrawal	4-6-3 Water Resource Management	72	
GRI 402 Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	3-5 Labor-Management Communication Channels	58	
GRI 403 Occupational Safety and Health 2018	403-1 Occupational safety and health management system	3-8 Safe Working Environment	61	
	403-3 Occupational health services	3-8 Safe Working Environment	61	
	403-5 Worker training on occupational safety and health	3-3-2 Overview of Education and Training in 2024	55	
	403-6 Promotion of worker health	3-9 Healthy and Active Workplace	62	
	403-7 Prevention and mitigation of occupational safety and health impacts directly linked by business relationships	3-8 Safe Working Environment	61	
GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	3-1 Employee Diversity Employment and Implementation of Human Rights Protection	52	No discrimination incident
GRI 417 Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	2-2 Implementation of the Principle for Financial	42	No violation of regulations
	417-3 Incidents of non-compliance concerning marketing communications	2-2 Implementation of the Principle for Financial	42	No violation of regulations

Appendix 2: Strengthening the Disclosure of “Sustainability Indicators per Industry” and the “Summary Sheet of Assurance Items”

In accordance with Article 4 of the “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” : Appendix 1-3-Financial and Insurance Industry

No.	Indicator	Indicator Type	Annual disclosure	Unit	Remarks
1	Number of data breaches, percentage involving personally identifiable information, and number of account holders affected.	Quantitative	V	Quantity, percentage (%)	No information leakage incidents occurred (0%); no customers were affected by information breaches.
2	Number and amount of loans outstanding qualified to programs designed to promote development of small business and communities.	Quantitative		Quantity, reporting currency	There is no such loan-related business as a Company service item.
3	Number of participants in financial literacy initiatives provided to the disadvantaged without adequate banking services.	Quantitative		Quantity	The Company still plans to provide financial education to disadvantaged groups who are without adequate banking services.
4	Products and services designed by individual operating units to create benefits for the environment or society.	Qualitative description	V	Not applicable	Micro-insurance and agricultural insurance are products designed by the Company to create social benefits. Specifically, 1,067 individuals hold effective micro-insurance policies. The Company has underwritten 30 aquaculture insurance cases and 39 wax apple insurance cases.

Appendix 3: TCFD Index Comparison Table

In accordance with Article 4-1 of the “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” : Appendix 2-Climate-Related Information of TWSE/TPEX Listed Company

