

# Humanity and the Future

2024 KYOBO LIFE Sustainability Report



# About This Report

## Report Overview

Kyobo Life has been publishing an annual Sustainability Report since 2011. The previous report was released in July 2023. This, our 14th Sustainability Report, published in July 2024, outlines our efforts and key achievements in sustainable management.

## Reporting Period

The primary reporting period covers January to December 2023, with additional performance data included from the first half of 2024. Moreover, this report provides quantitative data for the previous four years (from 2020 to 2023) to identify trends and changes.

## Report Verification

This report has been independently verified by the Korean Standards Association (KSA), a third-party assurance provider. The Assurance Statement can be found on P. 135.



## Humanity and the Future

At Kyobo Life, we believe that people are our most valuable assets. The theme “Humanity and the Future” embodies our unwavering commitment to human-centered management, as we strive to be a company of the people, by the people, and for the people.

## Reporting Principles

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. All financial information provided aligns with the International Financial Reporting Standards (IFRS) 17 and the K-ICS, the new fair value assessment-based solvency scheme.

## Reporting Scope

The scope of this report encompasses Kyobo Life’s headquarters and business sites in Korea, including FP branches, excluding overseas offices. Financial data were prepared based on consolidated financial statements, with exceptions noted where different standards were applied. Additional explanations are provided for specific matters requiring further attention.

## Inquiries




This report was published in Korean and English, and can be viewed or downloaded on the Kyobo Life website ([www.kyobo.com](http://www.kyobo.com)) For further information, please contact the ESG Management Part of the Corporate Planning Team at Kyobo Life. TEL: 02)721-2118

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## Interactive User Guide

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## CEO Message



“ We have been pursuing stakeholder-centric management based on the philosophy of seeking mutual growth of all stakeholders. This year, we will continue to drive innovation to adapt to the evolving business environment and diverse competitive landscape, ensuring our survival.



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Dear stakeholders of Kyobo Life (customers, Financial Planners, employees, investors, partners, local communities, and the government), I wish to extend my heartfelt gratitude for your interest and support for Kyobo Life over the past year.

In 2023, the Korean economy faced significant challenges amid growing global volatility and uncertainty, coupled with a prolonged period of high inflation and elevated interest rates. During this time, the insurance industry underwent the full implementation of the new International Financial Reporting Standards (IFRS 17) and the new solvency system (K-ICS). In response, Kyobo Life has made extensive efforts to manage our operations stably under these new accounting and fiscal soundness systems.

Despite the challenging business environment, we established a management directive aimed at “materializing a new growth engine for the digital era in preparation for the environment of volatility, uncertainty, complexity, and ambiguity (VUCA).” To this end, we have pursued various activities to drive sustained growth.

Since 2021, Kyobo Life has been implementing the DBS (Digital Transformation Based Strategy) corporate approach to strengthen our core business competitiveness and build a foundation for future growth. In 2023, we launched “donots,” the Kyobo Group’s second two-sided market platform in the child healthcare sector, and introduced an e-insurance service to enable policyholders to conveniently purchase insurance online by leveraging digital technology.

Our commitment to securing new growth engines remains steadfast. Beginning in 2019, we have been running “INNOSTAGE”, a program dedicated to nurturing and supporting startups, fostering collaboration across various fields. In addition, we are building a robust data infrastructure to utilize customer information collected from online and offline touchpoints. This initiative aims to innovate Kyobo Group and Kyobo Life’s business models and create new value for our customers.

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## CEO Message

Moreover, Kyobo Life is committed to genuine environmental, social, and governance (ESG) management.

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**In the environmental (E) sector,** we promoted environmental awareness through various programs, including the “Earth Festival,” a nationwide environmental education campaign conducted in collaboration with the Ministry of Environment. Our staff also participated in plogging volunteer activities to further support environmental sustainability. Recognizing the critical importance of climate risk management for financial companies, we are actively engaged in projects to assess and mitigate the financial risks that climate change poses to our organization.

**In the social (S) sector,** our continuous consumer-oriented management activities have been recognized by the Fair Trade Commission, which has awarded us the Consumer-Centered Management (CCM) certification for nine consecutive years. Additionally, in September 2023, we obtained the “Personal Information & Information Security Management System (ISMS-P)” certification, co-hosted by the Ministry of Science and ICT and the Personal Information Protection Committee, ensuring thorough protection of customer information.

**In the governance (G) sector,** we have established the Sustainable ESG Committee under the board of directors and the ESG Council, composed of key executives, to monitor ESG tasks and respond to emerging issues. This structure ensures that we strive for genuine ESG management. Additionally, Kyobo Life selectively invests in entities that meet ESG and Korean Green Taxonomy (K-Taxonomy) guideline, with related investments amounting to approximately KRW 8.3 trillion by the end of 2023.

Moreover, Kyobo Life firmly supports the 10 Principles in the four areas proposed by the United Nations Global Compact, actively incorporating them into our overall operations.

We have been pursuing “stakeholder-centric management” based on the philosophy of “seeking mutual growth of all stakeholders.” This year, we will continue to drive innovation to adapt to the evolving business environment and diverse competitive landscape, ensuring our survival. Throughout this journey, we remain committed not only pursuing profitability but also to fulfilling our ethical responsibilities as a corporate citizen.

We look forward to your ongoing interest and support.  
Thank you.

July 2024

Chairman & CEO Chang Jae Shin

# About Kyobo Life

## Company Profile

Since its founding in 1958, Kyobo Life has dedicated itself to the life insurance industry for over 60 years and has led the development of the insurance industry based on core values of challenge and creativity, customer-centricity, honesty, and integrity. Moving forward, Kyobo Life aims to evolve into a leading company delivering value in culture and finance beyond insurance.

### Company Name

Kyobo Life Insurance Co., Ltd.

### Headquarters

Kyobo Life Building, 1, Jong-ro, Jongno-gu, Seoul

### Business Areas

Life Insurance, Retirement Pension, Trust

### Active Countries

South Korea, Japan, United States, United Kingdom, Myanmar

### Size

3,802 employees  
13,748 financial planners  
536 domestic offices

### Affiliated Companies

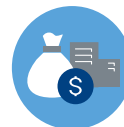
Financial (8)  
Kyobo Securities, Kyobo AXA Investment Managers,  
Kyobo Lifeplanet Life Insurance, Kyobo Asset Trust, KCA Claim Adjustment,  
Kyobo Life Asset Management (United States),  
Kyobo Life Asset Management (Japan), Kyobo AIM Asset Management

Non-financial (7)  
Kyobo Book Centre, Kyobo Realco, KyoboDTS,  
KCA Service, Jeil Total Management, Fortress Innovation, Dplanex

## Key Financial Performance

### Total Assets

KRW 130.8 trillion



### Net Income (Controlling Interests)

KRW 475.4 billion



### Solvency Ratio<sup>1)</sup>

265.4%



### ROE (Return on Equity)

4.0%



### Number of Customers

4.04 million



## Credit Ratings

### Domestic

AAA

Nice Information Service (NICE)

AAA

Korea Investors Service (KIS)

AAA

Korea Ratings (KR)

### International

A+

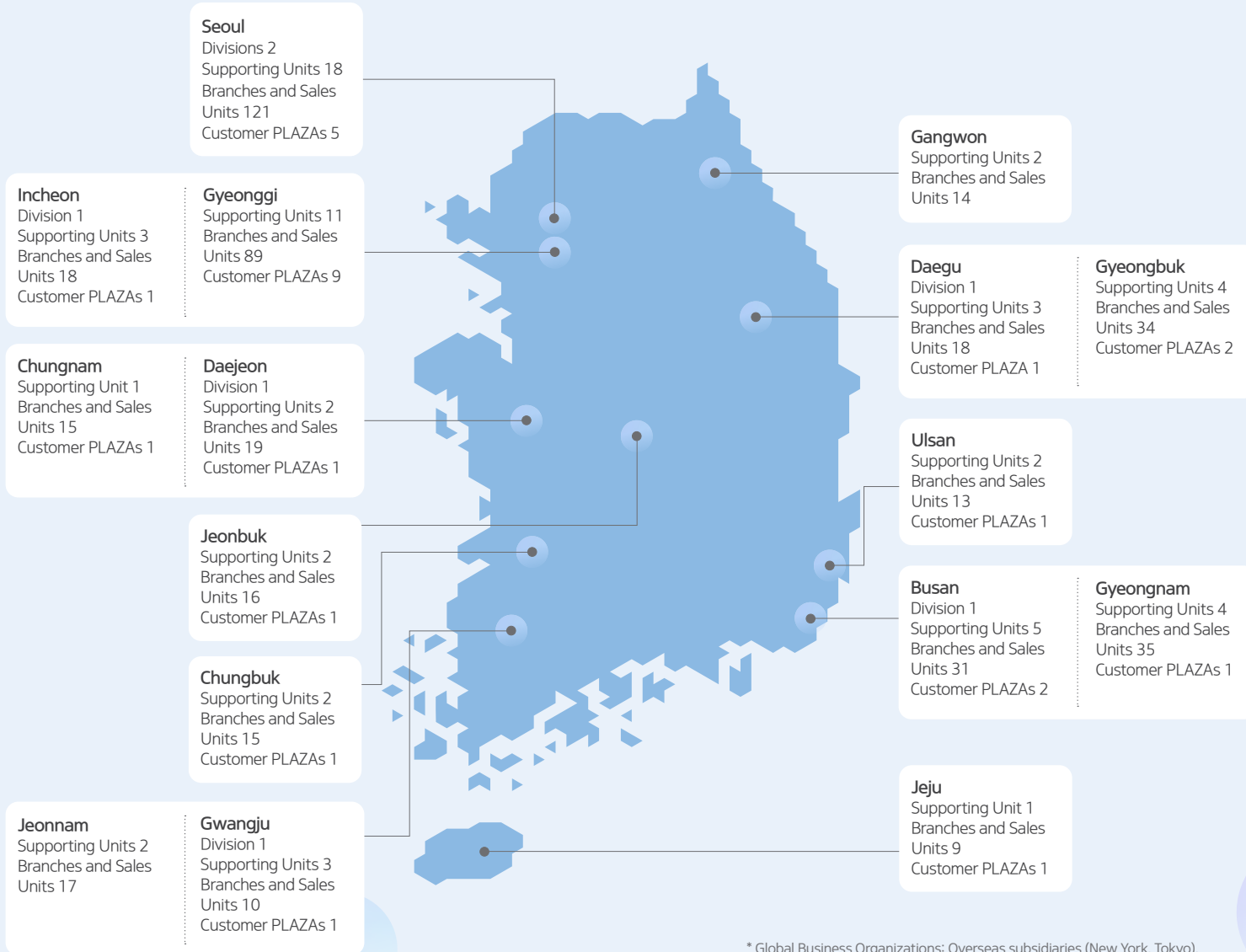
Fitch Ratings

A1

Moody's

1) An indicator of an insurance company's ability to pay insurance benefits to policyholders in a timely manner.

# Business Network



Domestic Business Organizations		
Channel	Supporting Units	Branches and Sales Units
FP	58	428
GFP	4	26
Direct	3	17

\* Global Business Organizations: Overseas subsidiaries (New York, Tokyo), overseas representative offices (London, Yangon)

# Vision 2025

In 2021, Kyobo Life announced Vision 2025, aspiring to become the leading financial company delivering value in art & culture. To achieve this, Kyobo Life is dedicated to creating new values with digital technology in the insurance business, as well as expanding into the non-insurance financial sector and the arts and culture fields. In 2024, Kyobo Life aims to accelerate the realization of Vision 2025 based on the management directive, “to enhance competency in the insurance business and lay the foundation to drive the success of new business.”

## 2024 Management Directive and Major Initiatives

### Management Directive

To enhance competency in the insurance business and lay the foundation to drive the success of new business

### Major Initiatives

- Secure a new growth engine by identifying new business opportunities vital to our future
- Expand our pool of customers through the expansion of online customer touchpoints
- Enhance collaboration with external partners to stimulate business innovation
- Foster a culture of innovation by encouraging small-scale innovations and learning from meaningful failures
- Promote marketing activities to provide “Balanced Protection” to customers
- Drive sustainable growth by enhancing our channel competency
- Enhance our competitive edge in asset management (to secure sustainable growth in the future)
- Strengthen the internal control system to ensure the protection of financial consumers





# Business Areas

Kyobo Life offers a diverse range of products and services tailored to meet the evolving needs of its customers and the market. The company manages the valuable premiums paid by its customers with a long-term perspective, ensuring stable insurance payouts. In 2023, the company introduced new products across whole life and term insurance, health and cancer insurance, annuity and savings insurance, and children insurance. Additionally, it has launched “Kyobo Simple Cancer Insurance” and “Kyobo Practical Simple Whole Life Insurance,” designed to lower entry barriers for individuals with pre-existing conditions.

## Kyobo Life Value Chain (2023)



### Key Insurance Products Launched in 2023

#### Whole life and Term Insurance

Kyobo Practical Whole Life Insurance Plus (non-dividend)  
 Kyobo Practical Simple Whole Life Insurance Plus (non-dividend)  
 Kyobo Whole Life Insurance [2404] (non-dividend)

#### Health and Cancer Insurance

Kyobo Brain and Heart Insurance (non-dividend)  
 Kyobo Care and Nursing Insurance (non-dividend)  
 Kyobo Simple Cancer Insurance [2404] (non-dividend, renewable/non-renewable type)

#### Annuity and Savings Insurance

Kyobo Hybrid Annuity Insurance 24.01 (non-dividend, single-premium/regular-premium type)

#### Children Insurance

Kyobo Our Child Insurance [2405] (non-dividend, renewable type)

※ Product Name: As of May 2024

### Key Product Add-on Services

#### Comprehensive Healthcare



A holistic healthcare program that covers a wide range of services, from daily wellness activities to disease treatment. This program involves a team of medical professionals, including doctors, nurses, nutritionists, psychological counselors, and exercise prescribers, to provide comprehensive care

- Kyobo New Healthcare Service (offered to elite policyholders of whole life or GI insurance)
- Kyobo New Healthcare Service Prestige (available to elite policyholders of whole life, eligibility may vary based on the product)

#### Educational Assistance



In collaboration with Kyobo Book Centre, this service helps children nurture their dreams, discover talents, and develop strong character, leadership, and followership skills

- Kyobo EduCare Service (for education or children insurance policyholders)

#### Dementia Care



A specialized dementia care program that focuses on prevention and provides meticulous care tailored to each stage and symptom of the condition

- Kyobo New Healthcare Service Dementia Specialized (for dementia insurance policyholders)

#### Disease-Specific Care



A healthcare program designed to manage and treat early signs of specific diseases, including cancer, brain or heart conditions and provide medical assistance and preventive measures to reduce the risk of recurrence

- Kyobo New Healthcare Service Cancer Specialized (for cancer insurance policyholders)
- Kyobo New Healthcare Service Brain & Heart Specialized (for brain & heart insurance policyholders)
- Kyobo New Healthcare Service Health Specialized (for health insurance policyholders)

Major Product Add-on Services of Kyobo Life

# Kyobo's Approach to ESG

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## ESG Governance

In March 2022, Kyobo Life established the Sustainable ESG Committee, the highest decision-making body for ESG management, under the Board of Directors. In 2023, the Sustainable ESG Committee convened three times, where one resolution was approved, and two reporting items were presented. Additionally, the ESG Council, comprising the CEO and key executives, along with the ESG Working-Level Council, consisting of heads of relevant departments, convened regularly to identify and advance ESG initiatives. Key topics discussed by the ESG Council are reviewed and subsequently decided upon by the Sustainable ESG Committee.

### ESG Governance

#### Board of Directors

#### Sustainable ESG Committee

- Members: Three outside directors and one CEO
- Role: The highest decision-making body for ESG management, responsible for deliberating on and voting for strategic directions and key ESG policies
- Meeting Frequency: Semi-annually

#### Operations in 2023

- 1<sup>st</sup> Meeting (Feb.) - Report on the progress of FY2022 ESG initiative execution
- 2<sup>nd</sup> Meeting (Mar.) - Appointment of head of the Sustainable ESG Committee
- 3<sup>rd</sup> Meeting (Dec.) - Report on the status of FY2023 ESG initiative execution

#### ESG Council

- Members: CEO and related executives
- Role: Responsible for the establishment of ESG strategies and action plans, as well as monitoring key initiatives and responding to emerging issues
- Meeting Frequency: Quarterly

#### Operations in 2023

- 1<sup>st</sup> Meeting (Apr.) - Publication of the 2022 Sustainability Report  
- 2023 ESG initiatives
- 2<sup>nd</sup> Meeting (July) - Synergy programs with affiliates and partners  
- Review of ESG policies
- 3<sup>rd</sup> Meeting (Oct.) - "Creation of Safe and Healthy Workplace" Initiative  
- Review of "Climate Risk Management Modeling Project"

#### ESG Dedicated Organization

- Members: Personnel in charge of ESG management within the Corporate Planning Team
- Role: Handles public disclosure related to ESG matters and supports the implementation of ESG-related tasks

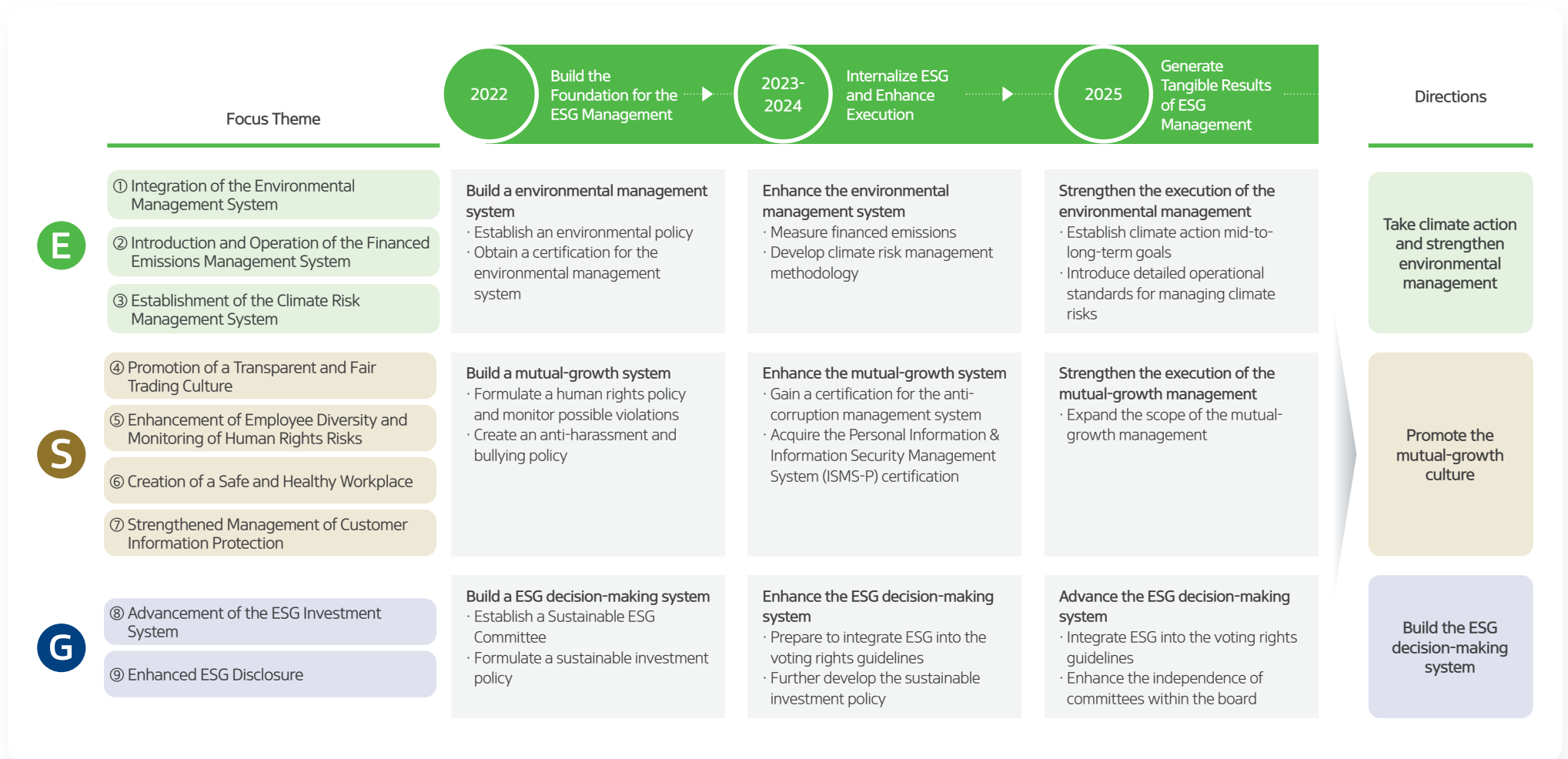
#### ESG Working-Level Council

- Members: Heads of relevant teams
- Role: Focuses on establishing detailed ESG initiatives, discussing, and implementing action plans
- Meetings: Every two months

- 1<sup>st</sup> Meeting (Jan.) - Interpretation of TCFD recommendations and response
- 2<sup>nd</sup> Meeting (Feb.) - Kick-off of the 2022 Sustainability Report publication
- 3<sup>rd</sup> Meeting (Apr.) - ESG initiative execution plans  
: Bolster work ethics among affiliates and partners
- 4<sup>th</sup> Meeting (June) - Discussion on ESG policies
- 5<sup>th</sup> Meeting (Sep.) - Discussion on ESG initiative monitoring methods and "Guidelines for Climate Change Adaptation"
- 6<sup>th</sup> Meeting (Dec.) - Discussion on S&P ESG evaluation results and request for feedback on tasks to be improved

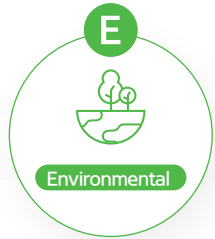
# ESG Roadmap

Kyobo Life has established strategic directions for each ESG sector and developed an ESG roadmap extending to 2025. To systematically implement this roadmap, the company has identified nine focus themes across the environmental, social, and governance dimensions. From 2023 to 2024, Kyobo Life is striving to integrate ESG management into its operations and strengthen execution by pursuing external certifications for major ESG systems and developing comprehensive internal manuals.



# ESG Policy

Kyobo Life establishes and discloses ESG policies to externally communicate its strategic directions across various ESG sectors. The company is committed to ESG management, with a focus on these policies, and regular monitorings are conducted to ensure alignment with ESG policies established.



Environmental Policy



- Anti-Bribery Policy
- Occupational Safety and Health Policy
- Human Rights Policy
- Information Security Policy
- Anti-Harassment and Anti-Bullying Policy
- Financial Inclusion Policy
- Diversity Policy



- Board Independence Policy
- Board Diversity Policy
- Sustainable Investment Policy
- Tax Policy



# ESG Highlights (up to 2023)

## E Environmental

Acquisition of ISO 14001 (Environmental Management System International Standard) Certification (Since 2022)



Recipient of the Minister of Environment Award for Community Relations in Environmental Education (2023)



22<sup>nd</sup> Global Standard Awards

Minister of Trade, Industry, and Energy Award in the 'Green Management' category (2023)



Issuance of the industry's first ESG-certified hybrid bonds (2021)

**KRW 1.5 trillion**

\* Annually issued since 2021 (cumulative total of approximately KRW 1.5 trillion)



## S Social

Acquisition of ISO 37001 (Anti-Bribery Management System International Standard) Certification (2022 and onward)



Acquisition of the Consumer-Centered Management (CCM) Certification for nine consecutive Times (2023)

Acquisition of the Personal Information & Information Security Management System (ISMS-P) Certification (2022 and onward)



## G Governance

Operation of the Sustainable ESG Committee within the Board of Directors (2022 and onward)



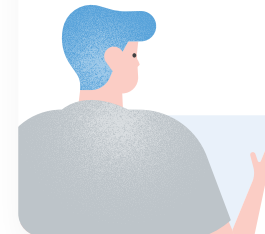
Establishment and disclosure of ESG policies\* (2022 and onward)

\* The company's official and external communications on key ESG issues



First in the industry to publish a Sustainability Report (2011 and onward)

Kyobo Life Sustainability Report



# Materiality Assessment

Kyobo Life conducts an annual materiality assessment to identify significant sustainability issues and transparently discloses its activities and progress on these issues to stakeholders. The company employs a “double materiality assessment” methodology, which evaluates both the social and environmental impacts of its business operations and the financial implications of external changes in the overall ESG landscape in 2023. Kyobo Life identified 14 key ESG issues through an analysis of global ESG standards, industry-specific concerns, and internal management-related topics. Then, the company conducted a survey among various stakeholders and organized focus group interview with stakeholders who have a deep understanding of Kyobo Life and ESG considerations.