Disclosure title	Disclosure	Implementation Status in 2024
Governance	Describe the Board’s and management’s role in assessing and managing climate-related risks and opportunities.	The Company has established a Risk Management Committee and a Sustainable Development Committee under the Board of Directors. Each committee regularly reviews the development, establishment, and implementation effectiveness of the Company’s overall risk management mechanism in accordance with its functions. Committees disclose relevant information across four significant areas of governance, policy, risk management, indicators, and goals based on the guidance framework for the “Recommendations on Climate-Related Financial Disclosures” released by the Task Force on Climate-Related Financial Disclosures (TCFD). They identify and take stock of potential climate change risks, opportunities, and financial impacts in the Company operations. They formulate risk management strategies for major risks, such as action measures for climate change. The dedicated unit reports the implementation of relevant risk management strategies to the Board of Directors at least once a year. The Board of Directors reviews the implementation status and results while encouraging the Taskforce to make adjustments to implement relevant plans when necessary.
Strategy	Describe the climate-related risks and opportunities the Organization has identified over the short-, medium-, and long-term.	Climate-related risks and opportunities are primarily identified by each department based on different business characteristics, as well as identifying relevant risks based on physical and transformation risks. In the short term, sudden climate disasters may increase claim demand, affecting the Company’s operating performance. In the medium term, climate change may lead to increased insurance risks, affecting the Company’s reinsurance costs and capital increases. In the long term, climate change may lead to structural changes in insurance demand, such as a possible reduction in policy supply in high-risk areas. However, new business opportunities can also be instigated by climate change, such as developing new climate-related insurance products and services, using climate data to assess risks and set prices.
	Describe the financial impact on the Organization from extreme climate change and relevant corporate transformation.	Extreme climate events have a considerable financial impact on the Company as follows: 1. Increased claim settlement costs: Extreme climate events can lead to a large number of insurance claims, increasing the Company’s claim settlement costs. 2. Reassessment of risks: Extreme climate events may increase the risk of some areas or events, causing the Company to reassess risks and adjust insurance premiums, affecting revenue. 3. Rise in reinsurance costs: When extreme climate events occur frequently, reinsurance companies will increase reinsurance premiums to cope with higher risks. 4. Damage to brand image: If the Company fails to effectively respond to the impact of extreme climate events, it may damage its brand image, affecting customer loyalty and business growth. 5. Falling return on investment: Extreme climate events may cause market instability, affect investment returns, and have a negative impact on the Company’s financial condition. To meet these challenges, the Company has developed adequate extreme climate event risk management strategies, including assessing extreme weather risks, setting appropriate reinsurance policies, formulating climate change response measures, and developing innovative insurance products to address emerging risks.
Risk Management	Describe how to integrate climate risk identification, evaluation, and management processes into the risk management system.	The Company revised the “Risk Management Policies” in 2022 to include climate change risks as one of the risks that may significantly impact the Company. Accordingly, it formulated the “Climate Change Risk Management Guidelines” as the norm for managing and monitoring climate change risks. The climate change risk management items are described as follows: 1. Risk management and monitoring: Develop assessment methods to identify sectors, counterparties, and customers with climate-related risks (including existing and potential counterparties and customers) while assessing their impact. Establish a continuous management monitoring mechanism for climate-related risk exposure. For sectors, counterparties, and customers with significant climate-related risks, relevant mechanisms should be established to manage identified climate-related risks while encouraging counterparties and customers to take necessary measures to reduce these risks. 2. Scenario analysis and stress testing: Expand the capacity for qualitative and quantitative scenario analysis and stress testing to assess the impact of climate-related risks. Establish general and severe scenarios with qualitative or quantitative risk indicators. Set long- and short-term scenarios for strategic planning and risk management purposes. 3. Investment management: Establish adequate procedures to assess and manage climate-related risks associated with investment targets. There should be additional review mechanisms for investment targets involving higher climate-related risks. Regularly assess changes in climate-related risks involved in investment targets as a basis for adjusting investment positions. Rights and responsibilities of the Company’s climate change risk management units: The Board of Directors shall continue supervising the management and disclosure of climate-related risks. Business units shall assess the impact of climate-related risks and integrate corresponding control measures into various operating mechanisms for business execution. The Risk Management Department shall supervise business units’ performance, ensuring they comply with relevant specifications. Auditing units shall ensure that business and risk management units implement/supervise climate-related risk management measures.

Disclosure title	Disclosure	Implementation Status in 2024
Risk Management	If scenario analysis is used to evaluate resilience against climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts shall be described.	The Company utilizes the Representative Concentration Pathway (RCP) 4.5 and 8.5 scenarios of the Intergovernmental Panel on Climate Change (IPCC) to analyze and assess potential climate-related impacts on its business, operational strategy, and financial and investment positions across various climate scenarios. All units collaborate to discuss and evaluate the effects of climate change on operations within the scope of the business through the Risk Management Department. They actively identify risks and opportunities and determine the possible impact on finance, business, and operations. Combined with the likelihood of occurrence, they identify the Company's significant climate-related risks and opportunities. The Risk Management Committee subsequently develops long-term policies and action plans, tracking implementation regularly to ensure effective control and the improvement of climate-related risks and opportunities.
	If there is a transition plan in response to managing climate-related risks, the contents of this plan—as well as metrics and targets used to identify and manage physical risks and transition risks—shall be described.	The Company actively creates a low-carbon operating environment with a digital and low-carbon business strategy to respond to carbon reduction initiatives that align with international and social standards. It has started the ISO 14064-1 greenhouse gas inventory and assurance operations; plans to introduce and implement certifications such as the ISO 14001 Environmental Management System are underway. The Company is guided toward low-carbon transformation, strengthening social sustainable investment, increasing the proportion of digital green products and services. This promotes the development of the energy resource industry; environmentally resilient insurance products can accelerate the green transformation of the overall insurance industry chain to achieve the shared goal of slowing global warming.
	If internal carbon pricing is used as a planning tool, the price-setting basis shall be described.	The Company has not yet established internal carbon pricing. We plan to discuss using internal carbon pricing as an operating mechanism for carbon emission reduction after completing the greenhouse gas inventory and assurance operations of the head office and each branch of the Company.
Metrics and Targets	If climate-related targets have been established, the activities, scope of greenhouse gas emissions, planned schedule, progress to achieve each year, and other relevant information shall be described; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve relevant targets, the source or quantity of the carbon reduction quota offset or the amount of RECs shall be described.	The Environmental Protection Group under the Company's Sustainable Development Committee has formulated management policies such as greenhouse gas inventory and carbon emission reduction, energy use management, comprehensive use of LED energy-saving lamps, water resources management, and paper reduction. These policies address Material topics of sustainable development in energy and emission management, and help to set short-term, medium-term, and long-term carbon emission reduction targets, respectively. The Company did not use carbon offsets or Renewable Energy Certificates (RECs) in 2024.
	Greenhouse gas inventory and assurance	According to Taiwan Stock Exchange Corporation's letter TZZLZ No. 1110004505 dated March 21, 2022, the Company is an individual company with a paid-in capital of less than NTD 5 billion. It is subject to the third stage of greenhouse gas inventory (i.e., inventory will be completed in 2026, and assurance will be completed in 2028). In accordance with ISO 14064-1:2018 standards and the Greenhouse Gas Inventory Management Procedure, the Company conducted the 2023 greenhouse gas inventory with the head office and all branches as the inventory organizational boundaries in 2024, and completed the greenhouse gas inventory and report. We expect to complete the 2024 greenhouse gas inventory and assurance operations of the Company's head office and all branches in 2025.

Appendix 4: SASB Index Comparison Table

SASB topic	Index code	Description of index	Implementation status/corresponding chapter
Social capital			
Transparent information & fair advice for customers	FN-IN-270a.1	Total amount of monetary losses due to legal proceedings associated with the marketing and communication of insurance product-related information to new and returning customers	In 2024, the Company was not corrected by the competent authorities due to a violation of laws or regulations.
Complaints-to claims ratio	FN-IN-270a.2	Complaints-to-claims ratio	2-2 Implementation of the Principle for Financial Service Industries to Treat Customers Fairly
	FN-IN-270a.3	Customer retention rate	This indicator was not disclosed in the current year.
	FN-IN-270a.4	Description of the approach to informing customers about products	2-2 Implementation of the Principle for Financial Service Industries to Treat Customers Fairly
Business model and innovation			
Incorporation of ESG Factors in Investment Management	FN-IN-410a.2	Description of the approach to incorporating Environmental, Social, and Governance (ESG) factors in investment management processes and strategies	In accordance with Article 4 of the “Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” —which guides the financial and insurance industry to strengthen the disclosure of specific policies on environmental and social aspects of corporate financial products or services as well as the policies as mentioned earlier—the industry should focus on customers and other clients within the scope of agreement or transaction; follow operating procedures required by financial and insurance providers for environmental and social aspects; and achieve reasonable performance indicators. The above corporate financial commodities should include at least lending, project financing, mutual funds, insurance, and investments by the enterprise itself. The Company is dedicated to fulfilling its sustainability responsibilities as an institutional investor. By establishing the “Operational Procedures for Investment Management Process,” the Company has adopted the United Nations’ Principles for Responsible Investment (PRI) and the Stewardship Best Practice Principles issued by the Taiwan Stock Exchange. These principles consider environmental protection, corporate integrity, and social responsibilities in investment decision-making. The Company prioritizes investment in companies that offer stable profits or sustainable dividend distribution, emphasizing stable growth in basic management aspects. The Company also focuses on companies actively engaging in ESG sustainable development. This includes evaluating whether target companies implement actions related to anti-money laundering, combating the financing of terrorism, environmental protection, corporate integrity, and social responsibility. To ensure responsible investment, the Company rejects targets involved in blocklists by conducting relevant checks through the LexisNexis website. It reviews the descriptions of environmental protection (E), social responsibility (S), and corporate governance (G) in the annual reports and sustainability reports of target companies. The Company also references relevant corporate ESG information disclosed on the target companies’ official websites or MOPS. In evaluation reports, the Company describes the ESG practices and achievements of target companies, refers to the EGS IR platform of the CIC Clearing House, the official website of the evaluation agency, and a large-scale system database; disclosure scores from third-party rating agencies such as Bloomberg ESG disclosure scores, S&P Global ESG ratings, Sustainalytics ESG risk ratings, CDP climate ratings, and MSCI ESG ratings. The Company considers rankings in corporate governance assessment systems and whether companies are ESG index constituent stocks recognized by domestic and foreign institutions. After investing, the Company continues to monitor the operating conditions and related news of investee companies; actively participates in the investee company’ s legal person briefing meetings and company symposiums for engagement activities and opportunities.
Policies designed to incentivize responsible behavior	FN-IN-410b.1	Net premiums related to energy efficiency and low-carbon technology	2-9 Sustainable Products
	FN-IN-410b.2	Discussion of products and product features that incentivize health, safety, and environmentally responsible actions and behaviors	2-9 Sustainable Products