## Double Materiality Assessment

### Impact Materiality

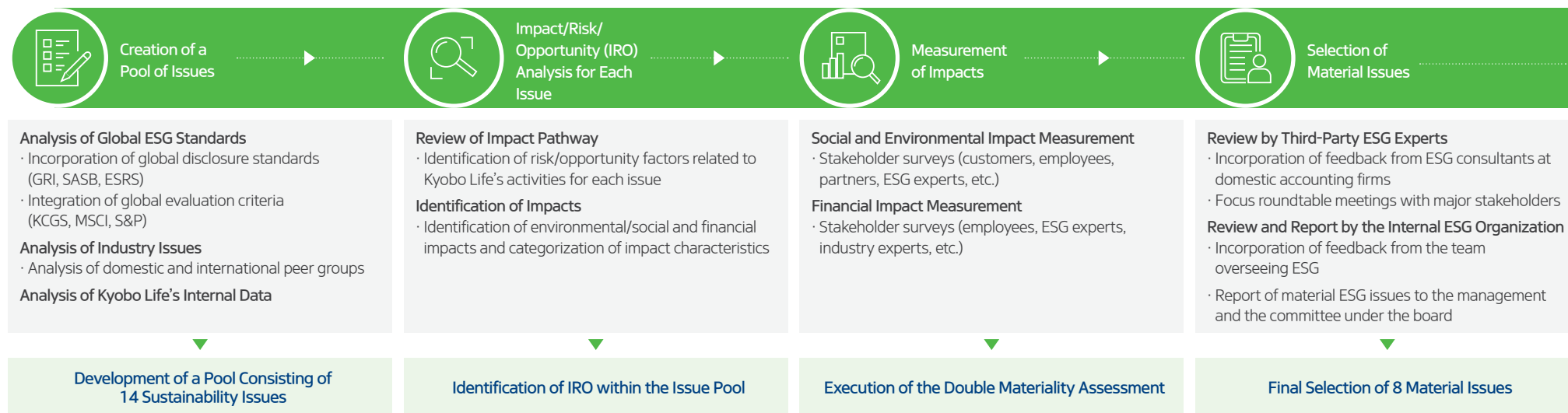
Assesses the scale of the positive and negative impacts that the company’s business activities have on society and the environment

### Financial Materiality

Assesses the scale of the positive and negative impacts that external sustainability factors can have on the company’s financial performance



## Materiality Assessment Process

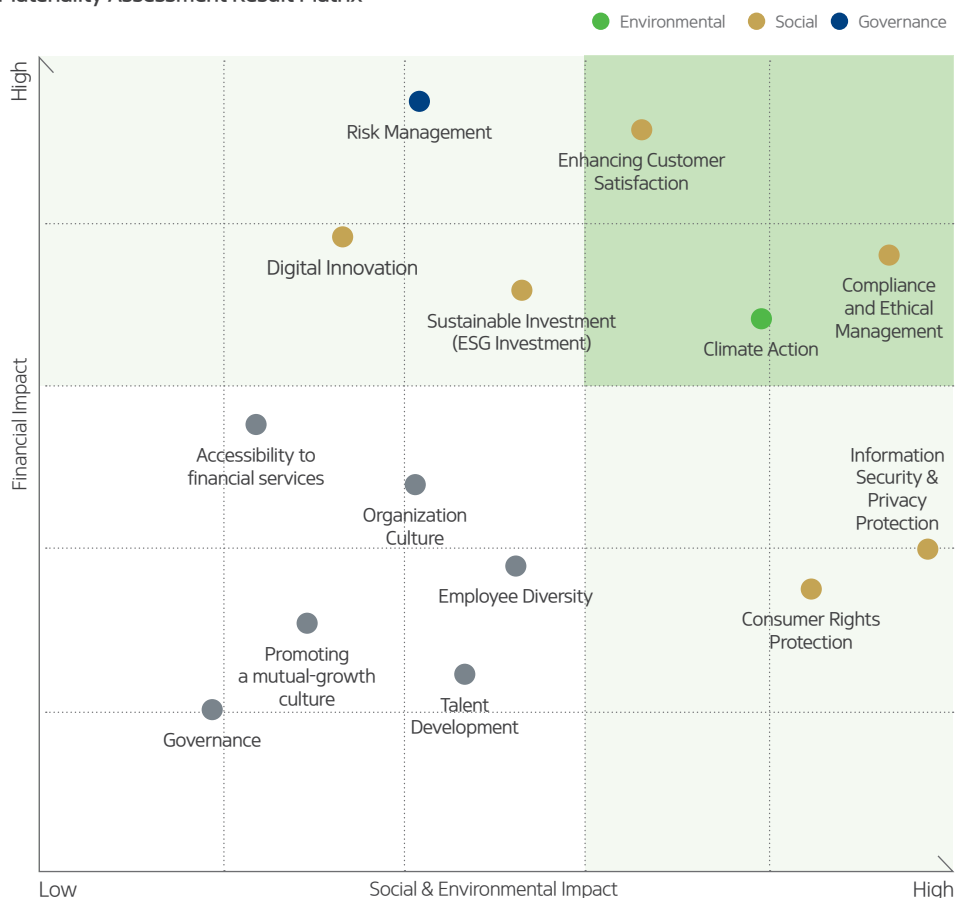


# Materiality Assessment

## Selection of Material Issues

Kyobo Life selected 8 key issues after measuring the social, environmental, and financial impacts of 14 ESG issues. The results of the materiality assessment were reported to the senior management and the Sustainable ESG Committee, a committee within the board.

Materiality Assessment Result Matrix



Issues	Financial Impact		Social & Environmental Impact		GRI Index	Related Pages
	Business Impact	Materiality	External Stakeholders	Materiality		
Compliance and Ethical Management	Risk	-	Customers, Local Community	●	205-3	P. 33-37
Sustainable Investment (ESG Investment)*	Profit	-	Investors, Local Community	-	-	P. 77-78
Climate Action*	Cost, Risk	-	Local Community	-	201-2 302-1,3 305-1-4	P. 21-29
Enhancing Customer Satisfaction	Profit	●	Customers	-	-	P. 30-32
Information Security & Privacy Protection	Risk	-	Customers, Local Community	●	418-1	P. 64-68
Consumer Rights Protection	Risk	-	Customers	●	-	P. 61-63, 83
Risk Management	Cost, Risk	●	Customers, Investors	-	-	P. 74-76
Digital Innovation	Cost, Profit	●	Investors	-	-	P. 31, 53, 82, 88, 94




\* Newly incorporated issues

\*\* Issues excluded compared to the previous year: stable asset management, new growth engines, governance, human capital development, safety and health, organizational culture, green management, community relations activities, employee human rights, promotion of a culture of mutual growth, strengthening of financial planners' capabilities, and accessibility to financial services






# Materiality Assessment

## Material Issues for Corporate Value Creation

Material Issue	Materiality of the Issue	Business Impact	Action Plans	Related Indicators
<b>Risk Management</b> 	Systematically classifying and proactively managing financial and non-financial risks that affect management is critically important. Improper risk management can lead to various losses for financial companies. In 2023, Kyobo Life established infrastructure and systems to respond to the newly implemented IFRS17 and the new solvency system (K-ICS).	Risk, Cost	<ul style="list-style-type: none"> <li>Established risk governance and risk management principles (setting and managing limits) (P. 74)</li> <li>Responded to the new solvency system (K-ICS) (P. 92)</li> </ul>	Solvency Ratio: 265.4%
<b>Digital Innovation</b> 	For the company's long-term growth, it is essential to leverage digital technology to offer new experiences and satisfaction to customers. Kyobo Life aims to digitalize its existing business processes to improve operational efficiency. Additionally, the company plans to explore synergies with various industries through digital technologies to identify new growth opportunities.	Cost, Revenue	<ul style="list-style-type: none"> <li>Improved insurance business processes using digital technology (P. 31)</li> <li>- K-PASS (Pre-Enrollment Information Search System)</li> <li>- Enhanced Event Claim Assessment System</li> <li>Launched a platform for promoting infant and toddler health, "donots" (P. 95)</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of Enrollment Time for New Policies</li> <li>- Rapid review products: from 28.6 hours to 8.3 hours</li> <li>- Standard review products: from 41.5 hours to 11.5 hours</li> <li>Reduction of Assessment Time for Payment Claims</li> <li>- Rapid payment benefits: from 4.8 hours to 2.0 hours</li> <li>- Standard payment benefits: from 11.7 hours to 6.6 hours</li> </ul>
<b>Enhancing Customer Satisfaction</b> 	Amid environmental changes such as low birth rates and an aging population, and increasing competition within the insurance industry due to the entry of big tech companies, the importance of customer satisfaction is growing. Enhancing customer satisfaction is critical not only during the enrollment stage, where the focus is on providing optimal policy designs that accurately reflect customers' needs, but also throughout the policy lifecycle, including persistency and claim payment stages.	Revenue	<ul style="list-style-type: none"> <li>Initiated the Balanced Protection Project (P. 31)</li> <li>Enhanced convenience related to claim submission (P. 31, 82)</li> <li>- Simplified service for indemnity insurance claims</li> <li>- Integrated insurance claim system</li> </ul>	Customer Satisfaction Survey Score: 74.4

# Materiality Assessment

## Material Issues for External Stakeholders

Material Issue	External Impact of the Issue	Affected Stakeholders	Action Plans	Related Indicators
<b>Information Security &amp; Privacy Protection</b> 	<p>Due to the nature of the insurance industry, which involves collecting and managing various personal data from customers, special caution is required. Utilizing personal information without customer consent can lead to significant inconvenience for customers and potentially serious social confusion and damage if such information is leaked or misused.</p>	<p>Customers, Local Community</p>	<ul style="list-style-type: none"> <li>· Conducted internal audits on information security and regular evaluations by the Financial Services Commission (P. 66, 68)</li> <li>· Established and operated the Information Breach Incident Response Process (P. 67)</li> <li>· Conducted third-party vulnerability assessments (P. 67)</li> </ul>	<ul style="list-style-type: none"> <li>· Acquired the Personal Information &amp; Information Security Management System (ISMS-P) Certification</li> </ul>
<b>Consumer Rights Protection</b> 	<p>Providing accurate guidance to customers during the insurance enrollment process is crucial, particularly due to the information asymmetry inherent in insurance products. Customers misled into purchasing a policy through mis-selling may suffer harm by not receiving adequate coverage and services.</p>	<p>Customers</p>	<ul style="list-style-type: none"> <li>· Operated a process to improve systems by reflecting the voice of customers (VOC) (P. 62)</li> <li>· Operated the "Complete Enrollment Consultation Program in the Sales Field" (P. 63)</li> <li>· Introduced a 24/7 Happy Call system through AI (voice bot) monitoring (P. 63)</li> </ul>	<ul style="list-style-type: none"> <li>· Acquired the Consumer-Centered Management (CCM) certification</li> </ul>
<b>Compliance and Ethical Management</b> 	<p>Financial companies, which manage their customers' assets, are held to higher legal and ethical standards. Thus, it is crucial for them to establish a robust internal control system to oversee management practices. Any unethical or illegal behavior by employees can result in repercussions that extend beyond individual customers, potentially affecting society at large.</p>	<p>Customers, Local Community</p>	<ul style="list-style-type: none"> <li>· Conducted an internal control system assessment (P. 36)</li> <li>· Operated an internal/external misconduct report hotline (P. 36)</li> <li>· Established Code of Job Ethics of Kyobo and encouraged employees to state their commitment (P. 34)</li> </ul>	<ul style="list-style-type: none"> <li>· Acquired the ISO 37001 (Anti-Bribery Management System) certification</li> <li>· Number of Kyobo employees committed to Code of Work Ethics (cumulative): 4,005</li> </ul>

# Focus Group Interview



## Overview

Date	March 15, 2024, 14:00 - 16:00
Location	Meeting Room, 18th Floor, Gwanghwamun Financial Planning Center, Kyobo Life Gwanghwamun Headquarters
Participants	<p>External: Junho Lee, Partner at Samil PwC, Minsup Song, Professor at Sogang University, Seungjun Lee, Director of ESG Center at Korea Insurance Research Institute, Moonyoung Kang, CEO of Haenenda Company</p> <p>Internal: Jooyoung Yoo, Head of Variable Asset Management, Hojun Choi, Head of ESG Management Part, Corporate Planning Team</p>

Globally, financial companies are increasingly emphasizing sustainable investment. As Kyobo Life manages assets exceeding KRW 90 trillion, it is crucial to include topics like sustainable investment as material issues. The company must clearly demonstrate how ESG factors are integrated into its investment decision-making process. Additionally, the sustainability report should not only document the company's current performance but also outline a comprehensive roadmap. This includes transparently detailing the preparations underway to implement the roadmap and the company's responses to emerging challenges.

**Minsup Song,**  
Professor at Sogang University



Climate change is a critical issue from short, medium, and long-term perspectives. Sustainability reports from international insurance companies often provide roadmaps for emissions reductions. Kyobo Life should similarly measure its investment-related emissions and present a roadmap to achieve net-zero emissions by a specified date. Furthermore, since climate change can impact risk rates, it is imperative for the company to proactively incorporate these aspects into its long-term risk management strategy.



**Seungjun Lee,**  
Director of ESG Center at Korea Insurance Research Institute



With increasing competition in the insurance industry due to low birth rates and aging populations, efforts to enhance customer satisfaction are crucial for Kyobo Life to maintain a competitive edge. Since 2021, Kyobo Life has been providing more convenient services based on digital technology and actively responding to the newly introduced K-ICS solvency system to maintain stable financial soundness.



**Junho Lee,**  
Partner at Samil PwC



Financial incidents at financial companies have garnered significant public attention. I believe that employees of financial institutions should uphold higher ethical standards. Kyobo Life has established clear guidelines regarding the work ethics of financial company employees, including the Charter of Job Ethics, and consistently provides related training. I hope the company continues its commitment to ethical management, further strengthening its reputation as a trusted institution in our society.



**Moonyoung Kang,**  
CEO of Haenenda Company

# Focus Areas

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Compliance and Ethical Management	33



# Climate Action

Addressing climate change is a core issue for all countries and companies.

In 2017, "TCFD Recommendations," which encourage companies to identify the opportunities and risks posed by climate change and disclose the financial impacts, were released. Since then, many countries have begun implementing or promoting mandatory ESG disclosures for companies based on these recommendations. In April, Korea unveiled a draft of the "ESG Disclosure Standards," including "Climate-Related Disclosures."

For financial companies, establishing a robust climate risk management system to enhance resilience and management of climate risks in the financial sector has also become a crucial issue. In December 2021, the Financial Supervisory Service issued the "Climate Risk Management Guidelines" to enhance financial companies' ability to manage climate risks, thereby specifying standards for monitoring climate risk soundness of financial institutions.



## Kyobo's Approach

Kyobo Life has been disclosing climate-related information based on the TCFD Recommendations since 2021, while continuously striving to enhance such disclosures. In 2022, the company established a greenhouse gas inventory to identify various sources of emissions and quantify emissions from each source. Starting in 2024, it began measuring and disclosing climate risks by calculating financed emissions and conducting scenario analyses.

# Climate Action

## Governance

Kyobo Life recognizes that climate risk and opportunities can financially impact the company and established governance to manage these risks and realize opportunities.

### Board Committees: Supervision of Climate Risks and Opportunities

Kyobo Life supervises climate risk and opportunities through the Risk Management Committee and the Sustainable ESG Committee under the Board of Directors.

### Risk Management Committee

Composed of three outside directors, the Risk Management Committee deliberates and decides on important matters related to risk management. Kyobo Life identifies climate risk, or risks related to climate change, as one of the major risks and discusses it within the Risk Management Committee.

### Sustainable ESG Committee

Consisting of the CEO and three outside directors, the Sustainable ESG Committee deliberates and decides on important ESG matters, including opportunities related to climate change. Climate risk, as a key ESG theme for the company, is addressed in the context of implementing ESG initiatives.

## Management's Role: Evaluation and Management of Climate Risks and Opportunities

Kyobo Life evaluates and manages climate change-related risks and opportunities through the Risk Management Council and the ESG Council, both composed of key executive management.

### Risk Management Council

The Risk Management Council deliberates on important matters related to risk management. Recognizing climate risk as one of the major risks, it evaluates and manages these issues. The Chief Risk Officer (CRO) reports major climate risk-related matters to the Board committees.

### ESG Council

The ESG Council, composed of the CEO and key executive management, discusses important matters related to ESG management, such as ESG strategy and key initiatives. The ESG Council monitors nine key themes selected to enhance ESG management. Among these themes, climate-related topics include establishing an environmental management system, introducing and operating a financed emissions management system, and building a climate risk management system. Kyobo Life assigns responsible executives for each key theme, incorporating these themes into the performance goals of the responsible executives and the business plans of the respective teams to ensure systematic implementation.

## Climate Risk Governance and Key Topics for 2023

	Climate Risks	Climate Opportunities
Board Committees: Supervision of Climate Risks and Opportunities	<p><b>Risk Management Committee</b></p> <p><b>2023 Reporting Items</b></p> <ul style="list-style-type: none"> <li>Results of the Climate Risk Management Model Development Project</li> <li>Status of Company-wide Risk Management for FY2023</li> <li>Climate Risk Measurement Results</li> </ul>	<p><b>Sustainable ESG Committee</b></p> <p><b>2023 Reporting Items</b></p> <ul style="list-style-type: none"> <li>Status of Key ESG Initiatives</li> <li>ISO 14001 Certification/Maintenance</li> <li>Development of Climate Risk Management Methodology</li> </ul>
Councils Composed of Management: Evaluation and Management of Climate Risks and Opportunities	<p><b>Risk Management Council</b></p> <p><b>2023 Reporting Items</b></p> <ul style="list-style-type: none"> <li>Status of Company-wide Risk Management for FY2023</li> <li>Climate Risk Measurement Results</li> </ul>	<p><b>ESG Council</b></p> <p><b>2023 Reporting Items</b></p> <ul style="list-style-type: none"> <li>Status of FY2023 ESG Initiatives</li> <li>Development of Climate Risk Management Methodology</li> </ul>

# Climate Action

## Strategy

Climate change impacts both our daily lives and business operations in various ways. As a life insurance company engaging with diverse stakeholders, including customers and investee companies, Kyobo Life recognizes the importance of thoroughly understanding climate change. The company has identified various risks and opportunities associated with climate change and assessed its financial impact through scenario analyses.

## Climate Risk

Climate change poses risks to companies through various channels. Climate risks are categorized into physical risks and transition risks. Physical risks involve costs arising from the increased frequency of extreme weather events, such as natural disasters and average temperature rises, as well as long-term changes in weather patterns. Transition risks include costs that may result from greenhouse gas emission regulations and other factors during the shift to a low-carbon economy. Kyobo Life analyzes the potential financial impacts of both physical and transition risks and their effects on the financial and insurance industries.

### Analysis of Climate Risks

Climate Risks		Timeframe	Potential Financial Impact	Impact on Financial and Insurance Industries
Physical Risk	Acute	Short to Medium Term	<ul style="list-style-type: none"> <li>Revenue loss due to decreased production capacity (e.g., transportation disruptions, supply chain interruptions)</li> <li>Decreased revenue and increased costs due to negative impacts on workforce (e.g., health and safety issues, absenteeism)</li> </ul>	<ul style="list-style-type: none"> <li>Decreased returns on investments in high-risk areas</li> <li>Increased insurance payouts due to higher mortality and morbidity rates caused by climate change</li> </ul>
	Chronic	Medium to Long Term	<ul style="list-style-type: none"> <li>Increased damage to owned/invested properties from floods, typhoons, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Increased financial losses due to IT disruptions and incidents from supply chain interruptions</li> <li>Increased damage to branches and sales offices from floods, typhoons, etc.</li> <li>Decreased operational efficiency and increased management costs at branches and sales offices due to climate-related health and safety issues</li> </ul>
Transition Risk	Policy and Legal	Short to Medium Term	<ul style="list-style-type: none"> <li>Increased operating costs (e.g., higher compliance costs, insurance premiums)</li> <li>Depreciation, impairment, and early disposal of existing assets due to policy changes</li> <li>Increased costs due to fines and litigation</li> </ul>	<ul style="list-style-type: none"> <li>Increased litigation costs from discontinuing financing for high-carbon sectors</li> <li>Decreased investment returns if investee companies' corporate value declines due to higher greenhouse gas emission costs, increased environmental litigation risks, etc.</li> </ul>
	Technology	Medium to Long Term	<ul style="list-style-type: none"> <li>R&amp;D costs for alternative new technologies</li> <li>Costs for adopting and spreading new practices and processes</li> </ul>	<ul style="list-style-type: none"> <li>Decreased investment returns if investee companies' corporate value declines due to failure to secure government-required green technologies</li> </ul>
	Market	Medium to Long Term	<ul style="list-style-type: none"> <li>Adjustment of asset prices (e.g., fossil fuel reserves, land valuations, securities valuations)</li> <li>Decreased demand for products and services as consumer preferences shift towards environmentally friendly options</li> <li>Increased production costs due to changes in input prices (e.g., energy, water) and output requirements (e.g., waste management)</li> </ul>	<ul style="list-style-type: none"> <li>Decreased demand and investment returns if climate change negatively impacts investee companies' products and service environments</li> <li>Difficulty in financing if investor confidence declines due to inadequate climate actions</li> </ul>
	Reputation	Medium to Long Term	<ul style="list-style-type: none"> <li>Revenue loss due to negative impacts on workforce management and planning (e.g., talent attraction and retention)</li> <li>Reputational damage from unfulfilled plans (e.g., delayed plan approvals, supply chain disruptions)</li> <li>Reduced availability of capital</li> </ul>	<ul style="list-style-type: none"> <li>Customer attrition due to the sensitivity of the financial industry to reputation and trust, especially in the event of negative environmental issues</li> <li>Decreased investment returns if investee companies suffer reputational damage due to negative environmental issues</li> </ul>

# Climate Action

## Strategy

### Climate Change-Related Opportunities

While climate change presents various risks, it also creates new opportunities. Significant societal changes are occurring, such as the development of low-carbon products and services driven by advancements in energy efficiency technologies and changing consumer preferences. These changes create new business and investment opportunities. Kyobo Life analyzes the opportunities and potential impacts related to climate change, particularly their effects on the financial and insurance industries.