SASB topic	Index code	Description of index	Implementation status/corresponding chapter
Physical risk exposure	FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes (PML)	4-1 Operational Risk Management
	FN-IN-450a.2	Total amount of monetary losses, three attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance) by incident type and region	Not disclosed in the current year
	FN-IN-450a.3	Description of the approach to incorporating environmental risks into (1) the underwriting process for individual contracts and (2) the management of individual-level risks and capital adequacy	4-3 Climate Change Related Risk and Opportunities
Leadership and corporate governance			
Systematic risk management	FN-IN-550a.1	Exposure to derivative instruments by category: (1) total exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total exposure to centrally cleared derivatives	In 2024, the amount of derivative financial products engaged in by the Company was NTD 0.
	FN-IN-550a.2	Total fair value of securities lending collateral assets	In 2024, the amount of derivative financial products engaged in by the Company was NTD 0.
	FN-IN-550a.3	Description of the approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	Liquidity Risk Management Measures: Liquidity risks are classified into capital and market liquidity risks. Capital liquidity risks refer to the risk of failure to realize assets or acquire sufficient capital to perform due liabilities. Market liquidity risks refer to the risk of a significant change in market price upon handling or offsetting held positions due to insufficient or disorderly market depth. Relevant indicators and quotas have been established for capital liquidity and market liquidity risks in the management mechanism; establishing funding units that are independent from transaction units to control incoming and outgoing capital of the Company and the impact of the capital amount on liquidity to avoid centralization of risks in terms of asset allocation and risk exposure of counterparties. Asset Allocation Management Measures: When establishing investment policies and drafting annual asset allocation strategies, the Company reviews the asset-liability relations, risk tolerance, long-term risk reward requirements, conditions of liquidity and solvency, etc. It reports to the Board of Directors for approval. The investment quotas of various investment projects have been established in the internal rules and regulations to control the risk exposure of the overall asset portfolios and avoid risk concentration.
Activity metrics	FN-IN-000.A	Number of policies in force by segment: (1) property and casualty, (2) life, and (3) assumed reinsurance	1-1 Operating Performance

Appendix 5: United Nations' Principles for Sustainable Insurance (PSI) Index Table