### Analysis of Climate Change-Related Opportunities

Category	Climate Change-Related Opportunities	Timeframe	Potential Financial Impact	Impact on Financial and Insurance Industries
Resource Efficiency	<ul style="list-style-type: none"> <li>Enhanced efficiency of production/distribution processes</li> <li>Activation of recycling</li> <li>Investment in energy-efficient facilities</li> </ul>	Short to Medium Term	<ul style="list-style-type: none"> <li>Reduced operating costs (e.g., increased efficiency and cost savings)</li> <li>Reduced waste disposal cost through recycling</li> <li>Increase in the value of fixed assets (e.g., highly energy-efficient buildings)</li> </ul>	<ul style="list-style-type: none"> <li>Cost reduction and customer base expansion through the digitalization of financial processes</li> <li>Increase in capital available for investment due to enhanced resource efficiency</li> </ul>
Energy Sources	<ul style="list-style-type: none"> <li>Use of green (low-carbon and renewable) energy</li> <li>Investment in renewable energy generation projects</li> </ul>	Short to Long Term	<ul style="list-style-type: none"> <li>Reduced operating costs (e.g., long-term cost savings through the use of green energy)</li> <li>Reduced exposure to future fossil fuel price increases</li> <li>Increased revenue through participation in carbon markets</li> </ul>	<ul style="list-style-type: none"> <li>Long-term cost savings through the use of green energy</li> <li>Increased revenue through expanded investment in low-carbon and renewable energy</li> <li>Increased demand for capital from companies attempting to implement new green energy sources</li> </ul>
Products and Services	<ul style="list-style-type: none"> <li>Diversification of business activities</li> <li>Changes in consumer preferences</li> </ul>	Medium to Long Term	<ul style="list-style-type: none"> <li>Increased revenue through the development of new climate-related products and services</li> <li>Enhanced brand image through climate action measures such as environmental management</li> </ul>	<ul style="list-style-type: none"> <li>Increased revenue through the development of climate-related insurance products and services (e.g., expanded coverage for climate-related diseases)</li> <li>Enhanced corporate competitiveness through the development of green financial solutions</li> </ul>
Market	<ul style="list-style-type: none"> <li>Exploration of new markets</li> <li>Utilization of public sector incentives</li> </ul>	Medium to Long Term	<ul style="list-style-type: none"> <li>Entry into new markets and improved revenue structures through the discovery of green products and services</li> <li>Increased revenue with access to new and emerging markets (e.g., partnerships with governments and development banks)</li> </ul>	<ul style="list-style-type: none"> <li>Entry into new markets and improved revenue structures through the discovery of green financial products and services</li> <li>Continued customer engagement by financing low-carbon transition of carbon-intensive companies</li> </ul>
Resilience	<ul style="list-style-type: none"> <li>Resource diversification and exploration of alternative resources</li> <li>Widespread use of renewable energy and energy efficiency improvements</li> </ul>	Medium to Long Term	<ul style="list-style-type: none"> <li>Enhanced market value of resilient assets (e.g., infrastructure, land, buildings)</li> <li>Increased revenue through new products and services that ensure resilience</li> </ul>	<ul style="list-style-type: none"> <li>Robust foundation for sustainable growth through the diversification of investment asset portfolios</li> </ul>



# Climate Action

## Strategy

### Climate Scenario Analysis

Scenario analysis is essential for diagnosing the financial impact that climate risks can have on a company. Climate scenario analysis involves creating scenarios based on various assumptions, such as the pace of government policies on climate change and projected future temperature changes, to determine the financial impacts on the company. Kyobo Life has quantified the potential financial impact of climate risks on its future financial situation through a scenario analysis. The analysis is divided into physical risks and transition risks, using internationally accepted scenarios.

### Climate Risk Scenarios

#### Physical Risk



##### RCP (Representative Concentration Pathways)

RCP is a scenario used to measure the physical impacts of climate change based on different greenhouse gas concentration levels in the atmosphere. It mainly considers the impact variables of physical risks according to the projected concentration level in 2100. There are four RCP scenarios: RCP 2.6, RCP 4.5, RCP 6.0, and RCP 8.5.

Kyobo Life utilized all four RCP scenarios in its analysis.

##### SSP (Shared Socioeconomic Pathways)

SSP complements RCP by incorporating socio-economic predictive models. It considers changes in the socio-economic system's preparedness for future climate change along with projected greenhouse gas concentration levels in 2100. SSP includes SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5.

Kyobo Life selected the most prevalent SSP scenarios, SSP1-2.6 and SSP5-8.5, considering the ease of collecting and processing key climate impact data.

#### Transition Risk



##### NGFS (Network for Greening the Financial System)

NGFS scenarios consider the transition policies and target temperatures of different countries. These scenarios comprehensively include elements of both physical and transition risks but primarily focus on transition risk impact variables such as carbon pricing and energy development. NGFS includes Low Demand, Net-Zero 2050, Below 2°C, NDCs, Current Policies, Delayed Transition, and Fragmented World.

Kyobo Life selected Net-Zero 2050, Current Policies, and Delayed Transition, as suggested by the Bank of Korea and the Financial Supervisory Service.

# Climate Action

## Strategy

### Physical Risk Scenario

Kyobo Life measured physical risks based on the Representative Concentration Pathway (RCP) and Shared Socioeconomic Pathway (SSP) scenarios presented in the 5th and 6th Assessment Reports of the IPCC (Intergovernmental Panel on Climate Change). The timeframes were set as follows: short-term until 2030, medium-term until 2040, and long-term until 2050. The physical risk measurement targets were defined as Kyobo Life's own real estate (self-owned buildings) and domestic commercial real estate collateral for corporate loans. In the event of physical risks such as heavy rains or typhoons, costs would be incurred for flood damage restoration for self-owned buildings, and the value of commercial real estate used as collateral for corporate loans would decrease, leading to an increased loss given default (LGD). To calculate the losses for each target, historical social variables, rainfall damage losses, and other related physical risk data were collected and validated. The expected losses from physical risks were then aggregated using this data.

\* The IPCC is a UN sub-organization established in 1988, and its assessment reports provide research data that form the basis for climate policy development in its 195 member countries.

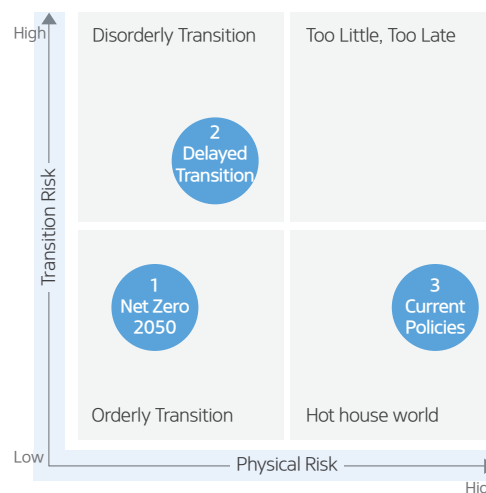
### Physical Risk Scenarios

Scenario Types	Temperature Assumption (Average)	Assumptions	CO <sub>2</sub> Levels in 2100	
SSP	SSP1-2.6	Below 1.6°C	Assumes significant advancements in renewable energy technologies and minimized use of fossil fuels leading to green economic growth	432ppm
	SSP5-8.5	Above 4.3°C	Assumes that there will be an emphasis on rapid development, resulting in high fossil fuel usage and overdevelopment of urban areas	1,089ppm
RCP	RCP 2.6	0.9-2.3°C (1.6°C)	Assumes immediate greenhouse gas reductions or Earth's natural recovery from human activity impacts	421ppm
	RCP 4.5	1.7-3.2°C (2.4°C)	Assumes significant implementation of greenhouse gas reduction policies	538ppm
	RCP 6.0	2.0-3.7°C (2.8°C)	Assumes moderate implementation of greenhouse gas reduction policies	670ppm
	RCP 8.5	3.2-5.4°C (4.3°C)	Assumes continued greenhouse gas emissions at current rates without reduction	936ppm

### Transition Risk Scenario

Kyobo Life measured transition risks for its assets under management based on the climate scenarios developed by the NGFS (Network for Greening the Financial System). Given that major financial institutions, including the EBA (European Banking Authority) and the Bank of Korea, recommend using NGFS scenarios for transition risk analysis, Kyobo Life adopted the Net Zero 2050, Delayed Transition, and Current Policies scenarios from the NGFS. The timeframes were set identically to the physical risks: short-term until 2030, medium-term until 2040, and long-term until 2050. The transition risk measurement targets were defined as listed stocks within the investment asset portfolio (including ETFs where the underlying assets can be individually identified), corporate loans, and corporate bonds. During the transition to a low-carbon society, certain industries may incur high costs for carbon reduction, leading to poor growth rates for those industries. This could be reflected in market values or increase the probability of default (PD), causing losses for companies invested in those industries. Therefore, Kyobo Life collected and validated related transition risk data such as added value by industries and company-specific carbon emissions, and used this data to aggregate the expected loss amounts due to transition risks.

### Transition Risk Scenarios



- ① Net Zero 2050: Assumes achieving net zero greenhouse gas emissions by 2050 with strict climate policies and innovations, limiting global warming to 1.5°C
- ② Delayed Transition: Assumes no reduction in annual emissions until 2030, followed by strong policies to limit warming to below 2°C
- ③ Current Policies: Assumes only the policies currently implemented will be followed

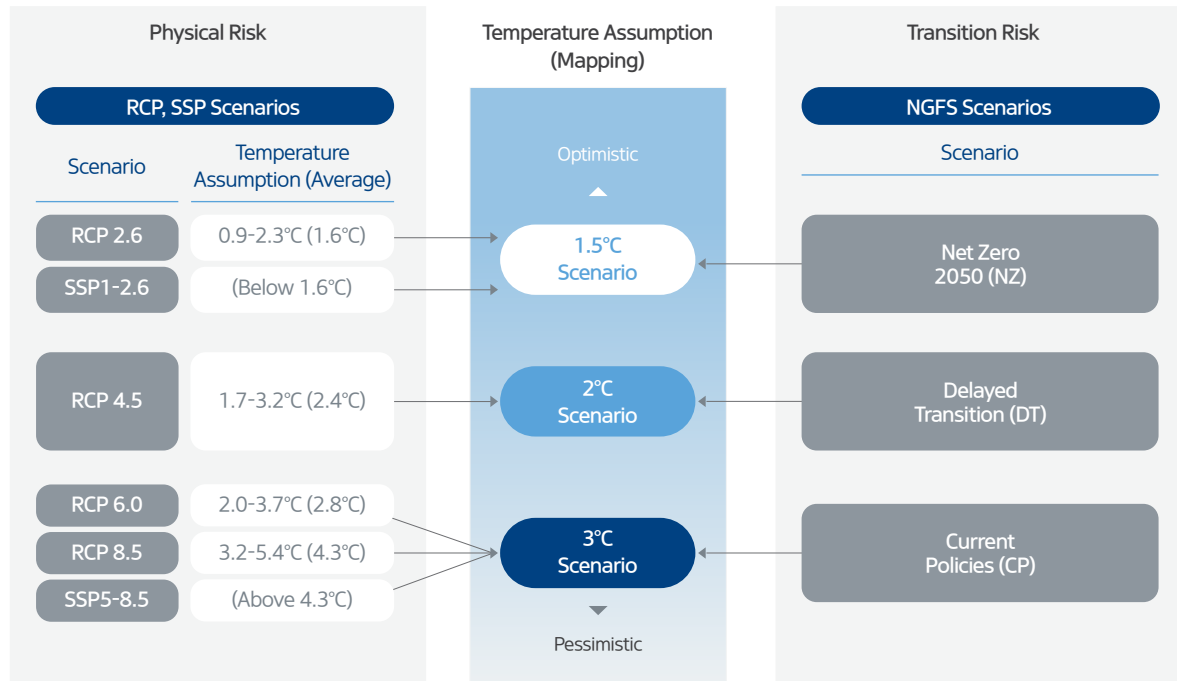
# Climate Action

## Strategy

### Scenario Analysis Results

Kyobo Life utilized RCP and SSP scenarios for physical risk analysis and NGFS scenarios for transition risk analysis, based on temperature assumptions of 1.5°C, 2°C, and 3°C, to conduct a comprehensive analysis and measurement of climate risks. Based on the scenario analysis results, the cumulative expected loss due to climate risks, assuming the implementation of carbon policies that limit global temperature rise to 2°C above pre-industrial levels (corresponding to the NGFS Delayed Transition scenario and IPCC RCP 4.5 scenario), is measured at a maximum of KRW 1.2895 trillion.

Temperature Assumptions by Scenario



Cumulative Expected Losses by Scenario

Scenario	Asset Value	Cumulative Expected Loss		
		Short-term (2030)	Medium-term (2040)	Long-term (2050)
3.0°C (Current Policies, RCP 8.5)		KRW 81.7 billion	KRW 196.9 billion	KRW 348.3 billion
2.0°C (Delayed Transition, RCP 4.5)	KRW 41.2625 trillion	KRW 95.2 billion	KRW 362.1 million	KRW 1.2895 trillion
1.5°C (Net Zero 2050, RCP 2.6)		KRW 127.0 billion	KRW 462.6 billion	KRW 1.1252 trillion

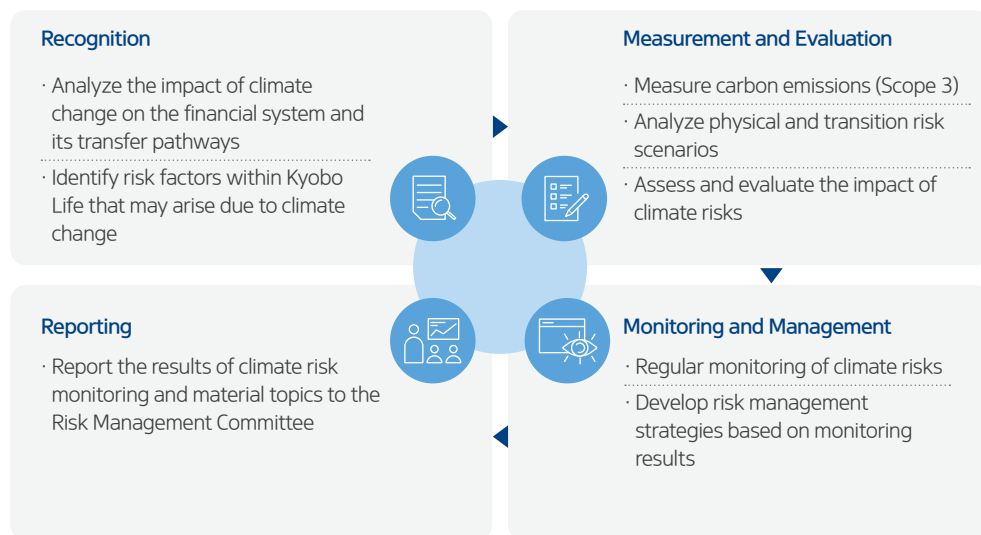
# Climate Action

## Risk Management

### Climate Change Risk Identification Process

Climate risk is a significant risk on its own, and can also transfer to other risk types that financial institutions manage, such as credit risk, market risk, and insurance risk. Accordingly, Kyobo Life integrates climate risk into its existing risk management processes, managing it across all stages from identification, measurement, and evaluation to monitoring, management, and reporting.

### Climate Risk Management System



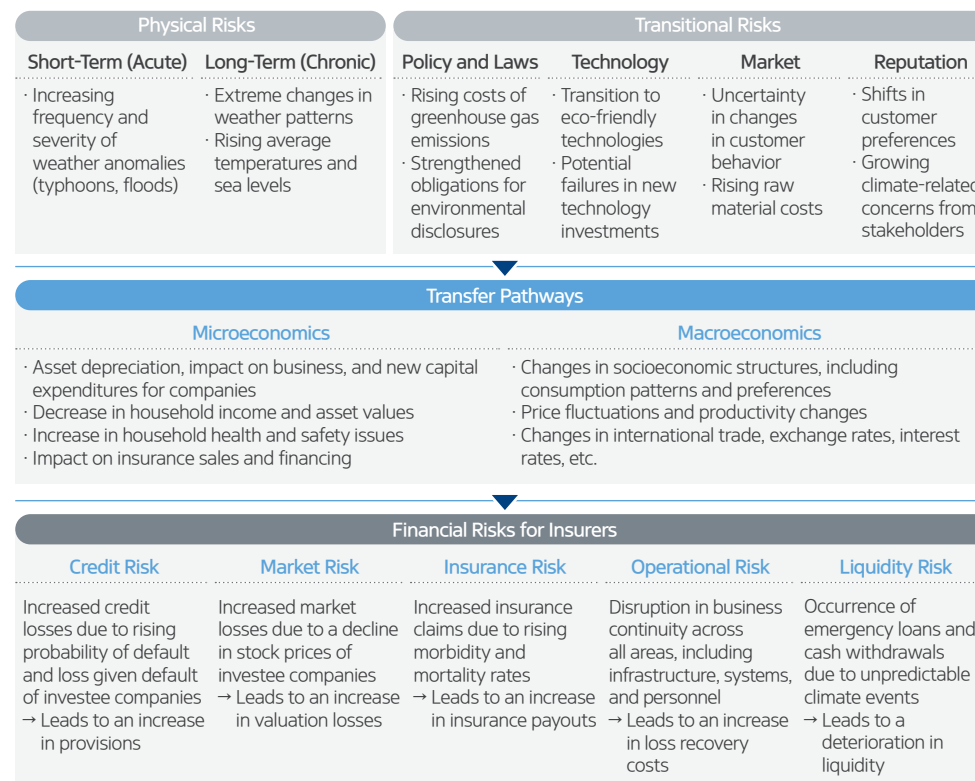
## Climate Risk Mitigation Efforts

Kyobo Life is actively working to mitigate climate risks associated with its operations. In the asset management sector, the company has implemented a sustainable management policy and makes investment decisions with a strong emphasis on ESG factors, utilizing an ESG investment checklist. Furthermore, Kyobo Life has obtained ISO 14001 certification, an international standard for environmental management system. Additional environmentally conscious initiatives include resource recycling programs and community engagement activities, such as environmental education efforts.

[Pages Related to Sustainable Investment \(ESG Investment\) \(P. 77-78\)](#)

[Pages Related to Environmental Management \(P. 40-42\)](#)

### Transfer Process of Climate Risks



# Climate Action

## Metrics and Reduction Targets

### Scope 1, 2, 3 Greenhouse Gas Emissions

Kyobo Life systematically manages greenhouse gas emissions, a key climate-related indicator. In 2023, the company established a greenhouse gas inventory and implemented a system to measure and manage emissions from its buildings at the level required by the national greenhouse gas target management system.

### Annual Greenhouse Gas Emissions (Excluding Financed Emissions)

Category	Unit	2023
Total Emissions	tCO <sub>2</sub> eq	30,764
Direct Emissions (Scope 1)	tCO <sub>2</sub> eq	4,989
Indirect Emissions (Scope 2)	tCO <sub>2</sub> eq	25,775
Other Indirect Emissions (Scope 3 Category 1, 5 <sup>1)</sup> )	tCO <sub>2</sub> eq	3,036
Emission Intensity (Based on Area)	tCO <sub>2</sub> eq/thousand m <sup>2</sup>	52.3

1) According to the Greenhouse Gas Protocol, Category 1 refers to purchased goods and services (water use), and Category 5 refers to waste generated in operations.

## Financed Emissions

Kyobo Life calculated the financed emissions of its assets under management using the PCAF (Partnership for Carbon Accounting Financials) methodology. This internationally recognized approach allows financial institutions to measure the greenhouse gas emissions of the companies they invest in. The results indicate that project financing assets have higher financed emissions and carbon intensity compared to other asset classes.

### Financed Emissions (2023)

PCAF Asset Type	Measured Asset Value (KRW Trillion)	Measured Asset Proportion (%)	Financed Emissions (10,000 tCO <sub>2</sub> eq)	Financed Emissions Proportion (%)	Intensity (10,000 tCO <sub>2</sub> eq/KRW Trillion)
1 Listed Equity and Corporate Bonds	19.43	27.72	553.42	32.49	28.48
2 Corporate Loans and Unlisted Equity	0.09	0.13	0.42	0.02	4.79
3 Project Finance (PF)	15.86	22.63	616.03	36.16	38.83
4 Commercial Real Estate	5.50	7.85	4.33	0.25	0.79
5 Mortgage	2.32	3.32	1.19	0.07	0.51
6 Sovereign Debt	26.88	38.35	528.17	31.00	19.65
Total	70.08	100	1,703.57	100	24.30

\* Auto loans are not part of the assets managed by Kyobo Life and were therefore excluded from the measurement.



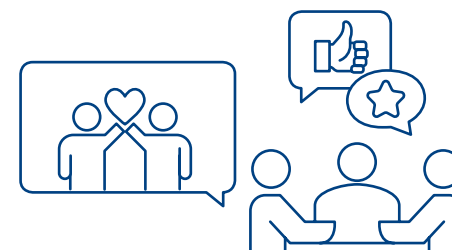
### PCAF (Partnership for Carbon Accounting Financials) Methodology

The PCAF methodology categorizes asset types into listed stocks and corporate bonds, corporate loans and unlisted stocks, project financing, commercial real estate, auto loans\*, mortgages, and government bonds, providing guidelines for measuring financed emissions and carbon intensity for each asset type. Financed emissions refer to the total greenhouse gas emissions associated with the companies Kyobo Life invested in, proportionate to the amount financed by Kyobo Life. This value can be used to compare absolute emissions across portfolios. Carbon intensity represents the emissions per unit value, enabling a comparison of emissions across different portfolios by normalizing for asset size.

## Enhancing Customer Satisfaction

The life insurance market is experiencing slower growth due to a decline in the traditional customer base, influenced by lower birth rates and an increase in single-person households. Additionally, advances in medical technology have shifted customer needs, intensifying competition in the third insurance sector. In this context, customer satisfaction has become increasingly critical. Insurers are now focused on enhancing the quality of their products and services and offering differentiated value through digital technology.

Financial authorities have also recognized the need to update outdated regulations to better respond to rapid environmental changes. In November 2022, the Financial Services Commission announced the "Insurance Regulation Improvement Plan," aimed at modernizing regulations to reflect developments in the digital landscape.



### Kyobo's Approach

In 2024, Kyobo Life will advance the "Balanced Protection" project, aimed at providing comprehensive coverage and protection for customers throughout all stages of life. This initiative is part of its commitment to enhancing customer satisfaction by reinforcing the core value of insurance. Additionally, the company will continue to leverage digital technology to further improve its offerings and customer experience. In 2023, Kyobo Life introduced e-insurance, a digital service for purchasing insurance. It also improved business processes, including the pre-enrollment information search system and accident claim assessment system.

# Enhancing Customer Satisfaction

## Governance

Customers are Kyobo Life's most important stakeholders. The company prioritizes customer satisfaction and engages in comprehensive customer satisfaction management to help customers achieve their cherished dreams. Kyobo Life has established dedicated teams responsible for providing essential information and services throughout the entire process of insurance enrollment, policy maintenance, and claims payment. The company also operates meetings, including the Customer Protection Committee and the Marketing Council, which involve key management executives. The Customer Protection Committee addresses general matters related to customer protection, while the Marketing Council deliberates on process innovations across channels, products, and services. Kyobo Life will continue to exceed customer expectations by offering exceptional products and services.

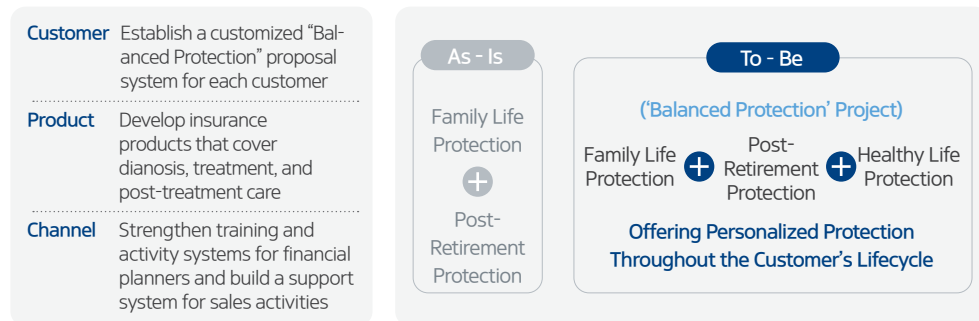
## Strategy

### 'Balanced Protection' Project

In 2024, Kyobo Life will advance the "Balanced Protection" project to enhance customer satisfaction. Traditional insurance products and services have focused primarily on accident coverage. However, this initiative goes further by aiming to provide innovative products and services that offer comprehensive coverage throughout the entire customer lifecycle, including accident prevention and post-incident support. Kyobo Life will deliver these products and services with a lifecycle perspective and offer related training to financial planners.