PSI	Dimension	Reference section
Principle 1: Incorporate ESG into the insurance company's decision-making	Establish a company strategy at the Board and executive management levels to identify, assess, manage, and monitor ESG issues in business operations.	Sustainable Development Organizational
	Company Strategy	
	Dialogue with company owners on the relevance of ESG issues to company strategy.	Sustainable Development Organizational
	Integrate ESG issues into recruitment, training, and employee engagement programs.	Sustainable Development Organizational 3-3-1 Complete Incubation System
	Risk Management and Underwriting	
	Establish processes to identify and assess ESG issues inherent in the portfolio and be aware of potential ESG-related consequences of the Company's transactions.	4-2 Governance Framework for Climate Change Issues
	Integrate ESG issues into risk management, underwriting, and capital adequacy decision-making processes, including research, models, analytics, tools, and metrics.	4-1 Operational Risk Management 4-2 Governance Framework for Climate Change Issues
	Product and Service	
	Develop products and services that reduce risk, positively impact ESG issues, and encourage better risk management.	2-5 Inclusive financing 2-9 Sustainable Products
	Develop or support literacy programs on risk, insurance, and ESG issues.	3-3-1 Complete Incubation System
	Claims Management	
	Respond to clients promptly, fairly, sensitively, and transparently at all times; ensure claims processes are clearly explained and understood.	2-1 Customer-oriented Caring Service
Principle 2: Inspire customers and business partners to attach greater importance to ESG	Integrate ESG issues into repairs, replacements, and other claims services.	2-1 Customer-oriented Caring Service
	Sales and Marketing	
	Educate sales and marketing staff on ESG issues relevant to products and services; integrate key messages responsibly into strategies and campaigns.	3-3-1 Complete Incubation System
	Ensure product and service coverage, benefits, and costs are relevant, clearly explained, and understood.	2-1 Customer-oriented Caring Service
	Investment Management	
	Integrate ESG issues into investment decision-making and due diligence governance, such as following the PRI (Principles for Responsible Investment).	1-4 Responsible Investment Appendix 6: Principles for Responsible Investment (PRI) Comparison Table
	Clients and suppliers	
	Dialogue with clients and suppliers regarding the benefits of managing ESG issues and the Company's expectations and requirements on these issues.	Stakeholder Engagement
	Provide clients and suppliers with information and tools that may help them manage ESG issues.	Stakeholder Engagement
	Integrate ESG issues into the tender and selection processes for suppliers.	Stakeholder Engagement
	Encourage clients and suppliers to disclose ESG issues and to utilize a relevant disclosure or reporting framework.	Stakeholder Engagement
	Insurers, Reinsurers, and Intermediaries	
	Promote the adoption of the Principles by relevant organizations.	Stakeholder Engagement
	Support the inclusion of ESG issues in professional education and ethical standards within the insurance industry.	3-3-1 Complete Incubation System

PSI	Dimension		Reference section
Principle 3: Jointly promote ESG issues with the government and insurance supervisors	Governments, Regulators and Other Policymakers	Support prudential policy, regulatory, and legal frameworks that enable risk reduction, innovation, and better management of ESG issues.	1-5 Regulatory Compliance
		Dialogue with governments and regulators to develop integrated risk management approaches and risk transfer solutions.	4-3 Climate Change Related Risks and Opportunities
	Other Key Stakeholders	Dialogue with intergovernmental and non-governmental organizations to support sustainable development by providing risk management and risk transfer expertise.	Stakeholder Engagement
		Dialogue with business and industry associations to understand and manage ESG issues across industries and geographies more effectively.	Stakeholder Engagement
		Dialogue with academia and the scientific community to foster research and educational programs on ESG issues in the context of the insurance business.	Stakeholder Engagement
		Dialogue with the media to promote public awareness of ESG issues and sound risk management.	Stakeholder Engagement
Principle 4: Regularly and publicly disclose the progress of PSI implementation	Evaluate, measure, and supervise the progress of corporate management ESG issues; actively and regularly disclose relevant information publicly.		The Editing Information of the Report
	Follow the relevant reporting framework and disclosure requirements.		The Editing Information of the Report
	Communicate with customers, government agencies, appraisal agencies, and other stakeholders to achieve a consensus on the disclosure of benefits following PSI standards.		Stakeholder Engagement

Appendix 6: Principles for Responsible Investment (PRI) Comparison Table

Principle	Reference section
Principle 1: Incorporate ESG into investment decisions	1-4 Responsible Investment
Principle 2: Incorporate ESG issues into all ownership policies and practices	Sustainable Development Organizational
Principle 3: Encourage investees to disclose appropriate ESG information	Appendix 4: SASB Index Comparison Table
Principle 4: Promote acceptance and implementation of the principles within the investment industry	1-4 Responsible Investment
Principle 5: Establish cooperation mechanisms and strengthen effectiveness in implementing PRI principles	1-4 Responsible Investment
Principle 6: Publish reports on activities and progress in PRI implementation	1-4 Responsible Investment

Appendix 7: Financial Patents

Type of patent	Name of patent	Commencement date of patent	Applied content of patent
Utility model	Regulatory compliance evaluation management system	2022/4/1	Classify all penalties and audit deficiencies using risk management methods. Based on penalties and audit deficiencies observed in similar trades, conduct a risk comparison post-classification that is grounded in corporate operations. Provide relevant risk values and calculate a customized set of risk evaluation results for the Company. Monitor legal risk-taking capability and status of risk tolerance. This information will be provided to management as a reference for decision-making.
Utility model	Digital underwriting and survey assistance system	2022/6/1	List the necessary information and photos for evaluation during underwriting, arranging them into standardized formats. For targets with simple uses, a mobile app can be used to input the acquired information directly into standardized forms onsite. This information will be organized and transmitted back to the underwriting mailbox via the network, producing a report required for underwriting evaluation, significantly reducing the report drafting time. Standardized data can be integrated into the default scoring module, generating consistent quantified risk indicators. This reduces data judgment errors due to human error.
Utility model	Claim settlement progress query system	2022/9/11	Policyholders receive acceptance SMS notifications when filing motor insurance claims, including the claim number and the contact details of the claim settlement personnel. Once relevant data is entered into the online insurance platform system, the progress and status of a claim can be queried 24/7. The system allows policyholders to stay informed about their claims' progress and status at any time, without needing to wait for responses from claim settlement personnel.
Utility model	Online automatic case assignment system for claim settlement	2022/11/1	After customers enter relevant data for claim settlement into the online claims system, it automatically assigns a claim number and notifies the policyholder and driver. The data entered by the customer will be printed on the claim settlement application form that customers directly print, sign, and seal.
Utility model	Digital cross-sale insurance service platform	2022/11/21	To expand cross-selling opportunities, the Company enables employees to inquire online independently and provide insurance solutions tailored to customer needs. The Company conducts cross-sale services for all insurance types.
Utility model	Motor insurance auxiliary underwriting system	2022/12/21	For extensive motor insurance data, automatic and procedural systems query relevant data on suitable platforms, compare query results with insurance data; execute the underwriting process, completing the order delivery operation promptly and accurately.
Utility model	Automatic motor insurance underwriting risk evaluation system	2023/8/21	The automatic motor insurance underwriting risk evaluation system helps sales personnel understand customers' risk attributes during quotations while making informed judgments. This system underwrites systematically, reducing the sales personnel's workload. It enhances colleagues' efficiency and enables quick quotations, improving customer satisfaction. The system ensures consistent case review standards and lightens underwriters' burden, facilitating prompt customer service and achieving a win-win situation for the Company and policyholders. The online system evaluation also reduces paper usage, contributing to energy conservation, carbon reduction, and environmental friendliness.
Utility model	Travel insurance real-time service system	2023/12/1	The patented system's content focuses on services and care. It offers policyholders emergency information notifications, "flight delay" claim settlement acceptance notifications, and progress tracking of claim settlements during overseas travel. During the insurance period, notifications are sent via Line or email to provide care and services. Before the travel itinerary is finalized, the system reminds policyholders of necessary pre-departure checklists, required claim documents, flight adjustments, travel destination alerts, and other relevant service items. During travel, the system provides local emergency care notifications for events such as earthquakes, storms, and blizzards, reminding policyholders to prioritize their personal safety. The "flight delay" claim settlement and acceptance notification services allow policyholders to apply for claim settlements immediately, in case of a flight delay, and track the claim settlement process at any time.