### Strategic Direction of the "Balanced Protection" Project



## Process Improvements Utilizing Digital Technology

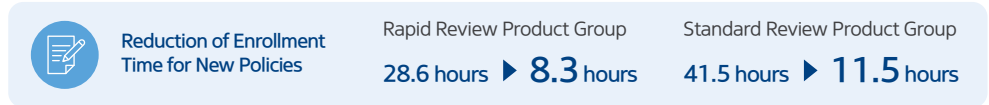
Kyobo Life is leveraging digital technology to improve its insurance processes. The company is enhancing the use of digital technology across enrollment, persistency and claim payment processes to ensure convenient access to products and services for customers.

### Pre-Enrollment Information Search System (K-PASS)

Kyobo Life digitalized the insurance enrollment process by implementing the Pre-Enrollment Information Search System (K-PASS) in September 2022. This service facilitates automatic evaluation when customers input their medical information, providing immediate evaluation results. It significantly enhanced customer convenience by shortening enrollment time and reducing the need for additional follow-ups during the new policy underwriting process. In 2023, the company further improved the enrollment process by implementing the K-PASS system across its entire product portfolio.

#### Major Achievements of K-PASS

(As of December 2023, compared to August 2021)



### Enhanced Accident Claim Assessment System

In 2022, Kyobo Life applied digital technology to enhance its claim assessment process. The company upgraded its Optical Character Recognition (OCR) system to review payment claim documents and developed an AI-driven assessment model for accident claims. This OCR system is the first in the industry capable of recognizing 13 different types of claim documents. Upon submission, it converts text from these documents into data using OCR technology, streamlining the submission process. The AI-driven assessment model uses machine learning to evaluate the complexity of claims, categorizing those that can be automatically assessed and making assessments accordingly. This system has maintained high accuracy in evaluations while reducing the time required for document processing. In 2023, the company established a system to detect duplicate patient registration numbers across hospitals, further aiding evaluators in ensuring accuracy.

#### Achievements of the Enhanced Accident Claim Assessment System

(As of December 2023, compared to August 2021)



# Enhancing Customer Satisfaction

## Risk Management

### Customer-Centric Product Development Guidelines

Kyobo Life incorporates customer needs into the development of insurance products and ensures there are no inconveniences for the customers. Before launching a new product, surveys are conducted to understand consumer needs for the specific coverage. To protect customers, Kyobo Life established customer-centric product development guidelines and uses a checklist to ensure products are fair and beneficial from the customer's perspective. Additionally, to prevent mis-selling, the company reviews whether there are elements that could disadvantage vulnerable groups based on factors such as gender, age, education level, and disability during the development phase. If the customer protection team identifies a product as unsuitable, it has the authority to order the suspension of sales.

### Lifelong Care Services

In 2011, Kyobo Life introduced the "Lifelong Care Services," a first in the industry, to enhance policyholder services and improve policy persistence. Due to the long-term nature of life insurance coverage, ongoing policyholder management is essential, including regular notifications and assistance with claims submission for incidents occurring during the coverage period. Kyobo Life's financial planners provide these lifelong care services through regular customer visits, guiding them through coverage details and assisting with unsubmitted insurance claims.

### VOC-Based Improvement Process for Customer Complaint Response System

Kyobo Life actively listens to the voice of customers (VOC). The company holds weekly VOC town hall meetings under the Chief Consumer Officer (CCO) to address any complaints received. Critical issues are escalated to the Consumer Protection Working-Level Council and the Consumer Protection Committee to ensure timely improvements. In 2023, the Consumer Protection Working-Level Council convened eleven times, resulting in tangible improvements on eleven agenda items.

[Consumer Rights Protection \(P. 61-63\)](#)

## Metrics and Targets

### Customer Satisfaction Surveys

Kyobo Life conducts annual customer satisfaction surveys to gauge satisfaction levels across the entire process, from enrollment to persistency and claim payment. In 2023, the customers' overall satisfaction score for Kyobo Life was 74.4. Notably, satisfaction with enrollment procedures, policy management, and add-on services improved compared to the previous year.

#### Customer Satisfaction Survey Score



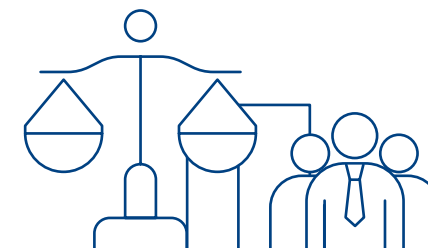
74.4

Survey Target	Men and women aged 20-64 Policyholders newly enrolled in a policy within the past three years
Sample Size	A total of 1,700 participants (including customers of major life and non-life insurance companies)
Survey Regions	The Seoul Metropolitan region and six major cities (Seoul, Gyeonggi, Incheon, Busan, Daegu, Gwangju, Daejeon, Ulsan)
Survey Period	July to August 2023



## Compliance and Ethical Management

Anti-corruption is a fundamental issue in all corporate management. In 2003, the United Nations Global Compact (UNGC) added "Anti-Corruption" to its original nine principles that mandates businesses should work against corruption in all its forms, thereby completing the ten principles essential for responsible business conduct. For financial institutions managing clients' assets, anti-corruption measures are particularly crucial. Reflecting this, the "Act on Corporate Governance of Financial Companies" mandates that financial companies establish internal control standards and appoint a compliance officer responsible for overseeing internal control-related tasks. Despite such institutional framework, recent large-scale financial scandals at financial institutions have heightened calls for stronger internal controls within the financial sector. In February 2024, the "Act on Corporate Governance of Financial Companies" is scheduled to be amended to include an "Accountability Structure Chart," which will clarify the responsibilities of each executive in overseeing internal control.



### Kyobo's Approach

Kyobo Life became the first Korean insurance company to endorse the UN Global Compact's anti-corruption principles in 2010. In October 2022, the company acquired the ISO 37001 certification, establishing a robust anti-corruption management system.

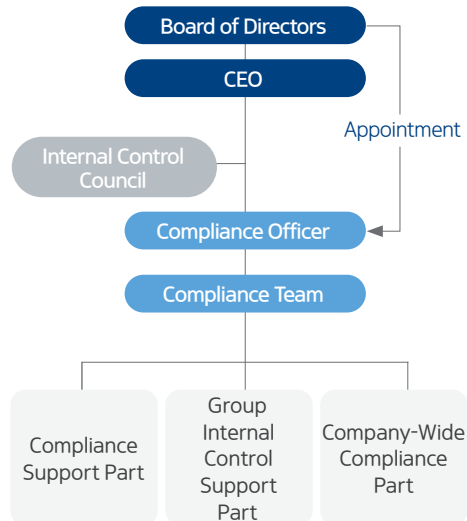
In January 2024, Chairman Chang Jae Shin led an internal communication session aimed at strengthening internal controls. The session was attended by 28 team heads and all CEOs of affiliated companies.

# Compliance and Ethical Management

## Governance

Since declaring its Charter of Job Ethics in 2000, Kyobo Life has consistently practiced compliance and ethical management. The company established an organization dedicated to promoting compliance and ethical management and has set internal control standards that define the criteria and procedures employees must follow while performing their duties. Kyobo Life appoints a compliance officer through its Board of Directors to oversee the adherence to internal control standards by all employees. The results are reported to the Audit Committee, a sub-committee of the Board. Additionally, key compliance and ethical issues such as anti-money laundering, fair trade self-compliance programs, and internal control operation evaluations are reported to the Board. The company also has an Internal Control Council, chaired by the CEO, to discuss important matters related to internal controls. To assist the Compliance Officer and ensure the effective execution of compliance duties, Kyobo Life has established a dedicated Compliance Team.

### Compliance and Ethical Management Organizational Chart



### Board Agenda (2023)

Date	Details
Feb. 9	<ul style="list-style-type: none"> <li>Amendment of internal control standards</li> <li>Report on the status of anti-money laundering activities for FY2022</li> <li>Report on the status of the fair trade self-compliance program for FY2022</li> </ul>
Mar. 3	<ul style="list-style-type: none"> <li>Report on the results of the internal control operation evaluation for FY2022</li> <li>Results of the evaluation of internal control policies and standards of a financial conglomerate in FY2022</li> </ul>
Dec. 5	<ul style="list-style-type: none"> <li>Appointment of a Compliance Officer and Fair Trade Self-Compliance Manager</li> </ul>

## Strategy

### The Code of Job Ethics of Kyobo

Kyobo Life establishes appropriate behaviors and standards for value judgment through its Code of Job Ethics. The Code comprises the “Charter of Job Ethics of Kyobo,” “Rules Governing Ethical Practice,” and “Detailed Guidelines on the Rules Governing Ethical Practice.”

### The Code of Job Ethics of Kyobo

Classification	Details
Charter of Job Ethics of Kyobo <a href="#">↗</a>	<ul style="list-style-type: none"> <li>A declaration of commitment to job ethics, emphasizing adherence to core purpose and values, as well as compliance with applicable laws and company policies</li> </ul>
Rules Governing Ethical Practice <a href="#">↗</a>	<ul style="list-style-type: none"> <li>Basic job ethics standards and principles established under the Kyobo Charter of Job Ethics</li> </ul>
Detailed Guidelines on the Rules Governing Ethical Practice <a href="#">↗</a>	<ul style="list-style-type: none"> <li>Rules of conduct that provide specific guidance on key issues covered in the Rules Governing Ethical Practice</li> </ul>

### Kyobo's Commitment to Code of Job Ethics

Kyobo Life organizes an annual event where employees reaffirm their commitment to the Code of Job Ethics. This initiative aims to embed the code deeply in their mindset and ensure adherence in the workplace. In 2023, all employees were invited to electronically sign the commitment on the company's intranet platform, “ezMore,” prior to the start of the new business year.



### CASE STUDY

#### Group-Wide Communication to Strengthen Internal Control and Prevent Financial Accidents

In January 2024, Kyobo Life conducted an internal communication session involving CEOs of affiliated companies and 28 team heads. Led by Chairman Chang Jae Shin, the session focused on the crucial role of active ethical management in strengthening internal control measures.



# Compliance and Ethical Management

## Strategy

### Anti-Money Laundering System

Kyobo Life integrated recommendations from the Financial Action Task Force (FATF), an international anti-money laundering organization, and established "Work Regulations on Anti-Money Laundering" along with relevant manuals to serve as a basis for its operations, as required by the Act on Reporting and Using Specified Financial Transaction Information. The company operates the Internal Control Council, led by the CEO, as the primary body for addressing anti-money laundering matters. In 2023, the council reported to the Board on the compliance responsibilities related to anti-money laundering internal control policies and improvements made to address vulnerabilities. Additionally, the company enhanced its processes for fulfilling the Customer Due Diligence (CDD) policy and operates a system for regularly updating the watchlist. This system compares the watchlist to transactions in real-time, suspending transactions involving individuals on the list to prevent illegal financing of terrorism and other illicit activities.

### Major Anti-Money Laundering Activities in 2023

Classification	Details
Improved the Process for Fulfilling the Customer Due Diligence (CDD)	<ul style="list-style-type: none"> <li>Enhanced the criteria for re-verifying customers in new financial transactions, transitioning from a contract-based to a customer-based standard</li> <li>Advanced the process by implementing differentiated customer identification procedures based on customer risk levels (high, medium, low)</li> <li>Established a customer money laundering risk scoring system and enhanced monitoring of these risks</li> </ul>
Implemented the "Chatbot System"	<ul style="list-style-type: none"> <li>Developed and implemented a chatbot system to ensure compliance with anti-money laundering regulations in the workplace</li> </ul>
Strengthened Activities for Financial Accident Prevention	<ul style="list-style-type: none"> <li>Designated cash transactions as a key risk indicator, allowing for differentiated analysis of transactions by office employees and financial planners and strengthening monitoring measures to prevent financial incidents</li> </ul>

### Anti-Money Laundering Training in 2023 (Hours and Participants)

Classification	Details
Online Training on Anti-Money Laundering	<ul style="list-style-type: none"> <li>Provided Training on anti-money laundering laws and systems, Customer Due Diligence (CDD) system, Suspicious Transaction Reporting (STR), and Currency Transaction Reporting (CTR) for employees in 2023 [3,866 hours/3,866 participants]</li> </ul>
In-Person Training on Anti-Money Laundering	<ul style="list-style-type: none"> <li>Conducted training on anti-money laundering regulations, systems, and work processes for compliance coordinators, Customer PLAZA tellers, and newly appointed team leaders in 2023 [384 hours/355 participants]</li> </ul>

### Fair Trade Self-Compliance Program (CP)

Kyobo Life operates a Fair Trade Self-Compliance Program (CP) to provide clear guidelines for employees and partner companies when entering into contracts, promoting autonomous compliance with fair trade regulations. The Compliance Officer manages the Compliance Program and reports its operational status to the Board once a year. When engaging in transactions with affiliates, the company monitors these activities according to the transaction process of affiliated companies to ensure the prevention of unfair benefits and conflicts of interest. In addition, the company aims to internalize an active culture of CP through pledges. Through these efforts, Kyobo Life proactively prevents legal violations and strives to instill a culture of self-compliance with fair trade regulations.

### Checklist for the Transaction Processes of Affiliated Companies

<b>Counterparty to the Transaction</b> Determine whether the counterparty is subject to regulation	<b>Type of Transaction</b> Identify the types and forms of transactions, specifying whether they involve funds or assets	<b>Transaction Terms</b> Assess the difference between the transaction price and the market price, or determine if there are reasonable grounds for pricing
<b>Contract Form</b> Verify specific grounds and information regarding competitive bids and private contracts	<b>Contract Conclusion</b> Determine if the transaction requires consultation or the board's deliberation and approval	<b>Data Retention</b> Determine if key documents and materials should be retained for more than two years following the expiration of the contract

### Donation and Sponsorship Policy

All donations and sponsorships by Kyobo Life are conducted independently of its business activities and are executed in an ethical manner following appropriate procedures. Kyobo Life prohibits the use of funds for purposes other than the intended donation or sponsorship, including the political use of these funds or their indirect funding for specific political parties or organizations.

# Compliance and Ethical Management

## Risk Management

### Operational Evaluation of Internal Control

Kyobo Life annually conducts an evaluation of its internal control operations through the Compliance Officer. This evaluation identifies areas requiring improvement and assists relevant business units in implementing necessary changes. The results of the evaluation are subsequently reported to the Board.

### 2023 Internal Control Operational Evaluation

	Common Categories (3)	Classification by Jobs (5)
Evaluated Category	<ul style="list-style-type: none"> <li>Controlled environment and controlled culture</li> <li>Accounting, information, and communication systems</li> <li>Self-evaluation and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>General management</li> <li>Insurance sales</li> <li>Policy persistency and payment</li> <li>Asset management</li> <li>Insurance accounting</li> </ul>

	Evaluation Categories	Description
Improvement Tasks (2023)	Controlled Environment and Controlled Culture	<ul style="list-style-type: none"> <li>Need to reflect amendments to the Act On Corporate Governance Of Financial Companies</li> <li>Enhance the board's role in monitoring internal controls and establish a structured accountability framework</li> </ul>
	Accounting, Information, and Communication Systems	<ul style="list-style-type: none"> <li>Strengthen security inspections to minimize the risk of personal (credit) data breaches by entrusted companies</li> <li>Kyobo Life needs to provide training to relevant personnel of these companies to enhance their monitoring capabilities and it must strengthen the inspection of entrusted companies that operate IT systems (including cloud services) by utilizing independent IT experts</li> </ul>
	Insurance Sales	<ul style="list-style-type: none"> <li>Strengthen compliance operations following the amendment to the Act on the Protection of Financial Consumers regarding door-to-door sales</li> <li>Following the recent amendment to the Act on the Protection of Financial Consumers, which strengthens regulations on door-to-door and telemarketing sales, the Korea Life Insurance Industry Association proposed best practices reflecting these changes. Kyobo Life should incorporate these practices into its regulations, including maintaining a list of employees selling financial products, conducting identification checks of employees upon customer request, and respecting customers' rights to request no further contact</li> </ul>
	Asset Management	<ul style="list-style-type: none"> <li>Strengthen oversight of external asset managers</li> <li>With financial scandals occurring within the industry recently, Kyobo Life has also experienced losses due to the misconduct of employees from external asset management companies managing the publicly offered funds it invested in. This situation necessitates stronger oversight to prevent similar issues in the future</li> </ul>

## Whistleblower Policy

Kyobo Life operates a whistleblower policy that receives consultation requests and reports on employee work ethics to detect and address fraudulent activities early. Activities to be reported through this system include bribery and gratuity, financial misconduct, human rights violations, HR-related misconduct, sexual harassment or assault, and breaches of customer information. Reports can be made both publicly or anonymously, with the details only accessible to the Compliance Officer. "Whistleblower Protection Regulations" are applied to all whistleblowers, ensuring they are not subject to any form of retaliation or disadvantage.

## External Stakeholder Complaint Processing System

Kyobo Life maintains a reporting center on its website where reports of illegal fund sales, insurance fraud, and employee misconduct can be made anonymously. Various complaint channels are also available to receive feedback on Kyobo Life's products and services.

[Kyobo Life Reporting Center](#) 🔍

## Acquisition of the ISO 37001 Certification for Anti-Bribery Management Systems

In October 2023, Kyobo Life successfully acquired the ISO 37001 certification, an international standard for anti-bribery management systems, receiving the "Appropriate" grade from the first annual surveillance audit. ISO 37001 outlines requirements for policies and control procedures to prevent bribery risks in corporate activities. Kyobo Life has established and reinforced an anti-bribery management system in compliance with these standards and achieved certification. Any issues requiring improvement identified during the certification audit will be continuously addressed and enhanced in the future.

### External Audit Results

#### Certification Details

ISO 37001 Anti-Bribery Management System

#### Audit Details

- Compliance with ISO 37001 requirements
- The organization's ability to respond to laws, regulations, and other requirements related to the anti-bribery management system
- Potential areas for improvement

#### Certification Audit Results

Appropriate

# Compliance and Ethical Management

## Risk Management

### Compliance and Ethics Training and Promotion of Ethical Management Culture

To promote an ethical organizational culture, Kyobo Life is constantly enhancing training and communication for all employees. It operates mandatory training for all employees, as well as compliance training tailored to different levels such as team heads and new hires. To increase engagement and practical application, the company regularly provides webtoons about compliance and ethics cases. In particular, Kyobo Life assigns a compliance coordinator of each team to ensure voluntary compliance and ethical practices. To strengthen the role of these coordinators, it conducts an annual two-day in-person training program.

### Ethical Management Communication Activities

Classification	Details
Compliance and Ethics Self-Education Day	Mandatory courses on various compliance and ethics topics for all employees
On-Boarding Program for Team Leaders	Introducing the Compliance Team's organizational structure and responsibilities for team leaders who have transferred to the headquarters
Compliance and Ethics Training for New Employees	Training on understanding internal control and compliance for new employees
Workshop for Compliance Coordinator	Compliance training for employees designated as compliance coordinators
Fair Trade Compliance Training	Courses on fair trade-related topics such as collusion and industry meetings for all employees
Publication of Compliance and Ethics Webtoons	Regular publication of webtoons on practices related to compliance and ethics to help them easily understand issues that may seem difficult and boring

## Metrics and Targets

### Kyobo's Commitment to the Code of Job Ethics



# ESG Topics

Environmental		Social		Governance	
Environmental Management	40	Human Rights Management	44	Governance	70
		Talent Retention	49	Risk Management	74
		Talent Development	51	Sustainable Investment (ESG Investment)	77
		Safety and Health	55		
		Financial Inclusion	59		
		Consumer Rights Protection	61		
		Information Security and Personal Data Protection	64		



# Environmental



# Environmental Management



## Environmental Policy

Kyobo Life established and publicly disclosed its environmental policy in 2022. The company is committed to complying with environmental laws and regulations and minimizing environmental impacts throughout its business operations.

### Environmental Policy

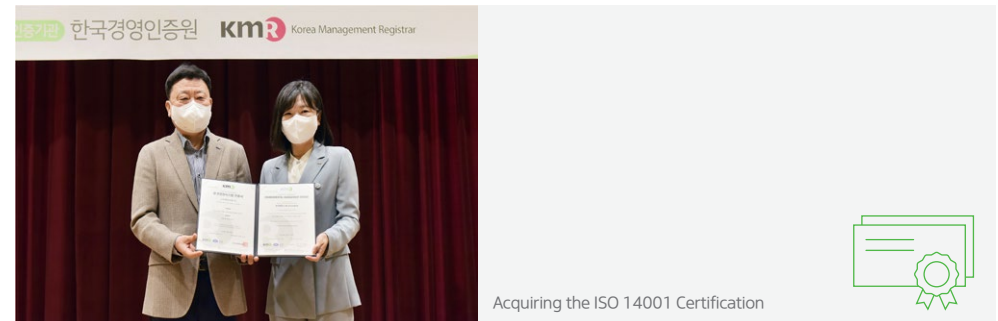
**Kyobo Life complies with environmental laws and policies to contribute to preserving the environment; The following guidelines have been established and implemented to ensure sustainable growth.**

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



## Acquisition of ISO 14001 Environmental Management System Certification

In August 2022, Kyobo Life acquired ISO 14001, the international standard for environmental management systems, and has maintained it annually since. Kyobo Life undertakes various activities, such as identifying major environmental issues to align its environmental management system with international standards, setting environmental improvement goals, and ensuring compliance with applicable laws and regulations. Going forward, Kyobo Life will continue to actively comply with environmental regulations to effectively meet stakeholders' environmental expectations.



## Environmental Management Goals and Performance Management

Kyobo Life sets annual targets for the usage of water, electricity, and gas, as well as waste emissions, and regularly monitors and manages these figures. In 2023, the company set goals to reduce energy consumption by 0.5% and waste emissions by 1% compared to the previous year. Additionally, it established and implemented management plans for key environmental indicators such as hours of environmental education, number of legal violations, and corrective actions taken.



# Environmental Management

## Single-Use Paper Towel Recycling Campaign

As part of its commitment to environmental management, Kyobo Life launched a single-use hand towel recycling campaign in partnership with Yuhan-Kimberly in 2023. Collection bins for used hand towels have been placed in the restrooms of the headquarters and Kyobo Tower. The collected towels are then sent to a facility where they are repurposed into new hand towel materials. Through this initiative, Kyobo Life aims to recycle 37 tons of waste hand towels, thereby reducing greenhouse gas emissions by an estimated 27 tons-equivalent to protecting approximately 3,001 30-year-old pine trees annually. Kyobo Life is dedicated to promoting recycling practices and plans to expand this campaign across all company buildings to further minimize its environmental footprint.

### Campaign Process



### Campaign Operating Principles

**Reduction in GHG Emissions** **27 tons of CO<sub>2</sub> emissions reduced** by recycling 37 tons of used hand towels

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**Protection of Pine Trees** **3,001 pine trees aged 30 years protected annually**

## Eco-friendly Community Relations Activities

In October 2023, Kyobo Life, in collaboration with the Ministry of Environment, hosted the “Earth Festival” at Gwanghwamun Square. The event invited the public to participate in and experience various green initiatives, including efforts to reduce carbon emissions. The event was organized to raise awareness about the significance of environmental conservation amidst the global climate crisis and to promote sustainable environmental practices in daily life. Over 3,000 students and citizens participated in the event, spending valuable time learning about solutions to the climate crisis. A wide range of nationwide educational campaigns were also launched to raise awareness and encourage creative problem-solving. These included the “Green Globe Contest,” the “Green Book Concert,” the mobile application “ForUS” for practicing environmentally-friendly habits, and a short-form video contest focused on environmental topics.



2023 Earth Festival



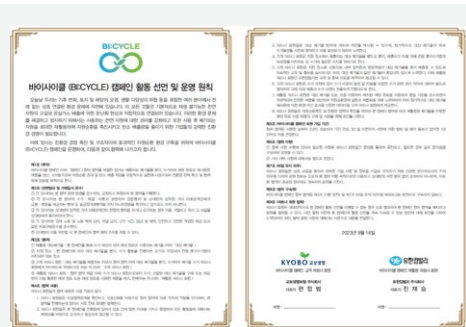
2023 Green Globe Contest



2023 Green Book Concert



Ceremony Celebrating the Partnership Agreement for the Hand Towel Recycling Initiative



Campaign Principles

# Environmental Management

## Eco-friendly Community Relations Activities

### “History & Culture Plogging” Employee Green Volunteer Activity

Post COVID-19 pandemic, Kyobo Life launched the “History & Culture Plogging” initiative to encourage employee participation in volunteer activities and raise awareness about environmental protection. From February to November, Kyobo Life employees engaged in plogging across 27 different courses every month. Each course was accompanied by a cultural curator who provided explanations about historical sites in local communities.



Number of Plogging Volunteers in 2023

**1,150** persons

### “Goodwill Market” Donation of Recyclable Items

Since 2018, Kyobo Life has annually organized the “Goodwill Market” campaign, where employees are encouraged to donate reusable items. Over a two-week period, employees contribute a variety of items, including clothes, electronics, and household goods. These items are then sold through the Goodwill Store, operated by the Miral Welfare Foundation. The proceeds from these sales support job creation for individuals with disabilities. Additionally, recycling the donated goods helps reduce carbon emissions and water usage.

### 2023 “Goodwill Market” Campaign Achievements

#### Carbon Reduction

The donated items help reduce carbon emissions by approximately 2.3 tons, equivalent to planting 353 pine trees aged 30 years



#### Water Conservation

The donated items help save approximately 2,991,600 liters of water



#### Job Creation for People with Disabilities

The donations of goods and funds provide about one month’s salary for approximately 14 employees with disabilities



Carbon Reduction Effect through the 2023 “Goodwill Market”

**2.3** tons

## Environmental Sector External Awards

### Minister of Environment Award for Community Relations in Environmental Education

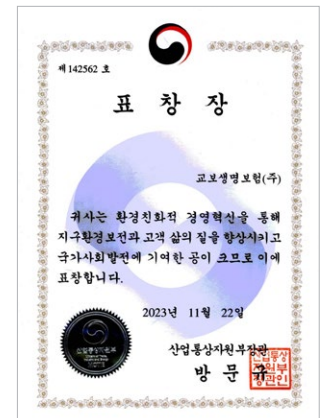
In June 2023, Kyobo Life received the Minister of Environment Award for outstanding contributions in environmental education and social contribution at the 29<sup>th</sup> Korea Environmental Education Festival. As the only corporation to receive this award, Kyobo Life has been acknowledged for its leadership in carbon neutrality through green educational initiatives and community activities aimed at raising public awareness. Since 2022, the company has provided education on environmental issues for employees and organized various volunteer activities. In 2023, representing the insurance industry, Kyobo Life signed an MOU with the Ministry of Environment. This partnership aims to host various green educational campaigns for teenagers and local residents, including the “Earth Festival” and the “Green Education Book Concert.”



2023 Minister of Environment Award for Community Relations in Environmental Sector

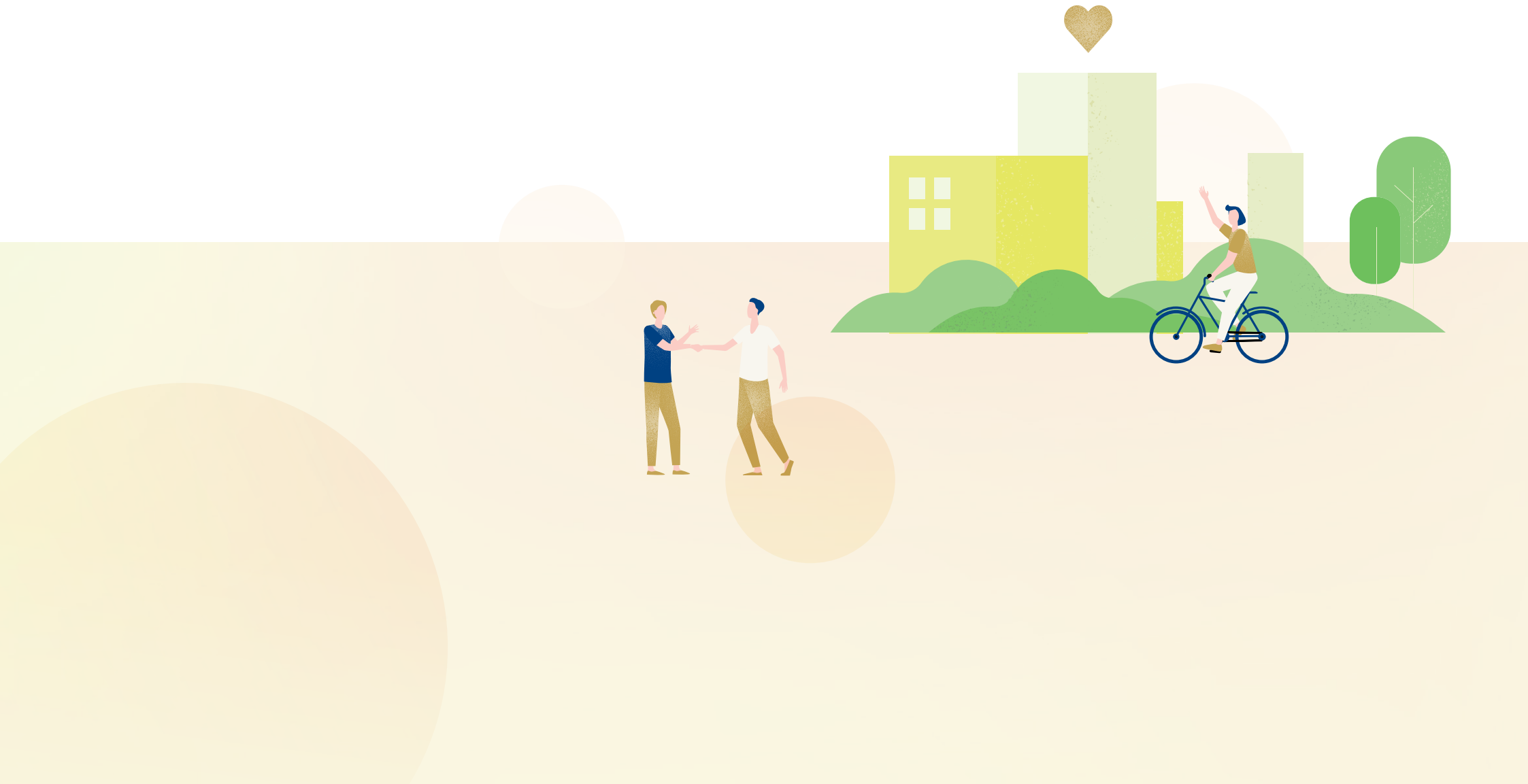
### Minister of Trade, Industry and Energy Award for Green Management

Kyobo Life was honored with the Minister of Trade, Industry and Energy Award for Green Management at the 22<sup>nd</sup> Global Standard Management Awards hosted by the Korea Management Registrar (KMR) in 2023. Kyobo Life’s efforts to reduce greenhouse gas emissions and conserve resources through the implementation of a paperless working environment and operation of numerous green campaigns were recognized. Moreover, the award highlighted the company’s leading role in the life insurance industry in adopting and promoting green management practices.



Minister of Trade, Industry and Energy Award for Green Management

# Social



# Human Rights Management



## Human Rights Policy

Kyobo Life conducts its management activities based on a people-centered management philosophy. The company respects the human rights of all stakeholders, including employees, customers, financial planners, and investors, and supports international principles on human rights such as the “Universal Declaration of Human Rights” and the “ILO Core Conventions.” In March 2022, Kyobo Life established a human rights policy and disclosed it on the website. The company’s human rights policy addresses critical issues, such as human trafficking, forced labor, child labor, freedom of association, the right to collective bargaining, and non-discrimination. The company continuously manages and upholds these principles.

[Human Rights Policy](#)

## Anti-Harassment and Bullying Policy

In March 2022, Kyobo Life established an anti-harassment and bullying policy and disclosed it on its website. The company maintains a zero-tolerance policy towards sexual harassment and bullying. It provides multiple reporting channels, including the intranet, email, phone, and in-person meetings, where the anonymity of victims and reporters is strictly protected. Additionally, Kyobo Life conducts annual training and preventive education on sexual harassment and bullying.

[Anti-Sexual Harassment and Bullying Policy](#)

## Employee Human Rights Due Diligence

In 2022, Kyobo Life undertook its first Employee Human Rights Due Diligence process to systematically review and assess its regulations and procedures related to human rights issues. This process has been conducted annually since then. The 2023 Human Rights Due Diligence assessed nine major human rights issues, including forced labor, child labor, freedom of association, the right to collective bargaining, and discrimination, using a checklist based on domestic laws and regulations. The assessment reviewed the implementation status of relevant teams across all business locations. Although no significant risks were identified in the human rights sector, the company revised its regulations in 2024 to enhance clarity in the prevention and response to workplace bullying.



# Human Rights Management

## Employee Human Rights Due Diligence

### Result of the Employee Human Rights Due Diligence

	Key Human Rights Issues	Key Responses
Non-Discrimination in Employment	Non-Discrimination in Employment	· Discrimination based on gender, religion, and disability is prohibited in accordance with internal control standards and Rules Governing Ethical Practice of Kyobo
	No Gender-Based Discrimination in Employment	· Blind recruitment practices ensure no disclosure of gender, marital status, or place of origin of applicants · Prohibition of unjust gender discrimination as per the human rights policy and internal control standards and equal pay for men and women according to the employee salary regulations
	Non-Discrimination Against Temporary Workers	· Prohibition of discriminatory treatment between workers engaged in similar or identical tasks in the workplace, as per human rights policy and internal control standards
	Non-Discrimination Against Foreign Workers	· Respect for the religion and culture of foreign workers and prohibition of unjust discriminatory treatment in accordance with human rights policy and Rules Governing Ethical Practice of Kyobo
Humane Treatment of Employees	Work Hours	· Compliance with the 52-hour workweek as stipulated in the employee salary regulations · Management of overtime work in line with PC on-off policy and flexible working hour guidelines
	Wages	· Adequate notification regarding wages in employment contracts in accordance with detailed rules on HR regulations · Verification of extended, night, and holiday work through the HR management system and lawful payment of additional wages accordingly
	Provision of Quality Employee Benefits	· Operation of employee benefits programs such as Kyobo Life Dasomi Daycare · Enrollment and management of retirement pensions for employees as beneficiaries, in accordance with Act On The Guarantee Of Employees' Retirement Benefits
	Maternity Protection	· Implementation of maternity leave and reduced working hours for pregnant employees · Operation of maternity protection facilities such as women's rest areas within the headquarters building
	Prevention of Workplace Bullying and Sexual Harassment	· Regular training on the prevention of workplace bullying and sexual harassment · Implementation of specific procedures for handling workplace bullying and sexual harassment complaints through the Employee Support Center and the subsequent investigation by Human Resource → Management Team (including lawyers and labor attorneys) and measures taken based on prevention and response standards for bullying and sexual harassment and reward and punishment regulations
Freedom of Association and Collective Bargaining	Freedom of Association and Collective Bargaining	· Recognition of workers' freedom of association and collective bargaining rights as per the collective agreement regulations
	Guarantee of Collective Bargaining and Enforcement in Good Faith	· Sincere consultations with representatives of labor unions or authorized persons as per the collective agreement regulations
Prohibition of Forced Labor	Prohibition of Forced Labor	· Prohibition of all forms of forced labor according to Rules Governing Ethical Practice of Kyobo · Fair and transparent employment contract practices
Prohibition of Child Labor	Prohibition of Child Labor	· Prohibition of the employment of children under the age of 15 in accordance with employment regulations · Acquisition of guardian consent for employing individuals aged 15 to 18, with restrictions on long working hours and night shifts
Occupational Safety and Health	Safety and Health	· Regular inspections of the safety status of company buildings · Regular health check-ups to protect and maintain employee health
	Protection of Pregnant Women and People with Disabilities	· Provision of nursing spaces in women's rest areas within the headquarters building · Operation of disability-friendly elevators, including those with braille blocks · Review of team transfer requests from pregnant employees received during interviews or through complaint reports
	Support for Workers Affected by Industrial Accidents	· Establishment and operation of safety and health management policies to prevent industrial accidents · Acquired occupational health and safety management system (ISO 45001) certification
Personal Data Protection	Strict Management of Personal Data	· Implementation of necessary measures to secure personal data collected and stored by the company in accordance with security management regulations and detailed rules on customer information security · Disclosure of guidelines on the collection and management of personal data and prohibition of using personal data without consent

# Human Rights Management

## Establishment of Stable Labor-Management Relations

Kyobo Life is committed to maintaining mutually cooperative, respectful, and harmonious relations between labor and management. The company and labor unions share key business statuses through regular meetings, strive to resolve labor-management issues, and maintain ongoing communication, such as organizing ad-hoc roundtable meetings between the labor union and relevant teams. Based on mutual trust, the company guarantees autonomous labor union activities and provides support within the boundaries of the law, fostering a stable and cooperative labor-management culture. In 2023, 71% of employees eligible to enroll in labor unions, 2,492 out of 3,508, are members of labor unions, with collective agreements applying to 100% of total employees.

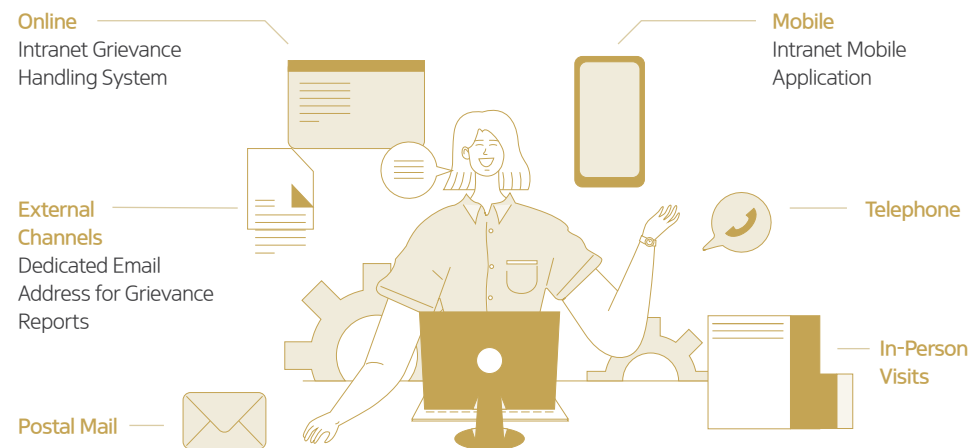
### Operation of Labor-Management Consultative Meetings

Category	Frequency	Content
Labor-Management Roundtable Meetings	Ad hoc	Discussion of labor-management issues
Labor-Management Council	Quarterly	Sharing of business performance and outlook
Management Briefings	Biannually	Explanation of management status and Q&A

## Employee Support and Consultation System

Kyobo Life attentively listens to employee grievances arising from their work life through an employee support and consultation system. To ensure convenience, the company has diversified the channels for reporting grievances, offering both online and offline options. Furthermore, a dedicated team actively addresses any grievances or complaints received. In particular, for cases of workplace bullying or sexual harassment, an investigation committee consisting of relevant experts is formed to thoroughly examine the situations. The company responds rapidly to these cases, ensuring that victim protection measures are taken to prevent any unfair treatment during the process. Looking ahead, Kyobo Life will continue to foster a conducive working environment by actively empathizing with employees and proactively addressing their grievances.

### Grievance Reporting Channels



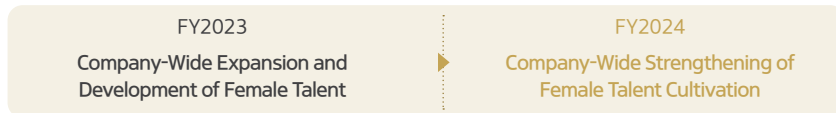
# Human Rights Management

## Employee Diversity

### Empowering the Female Workforce

As part of its ESG management and diversity enhancement initiatives, Kyobo Life established a roadmap for systematically developing female talent. Starting in 2023, the development program's scope has been expanded from the headquarters to include sales sites, thereby securing a larger pool of female talent. In 2023, women working at the headquarters received support for developing leadership skills, working styles, and fundamental character traits. Notably, the "Middle Power Leadership Course" was conducted to foster positive changes within teams, along with the "Design Thinking Sprint Course" to advance problem-solving skills and generate a diverse range of practical ideas. For newly hired female employees in the sales field, a self-leadership course was provided to help them develop followership skills. Additionally, integrated programs on DE&I (Diversity, Equity, and Inclusion) for women in both the headquarters and sales field were implemented to enhance understanding of organizational diversity and self-efficacy, while also promoting networking between women. Looking ahead to 2024, Kyobo Life will select a second group of female workers in the sales force to further expand their insights and foster exchanges.

### Roadmap for Cultivating Female Workforce



	FY2023	FY2024
Headquarters	Middle Power Leadership, Design Thinking Sprint, DE&I and Networking Day <sup>2)</sup>	Next Leadership, Leadership, and Soft Skills Coaching
Sales Field	Self-Leadership <sup>1)</sup> , Self-Efficacy <sup>2)</sup> , DE&I and Networking Day <sup>3)</sup>	Self-Leadership II, Self-Growth and ResiliencePI and Business Etiquette

1) A two-day self-leadership program  
 2) Support for self-directed learning (on-site book learning + virtual lectures by writers based on book learning)  
 3) A two-day DE&I and Networking Day program

## DE&I Conference

Since 2012, Kyobo Life has been holding an annual DE&I (Diversity, Equity & Inclusion) conference to improve organizational awareness of diversity, equity, and inclusion. In 2023, approximately 340 participants attended the conference, including 229 Kyobo Life employees, as well as staff from affiliates and corporate clients. Setting itself apart from previous conferences that focused solely on the growth and development of female talent, the 2023 edition aimed to promote and share Kyobo Life's unique DE&I initiatives. Special lectures were provided to foster understanding and consensus around DE&I, and actual DE&I cases from various companies were shared.

### DE&I Conference Highlights

Classification	Details	Lecturer or Moderator
Part 1	Enhancing Understanding on DE&I	Hyesook Kim, Director of the Korea Women's Foundation
Part 2	Building Consensus Through DE&I Case Studies	
	· Key to a Successful Organizational Culture: 'DE&I'	Hyeyoung Kim, Manager at OB Beer
	· An Inclusive Table for All	Joowon Lee, Executive Director at Kellogg
	· Inclusion and Diversity at Yuhan-Kimberly	Yangsook Jeon, Head of Division at Yuhan-Kimberly
Part 3	Wise Attitudes Toward DE&I	Kyungil Kim, Professor at Ajou University



2023 DE&I Conference

# Human Rights Management

## Human Rights Education

Kyobo Life conducts regular human rights education for all employees. In 2023, the company provided one-hour sessions on improving awareness of disability in the workplace, preventing workplace sexual harassment, and preventing workplace bullying to all employees and temporary agency workers. This training was completed by everyone.

## Diagnosis Survey to Improve Employee Experience

Kyobo Life conducts company-wide employee surveys to measure their experiences. With a recent focus on issues such as changes in HR conditions and burnout, highlighting the importance of employee experience, the company developed a diagnostic framework. This framework, which draws upon four perspectives - work, relationships, policies, and workplace culture - aims to enhance engagement and job satisfaction. Based on this framework, the company conducted a survey in July 2023. It plans to analyze the results in 2024, with the goal of identifying areas for improvement and reinforcing a positive employee experience within the company.

## Workplace Bullying and Sexual Harassment Prevention Campaign

Kyobo Life launched its own campaign to prevent workplace bullying and sexual harassment. In 2023, the company published posters and photo-based cartoons to help employees easily understand the content. These materials were shared through various channels, including intranet banners and KyoboTALK on the Kakao Talk Channel. The campaign is conducted twice a year, and Kyobo Life will continue to launch initiatives to ensure that a culture of care and respect is realized within the company.



Posters for Workplace Bullying and Sexual Harassment Prevention



Photo-Based Cartoons for Workplace Bullying and Sexual Harassment Prevention



# Talent Retention



## Employee Benefit Programs

Kyobo Life operates a variety of employee benefit programs to improve employees' job satisfaction and quality of life. These programs aim to provide a working environment where employees can feel fulfilled and committed to their roles. Kyobo Life offers comprehensive employee benefit programs aimed at ensuring life stability, health, cultural engagement, and housing stability. In 2023, the company enhanced the accessibility of these benefits by adjusting the standards for supporting accommodation and relocation fees for employees required to travel long distances and extending the application period for several programs. These initiatives support its employees in achieving work-life balance and provide a stable foundation for their continuous growth and development within the company. Kyobo Life remains committed to improving these programs and striving to provide a better working environment to enhance employee welfare.

### Employee Benefit Programs

#### Life Stability

Statutory social insurance, children tuition assistance, personal pension support, employee life insurance, congratulatory and condolence payments, funeral services, clothing allowance, workplace daycare, childcare allowance, transportation support



#### Health and Cultural Engagement

Health check-ups, vacation facilities, company club activities



#### Housing Stability

Company housing or rent support, long-distance transportation expenses, relocation and accommodation expenses, commuting transportation expenses



#### Cafeteria Point System

Welfare points



## Family-Friendly Policies

Kyobo Life has introduced various family-friendly policies to promote a family-friendly corporate culture based on the active interest and support of the management. Notably, the company implements a two-hour reduced working hour policy throughout the entire pregnancy period for pregnant employees and provides a range of maternity protection support systems for pregnancy, childbirth, and childcare. Childcare allowances and educational subsidies are also provided for middle school, high school, and university tuitions. Starting in 2023, the company also introduced the “Kyobo Book Curation Support Program” to provide books to elementary school children, enabling the company to support employees’ children from birth through university graduation. Recognized for effectively utilizing these family-friendly policies and achieving high employee satisfaction, Kyobo Life has been certified as a family-friendly company since 2008.

### Family-Friendly Policies

Category	Details
Fetal Check-up Leave	· Leave granted for fetal check-ups based on pregnancy week
Infertility Treatment Leave or Infertility Leave	· Leave for infertility treatment (up to 3 days annually) and infertility leave (up to 2 months annually, up to 6 months annually for IVF)
Reduced Working Hours During Pregnancy	· 2-hour reduction in daily working hours for pregnant employees within 12 weeks or after 36 weeks of pregnancy * Since Covid-19, the two-hour reduction in daily working hours has been expanded to the entire pregnancy period
Maternity Leave	· 90 days of maternity leave for pregnant employees before and after childbirth · Paid maternity leave corresponding to the number of annual leave days when used in conjunction with personal annual leave (up to 10 days)
Paternity leave	· 10 days of paid leave for spouses during childbirth (can be split into two parts)
Reduced Working Hours During Childcare	· Reduced working hours for employees raising children under 8 years old or in the second grade of elementary school or younger upon request
Parental Leave	· Leave for pregnant employees or employees raising children under 8 years old or in the second grade of elementary school or younger
Workplace Daycare Center	· Operation of Kyobo Life Dasomi Daycare · Childcare allowance for employees who do not use the workplace daycare center, as well as for those with preschool children
Kyobo Book Curation Support	· Provision of books for elementary school children
Women's Rest Area Operation	· Provision of space and supplies for breastfeeding

# Talent Retention

## Employee Healthcare Programs

### Disease Prevention Program

Kyobo Life operates “Kyobo Healthcare Medical Clinics” in seven regions nationwide. In 2023, these clinics provided comprehensive health check-ups for employees and their spouses. Starting in 2024, this service has been extended to include employees' parents and their spouses' parents. Additionally, in 2023, the company offered vaccinations for flu and five major adult vaccines for willing applicants, striving for disease prevention among employees. Moreover, exercise videos that are easy to follow during working hours were produced and regularly aired to prevent musculoskeletal disorders among employees.