Type of patent	Name of patent	Commencement date of patent	Applied content of patent
Utility model	Auxiliary underwriting system	2023/12/11	Patent content primarily assists in residential fire underwriting. An API is used to detect duplicate insurance from the Taiwan Residential Earthquake Insurance Fund and automatically send emails to service colleagues. This system saves time on manual queries and data entry, enhancing underwriting efficiency while ensuring compliance with regulations that govern residential earthquake reinsurance inspections. Real-time acquisition of reinsurance information at the client level prevents repeated insurance and protects customers' benefits.
Utility model	Group insurance risk assessment system	2024/4/11	This patent subdivides group insurance risk factors into data such as "enterprise attributes (occupational classification), work nature (work content), age of the insured, gender of the insured, loss rate parameters," etc. It builds modules based on the above data, conducts system analysis, and uses five color lights to represent high-quality, excellent, good, poor, and inferior business. This allows salespersons to judge corporate risks in real time when quoting, while having the opportunity to quote on the front lines; underwriters can also quickly and objectively evaluate cases during their review. The loss rate after insurance or underwriting evaluation can be fed back into the system to enhance module data.
Utility model	Auxiliary system for commercial fire insurance intelligent underwriting	2024/8/11	Since the Auxiliary System for Commercial Fire Insurance Intelligent Underwriting was adopted, all underwriting notices and related information are transmitted online through the system. Goals that can now be achieved include: 1. Establishing the agent system: Set up an agent in advance. Agents and supervisors can continue operations through the system to maintain service quality when a colleague is on leave. 2. Transparency regarding approval progress: The system can reveal the current approval progress and time for easy tracking and management. 3. Quotation date and contract effective date reminders: The date of quotation and the effective date are set in advance during signing and approval. The system sends an email reminder daily, starting three days before the deadline; thus, omissions and delays caused by many cases can be avoided. 4. Business conflict check: Mandatory input of information such as the policyholder, insured, and the address of the largest target object during signing and approval. If the system detects any duplication, it will be handled in accordance with the Company's business conflict management rules. 5. Achieving carbon reduction goals: The delivery via the system can reduce paper use, which aligns with the Company's energy conservation and carbon reduction policies.

Appendix 8: External Certification

BS10012: 2017 Personal Information Management System	ISO 14064-1 Greenhouse Gas Emissions	ISO 14067:2018 Product Carbon Footprint	ISO 27001:2013 Information Security Management System
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Certificate of Registration

Personal Information Management System - BS 10012:2017

This is to certify that: Taiwan Fire & Marine Insurance Co., Ltd.
3,8,9F,
No. 49, Guangqian Rd.
Zhongzheng Dist.
Taipei City
100403
Taiwan

Holds Certificate No: **PIMS 686171**

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

The provision of personal information management including customer personal information files collection, processing, and using of insurance services within Underwriting Department - Auto, Underwriting Department - Personal Lines, E-Commerce Department, Claim Service Department - Personal Lines, and related information supporting operation process.

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

Original Registration Date: 2022-04-18
Latest Revision Date: 2022-04-18

Effective Date: 2022-04-18
Expiry Date: 2025-04-17

Page: 1 of 2

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Taiwan Headquarters: 2nd Floor, No. 37, 3-Hu Rd., Neihu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.

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Opinion Statement

Greenhouse Gas Emissions
Verification Opinion Statement

This is to verify that: Taiwan Fire & Marine Insurance Co., Ltd.
8F,
No. 49, Guangqian Rd.
Zhongzheng Dist.
Taipei City
100403
Taiwan

Holds Statement No: GHGEV 817056

Verification opinion statement

As a result of carrying out verification and validation procedures in accordance with ISO 14064-3:2019, it is the statement for mixed engagement including reasonable assurance for verification activity as well as validation and agreed-upon procedures (AUP) contains the following:

- The Greenhouse Gas Emissions with Taiwan Fire & Marine Insurance Co., Ltd. for the period from 2024-01-01 to 2024-12-31 was verified and validated.
- The verified organization-level greenhouse gas emissions include direct greenhouse gas emissions 68,657 tonnes of CO₂ equivalent and indirect greenhouse gas emissions from imported energy 74,202 tonnes of CO₂ equivalent.
- Taiwan Fire & Marine Insurance Co., Ltd. has defined and explained its own process and pre-determined criteria for significance of indirect Greenhouse Gas Emissions and quantify and report these identified significant emissions accordingly.

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

Originally Issue: 2025-05-19
Latest Issue: 2025-05-19

Page: 1 of 4

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Opinion Statement

Product Carbon Footprint
Verification Opinion Statement

This is to verify that: Taiwan Fire & Marine Insurance Co., Ltd.
8F,
No. 49, Guangqian Rd.
Zhongzheng Dist.
Taipei City
100403
Taiwan

Holds Statement No: PCFV 803408

As a result of carrying out the verification of product life cycle greenhouse gas emissions in accordance with CNS 14064-3:2007, it is the opinion of BSI with reasonable assurance that:

- The product carbon footprint with the functional unit of each property insurance service (regardless of insurance type) 每份財產保險單(元)的碳足跡是 2.40 kilograms of CO₂ equivalent.
- No material statements in this product life cycle greenhouse gas emission statement were revealed. The product life cycle GHG data quality was verified to be acceptable against the requirements of ISO 14067:2018 and Management Guidelines for Promoting Product Carbon Footprint of the Environmental Protection Administration (including Annex III CPV data qualification and verification specification).