### Mental and Physical Healthcare Programs

Kyobo Life runs a healthcare center to support the health improvement of its employees. In 2023, the company partnered with an external expert organization to support the psychological healing app “Mindling” for employees. Using this app, employees could measure their stress levels and receive personalized care services based on the results. Additionally, Kyobo Life runs smoking cessation programs, individual or team walking programs, and a “Health Quiz” program conducted over 10 sessions to increase employees' interest in health.

## 2023 Employee Healthcare Programs

### Disease Prevention

- Health check-ups for employees and their spouses
- Five major vaccinations (shingles, hepatitis A, cervical cancer, pneumococcal, Japanese encephalitis)
- Exercise videos for the prevention of musculoskeletal disorders



### Mental Health

- Collaboration with external organization “40FY” to provide the psychological healing app ‘Mindling’



### Physical Health

- “Determined to Quit! Smoking Cessation!” program
- Healthy walking events combined with plogging
- “Health Quiz” program



## Flexible Working Hours and Overtime Reporting Center

Kyobo Life operates a flexible working hour policy to help employees achieve a work-life balance and maintain high energy levels. The company currently offers three types of flexible work hours: selective, flexible, and time-differential commutes. The company actively encourages the use of selective working hours to prevent excessive overtime work. Additionally, a reporting center for undue overtime work is accessible to employees via the intranet, protecting them from unfair overtime, night shifts, or holiday work.

### Flexible Work Arrangements

Category	Details
Selective	Employees can adjust their working hours within a certain period of time to the extent that the average working hours do not exceed legal working hours
Flexible	The company adjusts working hours within a certain period of time to the extent that the average working hours do not exceed legal working hours
Time-Differential Commute	While daily working hours remain the same, employees can adjust their starting and ending hours

# Talent Development



## Direction of Talent Development

In 2023, Kyobo Life has focused on strengthening job expertise and fostering digital talent with practical data utilization skills in alignment with its Digital Transformation Based Strategy (DBS). The company has also introduced a range of learning programs designed to meet the diverse needs of its employees, including ongoing and interactive learning support through its "Learn Together" platform, the production of job-related video content, the organization of mini-classes, and the selection and support of Kyobo creators.

### Kyobo Life's Company-Wide Digital Talent Development System for 2023

	Common Education	Leadership Training		Job Training			Specialist Training		Self-Directed Learning		Digital Education <sup>4)</sup> (Kyobo Digital School)
Executives	Executive and Team Leader Trend Class <sup>1)</sup>	New Executives	Book Discussion Meetings	Coaching for Head of Regional Support Units				Continuous Learning (SERICEO Love Flower W/C)	Outsourced Education	Digital Leadership Development	
Team Leaders		Executive Candidates									Team Leaders <sup>2)</sup>
Employees	Common Job Knowledge Understanding	Mandatory for Promotion	Women in Leadership	Competency Enhancement <sup>3)</sup> for Head of Branches	New Job Reskilling	Candidates for Head of Regional Support Units	Independent Job Training Conducted at Team Level	Outsourced Courses by Expert Organizations	Industry Joint Overseas Training	Continuous Learning - "Learn Together" Platform - Kyobo Love Flower	Digital Competency Enhancement
										Promotion Candidates	
New or Experienced Employees		New or Experienced Employees									

1) Special lectures on trending topics  
 2) Including programs for executives, team leaders, head of regional support units, new managers, and on-boarding  
 3) Including management and leadership courses for early-career head of branches  
 4) Separate training programs operated according to the company-wide digital talent development system

### Ideal Talent at Kyobo Life

#### EXCELLENT KYOBO

##### Honest and Sincere - Ethics

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

##### Challenging and proactive - eXecution

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

##### Customer-oriented - Customer Focus

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

##### Engaged and collaborative - Engagement

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

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

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

# Talent Development

## Learning Platform Renewal

In 2023, Kyobo Life launched a new learning platform, "Learn Together," which integrates the previously separate K-Stagram and Bookstagram platforms, to enhance the convenience and efficiency of employee learning. This new platform supports employees in engaging in continuous and interactive learning, effectively integrating it into their daily work environment.

### Key Learning Platforms



### Launch of the New P2P Channel

The "Learn Together" platform, where interactive learning among employees is encouraged by allowing anyone to become a teacher or a student

#### Kyobo Campus

Video-based learning providing job knowledge directly applicable to the current business or knowledge required for each employee rank

#### Microlearning

Video-based learning providing knowledge and information across various fields such as digital, insurance, finance, and marketing

## Leadership Training

Kyobo Life provides a range of educational programs designed for its executives and organizational leaders, focusing on the enhancement of management and leadership skills, as well as digital literacy. Additionally, the company operates a dedicated development system for executive candidates, ensuring they acquire the leadership capabilities necessary for executive roles. For team leaders within the sales force, Kyobo Life offers tailored leadership programs that align with the specific characteristics of each site. These programs include offline group courses, online coaching, and opportunities for self-directed learning.

### Key Leadership Training Programs

Target	Details	
Executives and Organizational Leaders	<ul style="list-style-type: none"> <li>Digital leader workshop</li> <li>Executive and team leader book discussion</li> <li>Reverse mentoring</li> </ul>	<ul style="list-style-type: none"> <li>Executive candidate development course</li> <li>Special lectures by experts (on employee experience and entrepreneurial spirit)</li> </ul>
Executive Candidates	<ul style="list-style-type: none"> <li>Action learning (problem-solving through team-building)</li> <li>Customer experience innovation, executive leadership, management knowledge (business strategy, finance, and marketing), and foundational skills</li> </ul>	
Leaders at Sales Sites	<ul style="list-style-type: none"> <li>Management and leadership enhancement program</li> <li>Online coaching programs, mentoring</li> <li>Self-directed learning using resources such as "Learn Together," "K-Stagram," "Bookstagram," "Kyobo Learning Spoon," and "Kyobo Scholar" content</li> </ul>	
Common	<ul style="list-style-type: none"> <li>Expert lectures for acquiring trends and insights, ongoing support for microlearning, and more</li> <li>Insurance 101 course: This course is designed to ensure that all employees have a proper understanding of Kyobo Life's Vision 2025 and the DBS strategy, as well as to foster pride in the company and the overall life insurance industry</li> <li>Data 101 course: This course supports the enhancement of data literacy for all employees</li> </ul>	

### Participation Results in Leadership Programs

**Executive and Team Leader Book Discussion Meetings**  
Target: Executives and Team Leaders

Number of Participants  
**110** quarterly

**Action Learning**  
Target: Executive Candidates

Number of Participants  
**34**

**Management and Leadership Capability Enhancement**  
Target: Leaders at Sales Sites (Head of Regional Support Units, Early-Career Head of Branches)

Number of Participants  
**200** cumulative

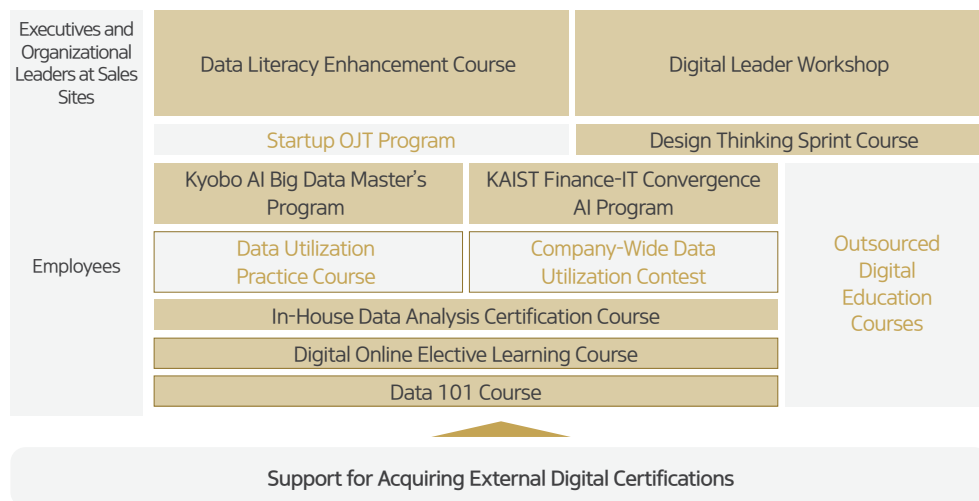
# Talent Development

## Digital Talent Development System

Kyobo Life, with the goal of expanding digital experiences, has implemented a comprehensive digital talent development program designed to enhance employees' digital literacy and data analysis skills. The program includes an in-house digital certification system, tailored to different levels of digital proficiency, categorized as beginner, intermediate, and advanced. In addition, the company has operated industry-academia collaboration programs in partnership with various professional educational organizations to foster talent that will lead digital innovation in the future. Since 2021, Kyobo Life has been running the "KAIST Finance-IT Convergence AI Program" in collaboration with the Korea Advanced Institute of Science and Technology (KAIST). Since 2022, the company also collaborated with Yonsei University's Graduate School of Information to launch the "Kyobo AI Big Data Master's Program." In 2023, a total of 1,049 employees<sup>1)</sup> participated in the digital talent development program. Kyobo Life plans to continue providing systematic and specialized digital education to drive digital innovation in the workplace.

1) As of 2023, on a cumulative-basis

### 2023 Digital Talent Development System



■ Group-Wide Educational Programs □ New Initiatives for FY2023

## 2023 Digital Talent Development Program

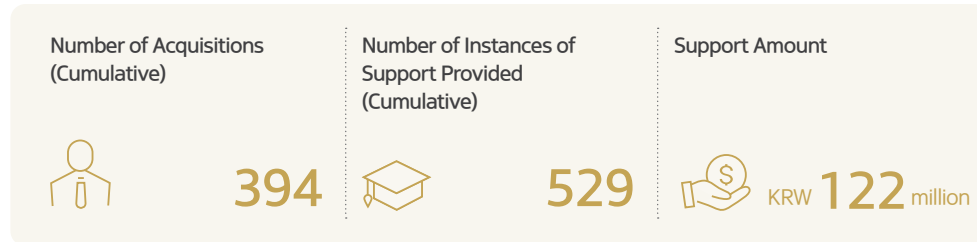
Executives and Organizational Leaders at Sales Sites	
<b>1</b> Digital Leader Enhancement Course	Courses aimed at enhancing the digital literacy and leadership capabilities of executives and organizational leaders have been developed (expanding from the company to include affiliates as well) * This includes understanding data and business, data analysis techniques, and the company's data systems and framework
Employees	
<b>2</b> In-House Data Analysis Certification Program	The training program has been updated to focus more on the use of company data and systems, with the goal of enhancing practical data skills in the workplace - Level I (Beginner): Aimed at building foundational data analysis skills, this level covers data processing and handling using SQL, as well as basic Python programming for data analysis, utilizing the company's customer-centric data - Level II (Intermediate): Focuses on the entire data analysis process, including the use of Python libraries, data visualization, and Exploratory Data Analysis (EDA) - Level III (Advanced): Designed for those capable of utilizing advanced algorithms and performing business analysis
<b>3</b> Kyobo AI Big Data Master's Program	Designed in collaboration with Yonsei University's Graduate School of Information, this program is tailored for the Kyobo Group and awards a master's degree upon completion. * It includes working on projects using data from Kyobo Life and its affiliates, designed as a two-year (six-semester) program
<b>4</b> Support for Acquiring External Digital Certifications	New categories for digital certifications have been added, with more assistance provided to secure a pool of digital talent - Level I (Beginner): Big Data Analyst, Data Analysis Semi-Professional, SQL Developer, Data Architecture Semi-Professional, MyData Manager, AWS Cloud, etc. - Level II (Intermediate): SQL Professional, Data Architecture Professional, etc. - Level III (Advanced): Data Analysis Professional, etc.
<b>5</b> Digital Online Elective Learning Course	This program supports self-directed development of basic data analysis skills through online learning - Details: 10 courses including Excel (2 courses), SQL (2 courses), Python (3 courses), R (1 course), and ADsP certification preparation - Schedule: Offered monthly from February to November (online elective learning)
<b>6</b> Outsourced Digital Education Courses	The program supports self-directed development of digital expertise through education related to digital job functions * Data science and programming, available both online and offline

## Talent Development

### Degree and Certificate Support Program

Kyobo Life actively supports employees in acquiring certifications and degrees to enhance their job expertise. The company runs formal education courses for acquiring financial planning (AFP/CFP) and insurance contract management certifications. In 2023, Kyobo Life supported the acquisition of a total of 44 certifications and degrees related to performance improvement, covering all associated costs such as tuition, materials, and examination fees. Additionally, it supports acquiring digital certifications and runs master's programs to develop specialized digital talent.

#### Support for Certification Programs in 2023



### Fair Performance Evaluation System

Kyobo Life evaluates the performance and capabilities of each employee through a fair process. The company tailors performance evaluation criteria to the specific characteristics of each organization. For the sales channel, performance evaluation criteria are established and communicated at the beginning of each fiscal year. For employees at the headquarters and support units, individual goals are set in advance through consultation with the team leaders, and semi-annual performance evaluations are conducted based on these goals. For team leader evaluations, Kyobo Life utilizes a system where reviews are submitted by team members (multidimensional performance appraisal). Additionally, the company operates a platform that allows team leaders and peers to freely exchange feedback at any time. To further support this process, performance target management coaching and training sessions are provided to team leaders annually, enhancing their ability to deliver constructive feedback and facilitating effective interaction between team leaders and their members.

# Safety and Health

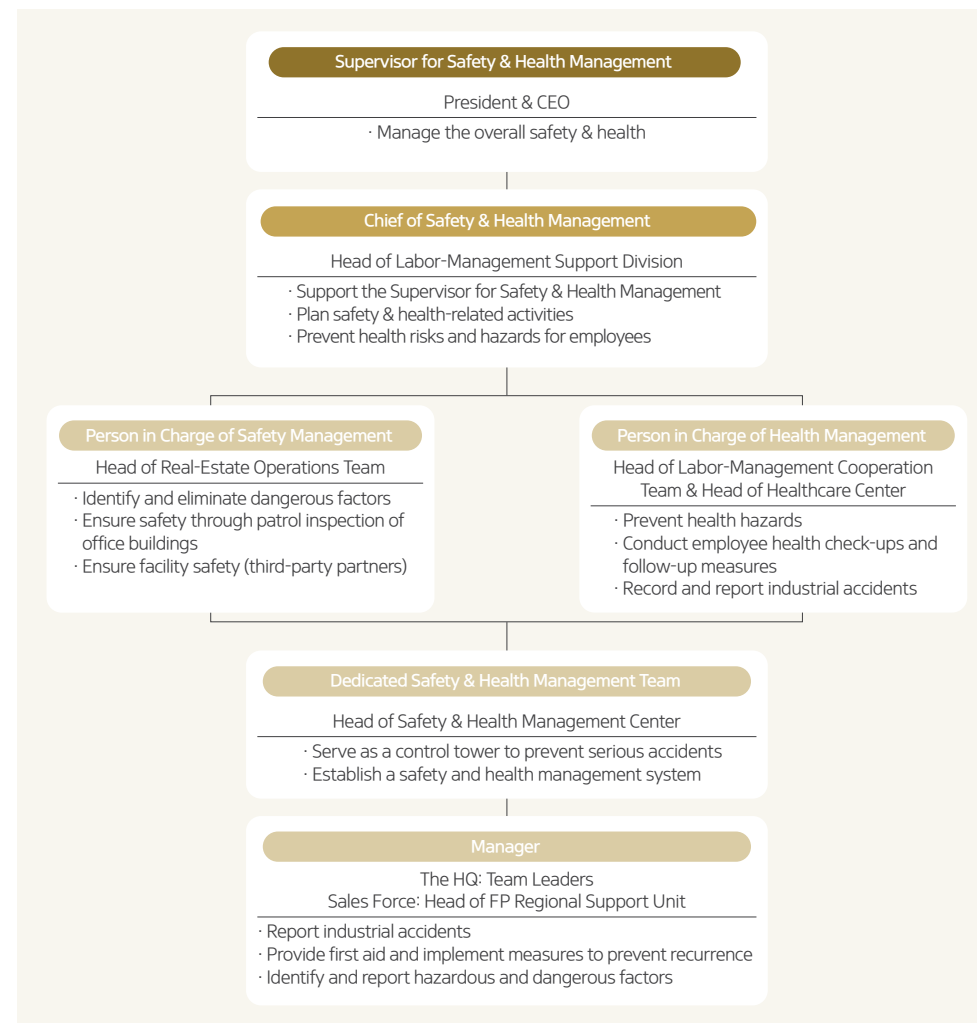


## Safety and Health Management System

Kyobo Life is committed to providing a safe and healthy workplace for its employees and preventing workplace safety incidents. The company establishes and discloses its Occupational Safety and Health Policy on its website. Each year, Kyobo Life formulates a management directive on safety and health, which is reported to and approved by the Board of Directors and subsequently shared with all employees. In response to the implementation of the Serious Accidents Punishment Act, the company has established internal regulations for serious accident prevention and set out measures to build a safety and health management system. These regulations apply not only to employees but also to contractors, service providers, and outsourced workers. Kyobo Life operates a dedicated Safety & Health Management Center and has developed a comprehensive management system for safety and health. This includes the establishment of the Occupational Safety and Health Committee and the appointment of a Supervisor for Safety & Health Management, in accordance with the Occupational Safety and Health Act.

[Occupational Safety and Health Policy](#)

## Organizational Chart for Safety and Health Management and Key Responsibilities



### FY2023 Management Directive on Occupational Safety and Health

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



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

# Safety and Health

## Safety and Health Management Activities

Kyobo Life is dedicated to achieve zero accidents and zero injuries in its business sites. Each year, the company develops a safety and health plan, which is reported to and approved by the Board. The plan is then executed according to established priorities.

### 2023 Safety & Health Management Activity Highlights

Classification	Details	
<b>Safety</b>  	Removal of hazardous and dangerous factors	<ul style="list-style-type: none"> <li>Replaced old elevators in Kyobo Tower (17 units in progress)</li> <li>Inspected and repaired exterior wall tiles in the Incheon building</li> <li>Replaced automatic control systems in the Yeongdeungpo building</li> </ul>
	Safety inspections	<ul style="list-style-type: none"> <li>Conducted safety inspections (including electrical and fire safety systems)</li> <li>Conducted a risk assessment, which indicated a low-risk level</li> <li>Received the ISO 45001 certification for Occupational Health and Safety Management System</li> </ul>
	Safety education	<ul style="list-style-type: none"> <li>Conducted job training for safety and health management responsibilities</li> <li>Provided safety and health posters (quarterly) and operated Safety and Health Inspection Day (monthly)</li> </ul>
<b>Health</b>  	Health education	<ul style="list-style-type: none"> <li>Conducted CPR and AED training (for 522 employees including HQ, sales force and new hires)</li> </ul>
	Installation of resting areas	<ul style="list-style-type: none"> <li>Installed resting areas at all business locations (five sites completed)</li> <li>Established operational standards (company regulations) for resting areas</li> </ul>
	Employee health management	<ul style="list-style-type: none"> <li>Conducted hazardous environment inspections in office areas (biannually)</li> <li>Conducted comprehensive health check-ups for employees (480 general check-ups, 2,059 comprehensive check-ups)</li> </ul>

## Employee Safety and Health Education

Kyobo Life regularly conducts safety and health education to enhance employees' awareness and ensure prompt responses in case of safety incidents. The company hosts a monthly Safety & Health Inspection Day to share educational materials with employees. Additionally, in partnership with an independent organization, it provides CPR and AED training to employees at the headquarters and within its sales force.



2023 CPR and AED Training

## Accident Response Process

Kyobo Life has established detailed procedures for accident inspection and countermeasure formulation within its Safety & Health Management Regulations. When an accident occurs, the company preserves the site until the investigation is completed, maintaining neutrality to uncover the root cause. Additionally, Kyobo Life develops preventive measures to enhance safety, including specified timelines for implementation and follow-up to ensure effective execution.



## Safety and Health

### Emergency Response Drill

To ensure the safety of employees and visitors in the event of an emergency, Kyobo Life conducts emergency evacuation drills and training twice a year at corporate-owned buildings. The training includes evacuation and first aid exercises tailored to the specific characteristics of each site. The company also participates in collaborative drills with local fire departments and other public agencies.

#### Details of the 2023 Emergency Response Drill

In 2023, Kyobo Life conducted a civil defense evacuation drill at its Gwanghwamun headquarters in collaboration with the Jongno District Office. The drill simulated an actual emergency, including evacuation announcements through the entire building, evacuation of all employees to designated shelters, and maintaining a heightened state of vigilance.

Classification	Stage	Details
13:45 -	Advance Notification	Aired evacuation announcement (throughout the entire building, including corporate tenants)
14:00 - 14:15	Air Raid Warning	All employees evacuated to the designated shelter (the B2 parking lot of the HQ)
14:15 - 14:20	Alert Warning	Listened to the training scenario and maintained a vigilant state
14:20 -	All-Clear Signal	End of the situation declared, employees returned to work

### Occupational Safety and Health Committee

Kyobo Life has established and operates an Occupational Safety and Health Committee, composed of members representing employees and employers, in accordance with Article 24 of the Occupational Safety And Health Act. The committee deliberates and decides on important matters related to workplace safety and health, such as the establishment of industrial accident prevention plans, employee safety and health education, investigation of major industrial accidents, and formulation of recurrence prevention measures. Meetings are held quarterly.

### Operation of Safety and Health Council

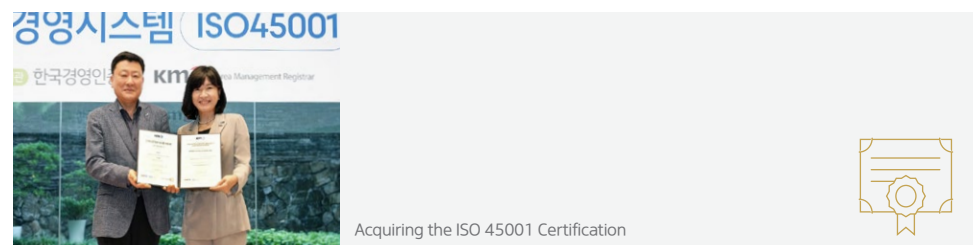
Kyobo Life convenes a monthly Safety and Health Council, inviting employees from subcontractors responsible for contract work, third-party services, and entrusted tasks. This initiative aims to strengthen their safety and health systems and ensure a safe and healthy environment for their employees. In 2023, the council brought together subcontractors responsible for facility management, gardening and landscaping, cleaning, and building security and parking to inspect hazardous or dangerous factors at business locations and implement countermeasures upon consultation.

### Integration of Safety & Health Standards in Selecting Subcontractors

To ensure that Kyobo Life's subcontractors maintain appropriate safety and health conditions, the company has established guidelines for selecting partners. From the contract signing stage, partner companies are required to submit a statement of commitment to safety management. Kyobo Life evaluates the safety and health levels of potential subcontractors to select the most suitable partners. The contract also clarifies details on health and safety training, risk assessments, and the organization and operation of the Safety & Health Council.

### Acquisition of the ISO 45001 Certification for Occupational Health and Safety Management System

In August 2023, Kyobo Life acquired the ISO 45001 certification, the international standard occupational health and safety management systems, establishing a foundation for preventing work-related injuries and illnesses and providing a safe and healthy workplace. By establishing an organized safety and health management system, the company aligns its operations with various requirements, including identifying key safety and health issues, conducting risk assessments, inspecting compliance with legal standards, and providing relevant training.



# Safety and Health


## Risk Assessment

Kyobo Life conducts regular risk assessments every year to identify and evaluate hazardous and dangerous factors in the workplace and implement countermeasures in accordance with Article 36 of the Occupational Safety and Health Act. In August 2023, the company engaged a consulting firm to enhance its risk assessment process, aiming to specify hazardous and dangerous factors in the workplace.

### Assessment Overview, Results (Key Risk Factors), and Countermeasures

In 2023, Kyobo Life conducted joint inspections in each corporate-owned building with two employees from each site and two workers from the Safety & Health Management Center, using a safety and health checklist. The inspection quantified the likelihood of occurrence and the severity of accident outcomes for each risk factor using a three-point scale to assess risk levels. The average result was 2.1, indicating an overall low level of risk. The company implemented countermeasures for the issues identified through this assessment.

### 2023 Countermeasures



Completed



Completed

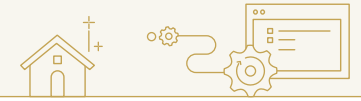
### Risk Assessment Process



## Hazardous and Dangerous Factors Quantification Process

Likelihood of Accident Occurrence	Category	Likelihood	Criteria		
	High	3	High likelihood of occurrence (frequent)		
	Medium	2	Possible likelihood of occurrence (occasional)		
	Low	1	Low likelihood of occurrence (negligible)		
Severity of Accident Outcomes	Category	Severity	Criteria		
	High	3	Accidents causing death, blindness, disability		
	Medium	2	Accidents causing injuries that are recoverable, where victims will be able to return to work		
	Low	1	Near-miss accidents		
Estimate and Determine Risk			High	Medium	Low
	High	High (9)	High (6)	Medium (3)	
	Medium	High (6)	Medium (4)	Low (2)	
	Low	Medium (3)	Low (2)	Low (1)	
Risk Level	Management Criteria	Notes			
1-2	Low	Maintain current state	Share information on hazardous risks with employees and conduct relevant training		
3-4	Medium	Improvement needed	Improvement is needed by establishing safety and health measures		
6-9	High	Immediate improvement required	Immediate improvement is required to continue operations		

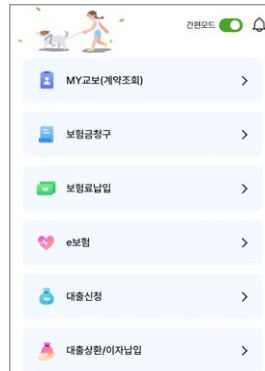
# Financial Inclusion



## Services for Financially Underserved Groups

### Information Accessibility to Protect Elderly Financial Consumers

To protect elderly financial consumers, Kyobo Life prints mail notifications regarding insurance policy management in larger text sizes. This service, previously provided to policyholders aged 70 and up, has been expanded to include those 65 and up to enhance accessibility. Additionally, Kyobo Life became the first life insurance company to develop an elderly-friendly interface for its app, ensuring older customers can easily use online transaction services. The interface features larger text sizes, simplified wording, and a consistent structure. When elderly customers enroll in insurance policies, the company also provides crucial notifications through the "Priority Information Notification" service.



Elderly-Friendly Interface

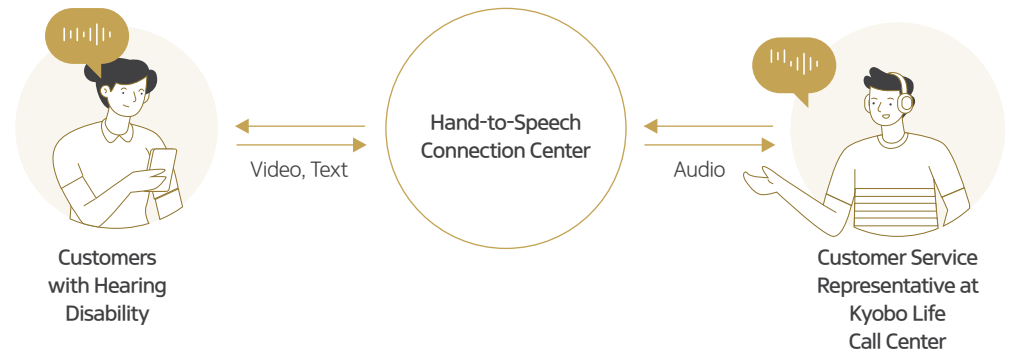
### Notification Services for Elderly Financial Consumers

Since May 2023, Kyobo Life has introduced a shared notification service, allowing senior policyholders aged 65 or older to designate an individual for receiving notifications. With the consent of both the policyholder and the designated individual, this service ensures that both parties receive notifications regarding policy loans, including payment amounts, overdue notices, and maturity reminders. In addition, Kyobo Life offers a service that allows policyholders to designate and update a proxy authorized to submit insurance claims on their behalf, in anticipation of situations where the policyholder may be unable to do so due to conditions such as dementia or critical illness. Furthermore, to prevent delays in claim processing, the company notifies policyholders of contracts that lack a designated beneficiary, ensuring that customers avoid potential complications such as the need to submit their identification documents.

## Assistance Services for Hearing-Impaired Customers

To improve access to financial services for hearing-impaired customers, Kyobo Life provides specialized assistance through the Hand-to-Speech Connection Center, a relay communication service. Customers can submit inquiries via video, text, or video call to a sign language relay interpreter at the Hand-to-Speech Connection Center, operated by the National Information Society Agency. The interpreter then verbally relays the message to a Kyobo Life customer service representative, who provides the necessary assistance.

### Hearing-Impaired Assistance Service Process



# Financial Inclusion

## Enhancing Accessibility to Insurance Products and Services

### Expansion of Insurance Products and Sales Channels

Kyobo Life is committed to enhancing accessibility to insurance products and services. The company offers specialized products designed for individuals with disabilities or pre-existing conditions who have historically faced challenges in securing insurance coverage. Additionally, Kyobo Life has introduced tailored products for youth in out-of-home care, addressing the needs of this financially underserved group. In June 2023, Kyobo Life introduced e-Insurance, an online-exclusive product, allowing customers to easily and conveniently purchase insurance using mobile devices. This expands the sales channels to include not only phone and in-person consultations but also online platforms.

Kyobo Life e-Insurance 🔍

### Key Financial Inclusion Products

#### Products for Financially Underserved Groups

- Kyobo Gomduri Coverage Insurance (non-dividend)<sup>1)</sup>
- Kyobo Youth Savings Insurance (non-dividend)

1) Cancer insurance products exclusively for people with disabilities



#### Insurance for Individuals with Pre-existing Conditions

- Kyobo Simple Cancer Insurance (non-dividend, renewable/non-renewable)
- Kyobo Practical Simple Whole Life Insurance Plus (non-dividend)



#### e-Insurance

- Kyobo e-Cancer-Brain-Heart Insurance BASIC (non-dividend)
- Kyobo e-Polyp Care Insurance (non-dividend)
- Kyobo e-Lifestyle Habit Care Insurance (non-dividend)



### CASE STUDY

#### Kyobo Youth Savings Insurance, Winning FSS Governor's Award for "Coexistence and Cooperation Finance New Product"

In December 2023, Kyobo Life introduced the Kyobo Youth Savings Insurance (non-dividend) to support youth in out-of-home care\*. This product offers a fixed interest rate of 5% per year throughout the five-year payment period. Additionally, from the sixth year until maturity in the tenth year, policyholders receive a self-reliance bonus in addition to the disclosed rates. The product also includes the Kyobo Mini Healthcare Service, which provides one-on-one healthcare consultations, information on hospitals and doctors, and hospital reservation services. The Kyobo Youth Savings Insurance was recognized as an exemplary case in the "Coexistence and Cooperation Finance New Product" category, earning Kyobo Life the Governor's Award.

\* Youth in Out-of-Home Care: Young adults who have aged out of the child protective care system, typically at the age of 18, and are transitioning to independent living without the support of a legal guardian.

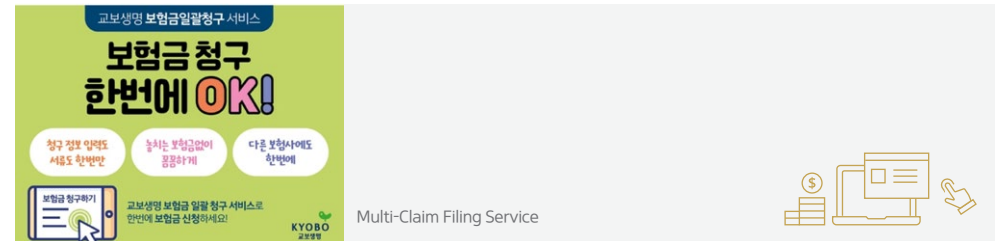


The Award for Exemplary Case in "Coexistence and Cooperation Finance New Product"



### Multi-Claim Filing Service

In 2023, Kyobo Life introduced the Multi-Claim Filing Service, a service that enables Kyobo Life policyholders to submit claims not only with Kyobo Life but also with a total of 37 life and non-life insurers through a single submission on Kyobo Life's mobile app. The Multi-Claim Filing Service is available to policyholders who are registered on the Kyobo Life website and allows claims submissions of up to KRW 1 million. With this service, customers can effortlessly manage and submit their claims from anywhere, at any time, ensuring a more convenient and efficient experience.



### Foreign Language Monitoring for New Contracts

In October 2019, Kyobo Life became the first company in the industry to offer customer assistance in English and Chinese for monitoring new contracts. This service was introduced to address the challenges faced by foreign customers, such as misunderstandings or improper execution of contracts due to language barriers. With a growing number of foreign policyholders, many of whom speak English or Chinese, Kyobo Life ensures that these customers fully understand its insurance products by providing assistance in their preferred languages.

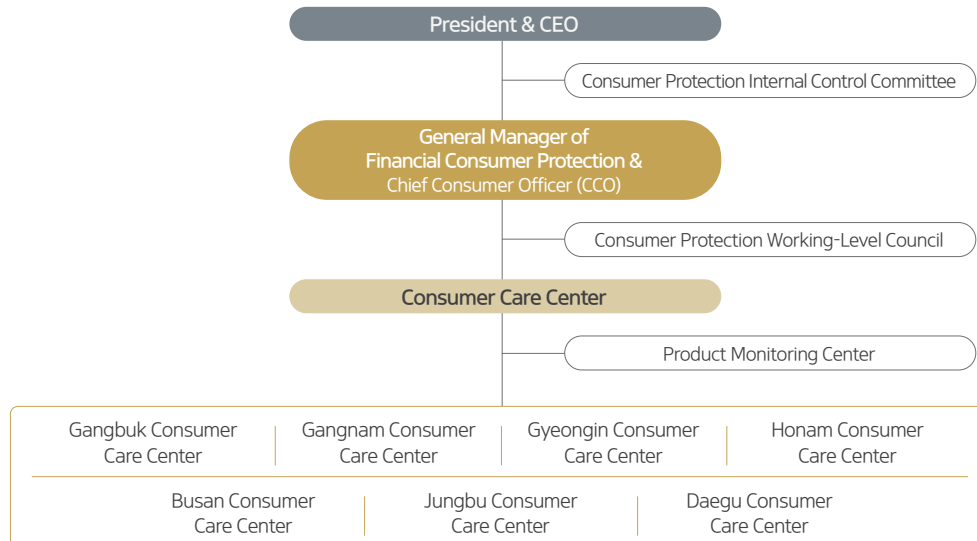
# Consumer Rights Protection



## Consumer Protection System

Kyobo Life prioritizes consumer rights and delivers fair and reliable financial services through customer-centered operations. Kyobo Life has designated a Chief Consumer Officer (CCO), who reports directly to the CEO, to ensure dedicated consumer protection efforts. The company has established a dedicated consumer protection team and seven regional consumer care centers to prevent and address customer complaints swiftly and fairly. To reinforce its commitment to consumer protection and clarify its fundamental principles, Kyobo Life established the Charter of Consumer Protection in 2014. The company consistently integrates the importance of consumer protection into its key initiatives each year. In 2023, Kyobo Life emphasized the theme, "Let's support the establishment of an advanced consumer protection culture within the company," and strengthened the inspection of internal controls related to consumer protection.

## Consumer Protection Organizational Chart



## Consumer Protection Employee Education

Kyobo Life systematically provides education on financial consumer protection for its employees through various channels, including in-person group training, online education, internal TV broadcast, and educational materials, to prevent complaints and strengthen financial consumer protection. In particular, the Financial Consumer Protection Online Education is a mandatory course that all Kyobo Life employees are required to complete annually, managed by the Consumer Care Center.

### Financial Consumer Protection Online Education

#### Objective

- Strengthen financial consumer protection and establish a consumer protection culture through systematic education
- Provide guidance on regulations and systems for consumer protection
- Share case studies based on VOC and exemplary responses to prevent customer complaints



#### Curriculum

Course Name	Education for Enhanced Financial Consumer Protection
Target	All employees (mandatory course)
Method	Online education
Duration	90 minutes
Completion Requirement	100% course attendance and test
Details	Act on the Protection of Financial Consumers, prevention of financial frauds, protection of elderly financial consumers, and major complaint cases, etc.

## Consumer Protection System

### Consumer Communication Channels

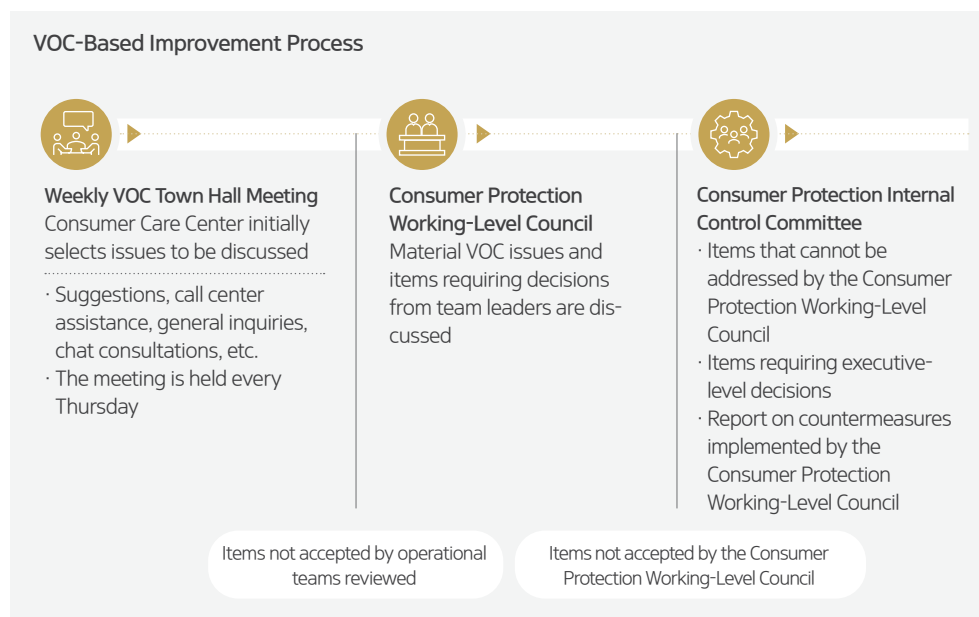
To better engage with its customers, Kyobo Life operates a "Consumer Portal" on its website and provides various information. On it, consumers can gain access to pages for submitting employee reviews, suggestions, and complaints. It also introduces Kyobo Life's consumer protection system and exemplary cases of its consumer protection efforts.

[Kyobo Life Consumer Portal](#) 🔍

## Consumer Rights Protection

### Voice of Customer-Based Improvement Process

To consistently deliver high-quality products and services, Kyobo Life has established a comprehensive array of channels for capturing the Voice of Customers (VOC), including its website, mobile app, and call center. Feedback received through these channels is reviewed during a weekly VOC Town Hall Meeting, where creative ideas for system and process improvements are generated. Key issues raised during these meetings are escalated to the Consumer Protection Working-Level Council, which includes team leaders, and the Consumer Protection Internal Control Committee, comprised of executives, to ensure swift and effective responses. Through these efforts, Kyobo Life is continually enhancing its work processes and systems to ensure they are more convenient and effective from the consumer's perspective.



### Operation of VOC-Integrated Management Support System

Kyobo Life has implemented the VOC Online Consultation and Adjustment System to promptly address customer feedback requiring inter-departmental consultation. This system enables teams to make adjustments and reach agreements online, facilitating a fast decision-making process. Additionally, the company introduced a Video Call Assistance System to handle customer inquiries in real-time through a video call platform. This initiative improves the convenience of customer assistance, particularly for customers living abroad, those with limited mobility, individuals hesitant about in-person meetings due to COVID-19 concerns, and younger generations who prefer digital interactions.

### Operation of the Consumer Protection Working-Level Council

#### Average VOC Resolution Time (Units: Days)



#### Council Meetings Held (Units: Times)



#### Items Deliberated by the Council (Units: Cases)



#### Countermeasures Implemented through the Council (Units: Cases)



# Consumer Rights Protection

## Activities for Consumer Rights Protection

### Sales Force Consultation to Promote Complete Enrollment Practices

To ensure that Kyobo Life employees and financial planners have a deep understanding of the Act on the Protection of Financial Consumers and adhere to the six sales principles, the Consumer Care Center operates the "Consultation Program to Achieve Complete Enrollment" by visiting sales branches. This program focuses on training the sales force on the Act and relevant real-world cases, helping them prevent customer complaints. The Consumer Care Center also actively listens to the challenges faced by the sales force and provides consulting tailored to the specific conditions and characteristics of each branch office.

### Improper Enrollment Statistics

**Improper Enrollments with Incomplete Information**  
(Unit: Cases)



**Rate of Improper Enrollments**  
(Unit: %)



### Voice Phishing Prevention

Kyobo Life is actively working to prevent damages from voice phishing scams. As an industry first, the company introduced a security feature that disables its mobile app if remote control is detected. Additionally, Kyobo Life analyzes various forms of voice phishing scams to detect and prevent abnormal transactions. Continuous monitoring for abnormal transactions allows the company to identify new forms of voice phishing in real time, share information promptly, and develop countermeasures.

### AI Voice Bot Monitoring

Whenever an insurance contract is signed, Kyobo Life is obligated to verify that all required information has been properly communicated to customers through the Happy Call New Contract Monitoring System. To address challenges faced by customers, such as difficulty being available during weekday working hours, Kyobo Life implemented an AI Voice Bot Monitoring System that initiates a Happy Call immediately after policy enrollment. This voice bot system is available 24/7, and the company has further enhanced convenience by enabling pre-scheduled notifications and responses.

## Review of Product Advertisements and Informative Materials

At Kyobo Life, all insurance product advertisements and informative materials related to insurance policies must be reviewed and approved by the Compliance Officer in advance. In 2023, the company strengthened the competencies of staff responsible for advertisement production and review and conducted regular inspections of unapproved notification materials. Moving forward, Kyobo Life will continue to closely monitor advertising regulations and align its ad review system with these trends to promote fair trade practices.

### Product Advertisement and Insurance Information Reviews

	2021	2022	2023
<b>Review of Insurance Product Advertisements/Information</b> (Unit: Cases)	1,313	1,286	1,529
<b>Violations Related to Insurance Product Advertisements/Information</b> (Unit: Cases)	0	0	0
<b>Financial Loss Due to Violations Related to Insurance Product Advertisements/Information</b> (Unit: KRW million)	0	0	0

## Evaluation of Financial Consumer Protection

Kyobo Life undergoes a comprehensive evaluation of its consumer protection practices by the Financial Supervisory Service (FSS) every three years, as required by Article 32 (2) of the Act on the Protection of Financial Consumers. In 2023, Kyobo Life received an overall rating of "Moderate" in this evaluation conducted by the FSS and is continuously striving for further improvement.

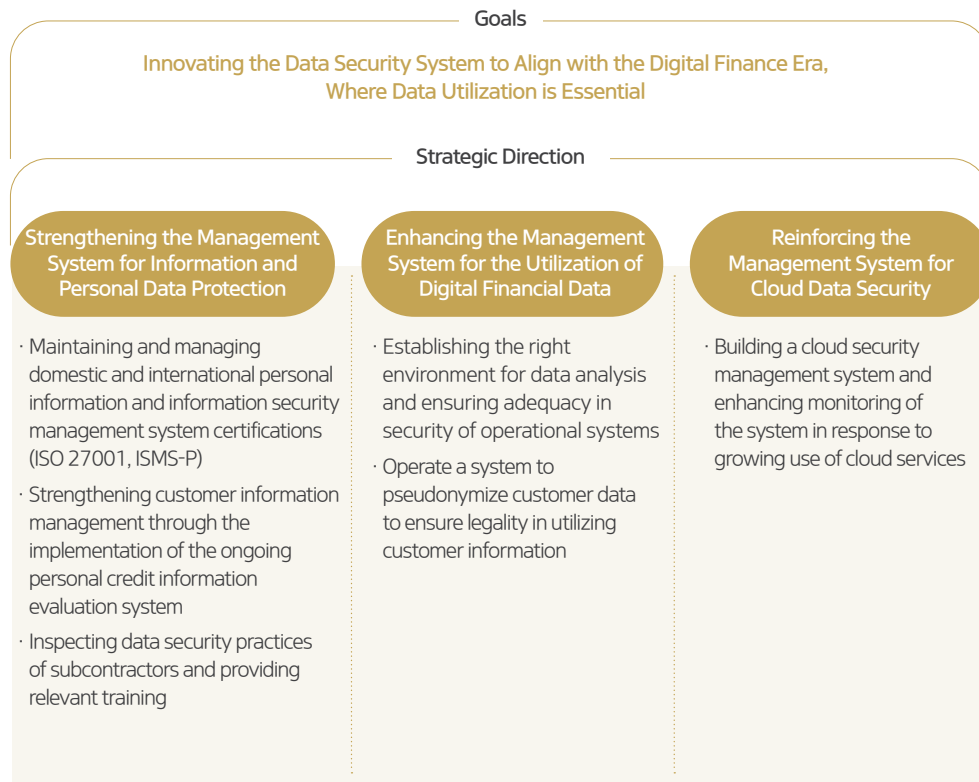
Evaluation of Financial Consumer Protection 🔍

# Information Security and Privacy Protection

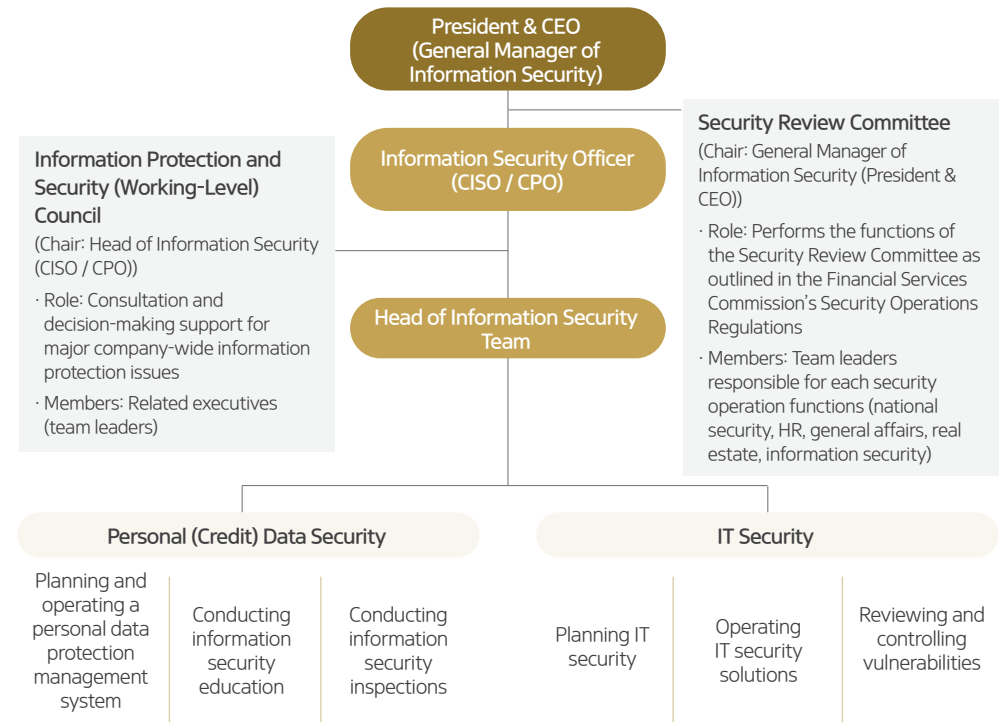


## Information Security System

To build a data security system that meets the demands of the digital finance era, Kyobo Life is continually enhancing its management systems through the implementation of key strategies and organizational restructuring. An executive with extensive experience in information technology and security has been appointed as both the Chief Information Security Officer (CISO) and Chief Privacy Officer (CPO). Additionally, supervisors responsible for information security management in each function conduct ongoing inspections. The company also operates an councils, chaired by the CISO and CPO, to deliberate on matters related to information security and personal data protection.