This statement shall be valid for a maximum period of two years after the latest issue date on this certificate. Should there be a change in the life cycle of the product whose GHG emissions are being assessed, the validity of this opinion statement will cease.

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

Originally Registration Date: 2024-04-30
Latest Revision Date: 2024-04-30

Effective Date: 2024-04-30
Expiry Date: 2026-04-29

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BSI Taiwan is a subsidiary of British Standards Institution.

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Certificate of Registration

INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2013

This is to certify that: Taiwan Fire & Marine Insurance Co., Ltd.
8F,
No. 42-1, Xuchang St.
Zhongzheng Dist.
Taipei City
100008
Taiwan

Holds Certificate No: **IS 663895**

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

The provision of: 1) development, operation and maintenance of Online Insurance System within E-Commerce Department and Information Technology Service Department; 2) management of network infrastructure, server room management, and management of personal computers within Information Technology Service Department.

This is in accordance with the Statement of Applicability, 10-PR-201, version 1.3 dated 4 December 2020.

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

Original Registration Date: 2017-01-09
Latest Revision Date: 2022-12-04

Effective Date: 2023-01-09
Expiry Date: 2025-10-31

Page: 1 of 2

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A Member of the BSI Group of Companies.

Effective period From 2022 to 2025

Issue date May 19, 2025

Effective period From 2024 to 2026

Effective period From 2023 to 2025

Appendix 9: Independent Auditor's Limited Assurance Report

Deloitte.

勤業眾信

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110421 台北市信義區松仁路100號20樓

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INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

The Board of Directors and Stockholders
Taiwan Fire & Marine Insurance Co., Ltd.

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of Taiwan Fire & Marine Insurance Co., Ltd. ("the Company") for the year ended December 31, 2024.

Subject Matter Information and Applicable Criteria

See Appendix for the Company's selected performance indicators ("the Subject Matter Information") and applicable criteria.

Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, and the Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.
- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, re-performance, and observation to obtain evidence supporting limited assurance.

- 1 -

Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Jiun-hung Shih.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 27, 2025

Notice to Readers

For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report and summary of subject matter information shall prevail.

- 2 -

APPENDIX

SUMMARY OF SUBJECT MATTER INFORMATION

#	Subject Matter Information	Corresponding Section	Applicable Criteria
1.	No information leakage incidents occurred (0%); no customers were affected by information breaches.	Appendix 2: Strengthening the Disclosure of "Sustainability Indicators per Industry" and the "Summary Sheet of Assurance Items"	No. 1, Appendix 1-3 to Paragraph 1, Article 4 of the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.
2.	There is no such loan-related business as a Company service item.	Appendix 2: Strengthening the Disclosure of "Sustainability Indicators per Industry" and the "Summary Sheet of Assurance Items"	No. 2, Appendix 1-3 to Paragraph 1, Article 4 of the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.
3.	The Company still plans to provide financial education to disadvantaged groups who are without adequate banking services.	Appendix 2: Strengthening the Disclosure of "Sustainability Indicators per Industry" and the "Summary Sheet of Assurance Items"	No. 3, Appendix 1-3 to Paragraph 1, Article 4 of the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.
4.	Micro-insurance and agricultural insurance are products designed by the Company to create social benefits. Specifically, 1,067 individuals hold effective micro-insurance policies. The Company has underwritten 30 aquaculture insurance cases and 39 wax apple insurance cases.	Appendix 2: Strengthening the Disclosure of "Sustainability Indicators per Industry" and the "Summary Sheet of Assurance Items"	No. 4, Appendix 1-3 to Paragraph 1, Article 4 of the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.

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臺灣產物保險

Taiwan Fire & Marine Insurance Co., Ltd.