## Information Security Organizational Chart





# Information Security and Privacy Protection

## Management of Information Security Issues by the Board of Directors

Kyobo Life has appointed Hyo Eun Moon, an individual with extensive experience in the information communications technology field, as an outside director. Additionally, a Credit Information Management and Protection Officer has been designated to evaluate the management and protection of personal credit information annually. The results are reported to the CEO and the Board.

### 2023 Board Agenda Related to Information Security

#### Board Meeting Reported Item

**March 3, 2023** Result of the continuous evaluation of the Management of Personal Credit Information Utilization



### Appointment of a Director Specializing in Information Communications Technology

Name	Hyo Eun Moon	Experience
Position	Outside director	Dec. 2022 - Present: CEO of ATC Partners
Education	<ul style="list-style-type: none"> <li>MA, Information and Communication, Korea University</li> <li>BA, French Language &amp; Literature, Ewha Womans University</li> </ul>	Aug. 2012 - Dec. 2017: Special Professor at Ewha Institute for Leadership Development
		Apr. 2008 - Jun. 2009: CEO of Daum Service
		Apr. 2006 - Nov. 2007: Vice President of GS Home Shopping (formerly D&Shop)
		Apr. 2004 - Jul. 2013: Chairman of Daum Foundation
		Nov. 2004 - Nov. 2011: COO of Kakao (formerly Daum Communications)

## CASE STUDY

### Annual Performance Evaluation of the Credit Information Management and Protection Officer

In compliance with the requirements of the Credit Information Use and Protection Act, Kyobo Life's Credit Information Management and Protection Officer annually inspects the status of personal credit information management and protection. The results are reported to the CEO and the Board and subsequently to the Financial Services Commission. The Credit Information Management and Protection Officer formulates and executes personal credit information protection plans, conducts regular investigations and implements improvements accordingly, handles customer complaints and remedial actions, establishes internal control systems to prevent leaks and misuse, formulates and implements employee education plans, and ensures compliance with laws and regulations by employees and sales agents. The Financial Security Institute (under the Financial Services Commission) evaluates the activities of the Credit Information Management and Protection Officer, and any deficiencies identified during the evaluation process are promptly addressed with corrective actions.



# Information Security and Privacy Protection

## Information Protection Infrastructure and Processes

Kyobo Life established processes to prevent cyber-attacks and customer information leaks, as well as to respond promptly if such incidents occur. Internally, Kyobo Life conducts its own information security management inspections and audits. Externally, it engages specialized information security firms for assessments and participates in regular evaluations supervised by the Financial Services Commission to continuously implement improvements. Regular drills for incident response, such as handling information leaks and vulnerability checks, are conducted to ensure preparedness. Kyobo Life has acquired and maintains third-party certifications for its information security framework, including ISO 27001 and ISMS-P.

### Security Inspection Items

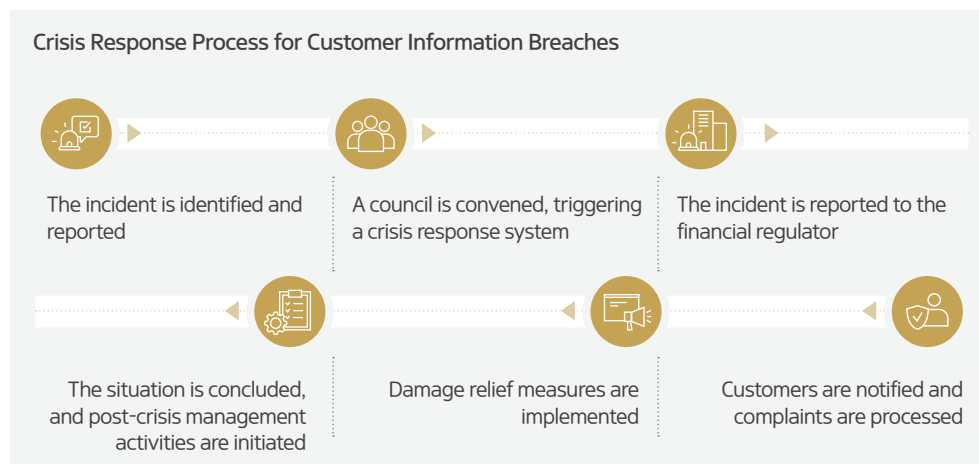
	Inspection Purpose	Inspection Cycle
Internal and External Information Security Audits 	<ul style="list-style-type: none"> <li>· Conduct regular internal information security audits</li> </ul>	<ul style="list-style-type: none"> <li>· Internal audits: Conducted annually</li> </ul>
	<ul style="list-style-type: none"> <li>· Periodically inspect and improve the management system for information protection (security systems) and personal information protection through external information security firms</li> <li>· Report the results of personal credit information management and protection inspections to the CEO and Board of Directors, followed by an evaluation by the Financial Security Institute (Financial Services Commission), as required by relevant regulations<sup>1)</sup></li> </ul>	<ul style="list-style-type: none"> <li>· External audits: Conducted annually</li> </ul>
Information Protection Inspections 	<ul style="list-style-type: none"> <li>· Designate an "IT Security Inspection Day" to check employee compliance with security protocols</li> </ul>	<ul style="list-style-type: none"> <li>· IT Security Inspection Day: Operated and inspected monthly</li> </ul>
	<ul style="list-style-type: none"> <li>· Conduct emergency response drills with external security specialists, including APT, hacking, and DDoS attack response</li> </ul>	<ul style="list-style-type: none"> <li>· Emergency response drills: Conducted at least once a year                             <ul style="list-style-type: none"> <li>- Training for malware infection and response by sending out emails</li> <li>- Mock hacking attack response drills</li> <li>- DDoS attack response drills</li> </ul> </li> </ul>
Personal Data Management Inspection 	<ul style="list-style-type: none"> <li>· Perform regular vulnerability assessments and remedial actions for digital financial infrastructure, including websites</li> </ul>	<ul style="list-style-type: none"> <li>· Vulnerability assessments and remedial actions: Conducted at least once a year                             <ul style="list-style-type: none"> <li>- Annual assessments and actions for digital financial infrastructure</li> <li>- Biannual assessments and actions for website vulnerabilities</li> <li>- Ad hoc assessments and actions for new business systems</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>· Conduct regular information security inspections at headquarters and sales sites</li> </ul>	<ul style="list-style-type: none"> <li>· Monthly self-inspections for customer information protection</li> <li>· Biannual security inspections for the headquarters teams and sales sites</li> <li>· Quarterly self-evaluations for customer information protection</li> <li>· Ad-hoc security inspections at Customer PLAZA and Loan Centers</li> </ul>
	<ul style="list-style-type: none"> <li>· Conduct regular information security inspections of third-party providers (* including expanded joint inspections with IT professionals)</li> </ul>	<ul style="list-style-type: none"> <li>· Quarterly security inspections for general agencies or third-party providers</li> </ul>
	<ul style="list-style-type: none"> <li>· Perform regular inspections and crisis response drills for personal (credit) information processing</li> </ul>	<ul style="list-style-type: none"> <li>· Monthly checks for anomalies in personal (credit) information processing</li> <li>· Quarterly checks for the destruction (separation) of personal (credit) information</li> <li>· Annual crisis response drills for incidents of customer information breaches</li> </ul>

<sup>1)</sup> Relevant regulation: Article 20 (6) of Credit Information Use and Protection Act

## Information Security and Privacy Protection

### Crisis Response Process for Information Breaches

Kyobo Life has implemented a scenario-based personal (credit) information breach response system using its own anomaly detection system. To minimize damage in the event of a customer information breach, Kyobo Life has established a response manual. Annual crisis response drills based on this manual are conducted to enhance the incident response capabilities of staff. Any areas for improvement identified during these drills are promptly addressed.



### Third-Party Vulnerability Assessments

Kyobo Life conducts annual vulnerability assessments of its IT infrastructure, including digital financial infrastructure and websites. The assessment results are reviewed by the Information Security Committee and submitted to the Financial Services Commission. In 2023, Kyobo Life performed these assessments in collaboration with external professional organizations, which included simulated hacking attacks.

### Vulnerability Assessment Through Malicious Code Phishing Simulations

In compliance with Article 24 of the Electronic Financial Transactions Act, Kyobo Life conducts annual APT attack response training via email to enhance its security level. In 2023, a joint training was conducted with the Financial Security Institute's Incident Response Team involving internal and outsourced staff. Employees that were infected with malicious code during the training received additional offline education to improve awareness and better recognize APT risks.

### Information Security Policy and Guidelines on Handling Personal Data

Kyobo Life has established a Information Security Policy, a public declaration of the company's approach to protecting personal data, and has uploaded on its website. Additionally, Kyobo Life has published its principles on handling personal information on its website for its website or mobile app users and financial transaction customers. The guidelines specify the types and characteristics of customer information collected through its business activities and the methods for utilizing the collected data. The collected personal data is managed, used, stored, and processed upon customer consent (an opt-in process). Customers can request access to their personal data held by Kyobo Life, as well as request corrections or removal of their data according to the Guidelines on Treatment of Personal Data. Customers are also informed about the data retention period and methods for protecting their personal data.

### Kyobo Life's Information Security Policy and Guidelines on Treatment of Personal Data



# Information Security and Privacy Protection

## Information Security Certification

### ISO 27001

In 2006, Kyobo Life became the first Korean insurance company to acquire the ISO 27001 certification for all its information security management systems and has been maintaining it since then. ISO 27001 is the most prestigious international standard certification in the field of information security, requiring strict audits across four themes and 93 standard control criteria, including information security organization, policy, and management and human, physical, and technical security.



### ISMS-P

To establish an information protection and personal information management system of a higher quality, Kyobo Life conducted a company-wide information security assessment and improvement. In September 2023, Kyobo Life became the first in the insurance industry to obtain the ISMS-P (Personal Information & Information Security Management System) certification for its insurance operations (FP, GFP, Direct) and insurance services (website) from the Ministry of Science and ICT and the Personal Information Protection Committee. Kyobo Life will continuously enhance the level security in its management system to improve operational stability.



## Implementation of the Continuous Evaluation System for Personal Credit Information Protection

Since 2021, Kyobo Life has been conducting regular self-assessments of the management and protection of personal credit information in accordance with the Act on the Use and Protection of Credit Information, which mandates the implementation of a continuous evaluation system. Additionally, the company undergoes evaluations by the Financial Services Commission (Financial Security Institute). In 2024, Kyobo Life's level of personal credit information protection was rated as highly excellent, earning the industry's highest grade of "S." Moving forward, Kyobo Life will continue to enhance its management of personal information protection system in response to amendments in relevant laws and changes in internal and external environments.

## Information Security-Related Audits

In compliance with Article 20 (6) of the Credit Information Use And Protection Act and Article 22-2 (3) of the Regulations on Supervision of Credit Information Business, Kyobo Life conducts annual inspections of personal credit information management and protection. The results are reported to and evaluated by the Financial Security Institute (Financial Services Commission). Additionally, Kyobo Life performs internal information security audits annually and undergoes external audits of its information protection and personal information protection management systems. Any deficiencies identified during the audits are promptly addressed, and the implementation of corrective measures is monitored.

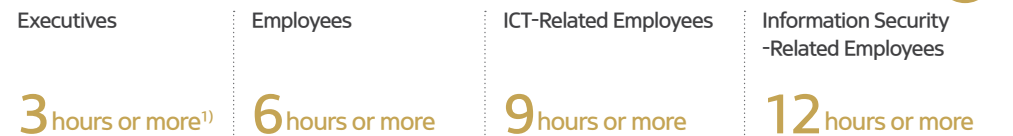
## Enhanced Inspection of Personal Data Protection for Partner Companies

Kyobo Life has implemented strengthened inspection measures for third-party providers and agencies handling outsourced work to minimize personal (credit) information breaches. The company has reinforced internal training of managers of these businesses and expanded joint inspections with information security personnel who possess expertise in IT, targeting third-party providers that operate personal (credit) information processing systems and cloud environments.

## Information Security Education

Kyobo Life provides information protection (security) education to all employees and partner companies. The company's information security education program is structured to meet the specific responsibilities of different employee groups. Teams that work closely with personal data, including those in IT and information security roles, receive more rigorous training tailored to their critical functions. The company also distributes educational materials that cover recent regulatory changes and emerging trends to keep everyone informed. The various educational initiatives include online training focused on employee information security, quarterly information security sessions for employees and financial planners, and monthly "Security Check Day" sessions.

### Hours of Information Security Education Completed by Employee Group



1) Chief Information Security Officer: 6 hours

# Governance



# Governance



## Governance Structure

Kyobo Life is committed to establishing a transparent and sound governance structure to protect the rights and interests of stakeholders including shareholders. The company operates a Board of Directors with a strong emphasis on independence, expertise, and diversity. Within the Board, six committees are established, the Audit Committee, Executive Candidate Recommendation Committee, Risk Management Committee, Remuneration Committee, Management Committee, and Sustainable ESG Committee. Key matters related to the Board and its committees are disclosed annually in its Governance and Remuneration Structure Annual Report, which is available on the company's website.

[2023 Governance and Remuneration System Annual Report](#)

## Board of Directors

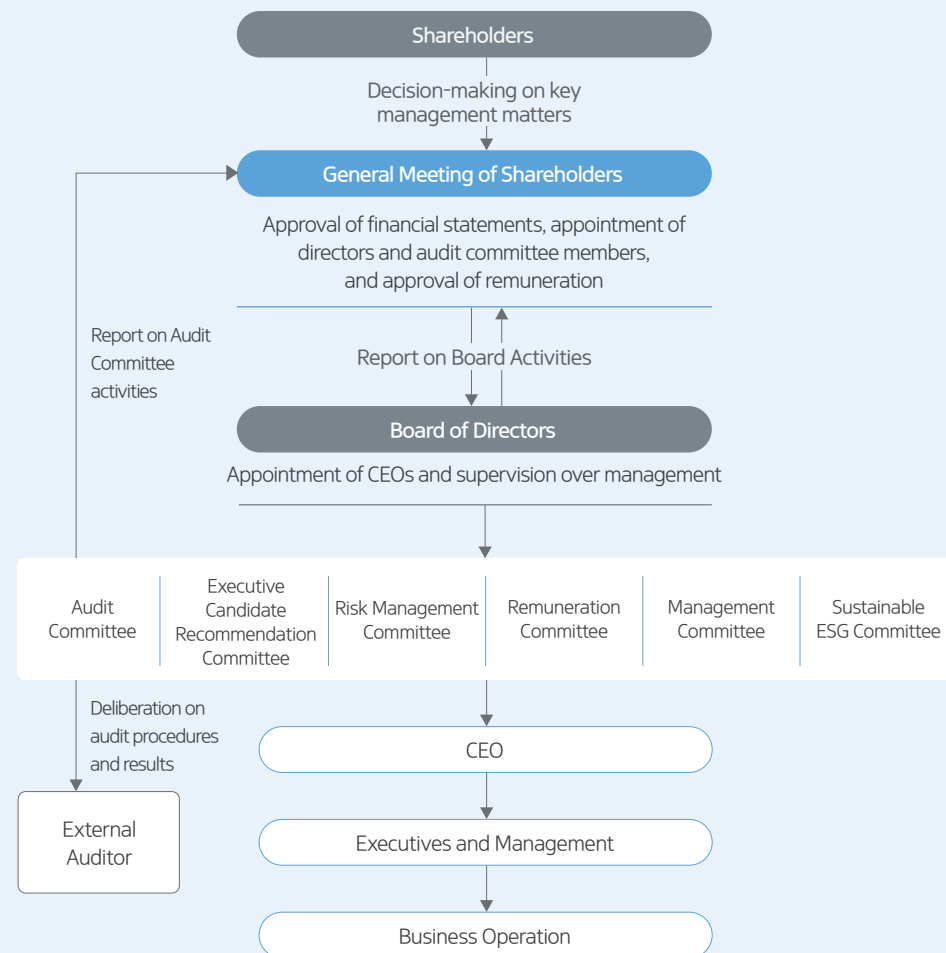
The Board of Directors is the highest decision making body of the company. The Board deliberates on matters stipulated in the Articles of Incorporation, those delegated by the general meeting of shareholders, and other significant issues related to company management. As of March 2024, the Board comprises a total of eight directors: two inside directors, five outside directors, and one non-standing director. The chairperson of the Board is elected annually in accordance with its Articles of Incorporation and Corporate Governance Regulations. As of March 2024, Chang Jae Shin serves as the Board's Chair, and Beom Ha Jee is the senior outside director. Kyobo Life regularly convenes Board meetings and, to ensure seamless operations, provides agenda items and informational sessions to the directors in advance. According to relevant laws, Kyobo Life's outside directors are prohibited from holding positions as outside directors, non-executive directors, or non-executive auditors in more than two other publicly listed companies. In 2023, the Board convened eight times, with an attendance rate of 100%. Kyobo Life recommends its directors to maintain an attendance rate of 90% or above.

[2023 Governance and Remuneration System Annual Report P. 21](#)

## Committees within the Board

To efficiently and professionally fulfill the responsibilities and roles of the Board of Directors, Kyobo Life established six committees within the Board. The authority and responsibilities of each committee are specified in the regulations, and the company complies with legal requirements regarding the composition of outside directors and the appointment of individuals with expansive expertise.

Governance Organizational Chart



# Governance

## Board Diversity

Kyobo Life pursues diversity in the appointment of directors, considering factors such as gender, race, age, background, and nationality. As of March 2024, the Board consists of eight members with expertise in various areas, including finance, digital, management, and law. It currently has one female director.

[Board Diversity Policy](#)

## Board Independence

Kyobo Life is committed to ensuring the independence of its Board through various efforts. To ensure robust checks and balances, Kyobo Life's Board of Directors is predominantly composed of outside directors whose independence has been thoroughly verified, in accordance with applicable laws and company regulations. If a non-outside director is appointed as the Board's chairperson, the company designates a separate independent senior outside director. The company's Board Regulations specify strict criteria for outside directors, ensuring that individuals with close ties to the company, including those classified as having special relationships with the largest shareholder, are not appointed as outside directors.

[Board Independence Policy](#)

## Board Efficiency

Kyobo Life is committed to the efficient operation of its Board. In compliance with relevant laws, the company prohibits its outside directors and non-standing directors from holding concurrent positions. Additionally, the company's CEOs, outside directors, and members of the Audit Committee are selected from a pool of candidates recommended by the Executive Candidate Recommendation Committee. The final appointment of directors is conducted through a separate process at the general meeting of shareholders, in accordance with applicable laws and the company's Articles of Incorporation.

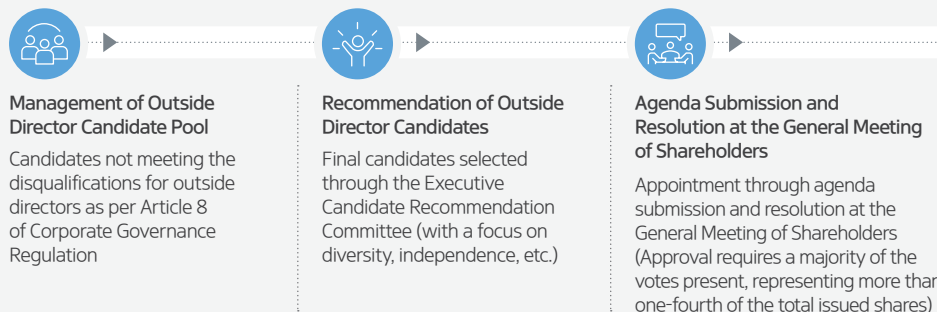
### Article 8 (Qualifications for Outside Directors) of Corporate Governance Regulations

#### Article 8 (Qualifications for Outside Directors)

② The following persons shall be disqualified from being an outside director of a financial company: Provided, That a person may be qualified as an outside director, if the person becomes a specially related person of the largest shareholder under subparagraph 1 when he/she becomes an outside director

- 1— The largest shareholder or a specially related person of the largest shareholder (referring to an executive officer or an employee of a corporation, if the largest shareholder or the specially related person of the largest shareholder is a corporation);
- 2— A major shareholder or a spouse, lineal ascendant or descendant of a major shareholder (referring to an executive officer or an employee of a corporation, if the major shareholder is a corporation);
- 3— A person who serves as a full-time executive officer or employee or a non-standing director of the relevant financial company or its subsidiary (referring to a subsidiary defined by subparagraph 3 of Article 2 of the Monopoly Regulation and Fair Trade Act; hereafter the same shall apply) or who served as a full-time executive officer or employee or a non-standing director during the preceding three years;
- 4— The spouse or a lineal ascendant or descendant of an executive officer of the relevant financial company;
- 5— A full-time executive officer or employee of the company for which an executive officer or employee of the relevant financial company serves as a non-standing director;
- 6— A person who serves as a full-time executive officer or employee of a corporation that has an important business relationship defined by Presidential Decree or a competitive or cooperative business relationship with the relevant financial company or who served as a full-time executive officer or employee of such corporation during the preceding two years;
- 7— A person who has served as an outside director of the relevant financial company for at least six years or who has served as an outside director of the relevant financial company or its subsidiaries for at least nine years in total;
- 8— A person specified by Presidential Decree, on any other ground, as a person who has difficulties in performing his/her duties faithfully as an outside director of the financial company or who is likely to influence the management of the relevant financial company

### Outside director Appointment Process



# Governance

## Composition of the Board of Directors

Composition of the Board of Directors (As of March 2024)

						Board Skills Matrix				
Title	Gender	Name	Major Experience	Roles within the Board	Finance	Management	Law	Financial Accounting	Digital	
Inside Director	Male	Chang Jae Shin	<ul style="list-style-type: none"> <li>· (Current) Chairman &amp; CEO, Kyobo Life</li> <li>· (Current) Chief Director, Daesan Foundation</li> <li>· (Former) Medical Professor, Seoul National University</li> </ul>	(Chair) <ul style="list-style-type: none"> <li>· Management Committee</li> <li>· Sustainable ESG Committee</li> </ul>	●	●	-	-	●	
				(Member) <ul style="list-style-type: none"> <li>· Executive Candidate Recommendation Committee</li> <li>· Remuneration Committee</li> </ul>						
Inside Director	Male	Dae Kyu Cho	<ul style="list-style-type: none"> <li>· (Current) President &amp; CEO, Kyobo Life (Insurance Business)</li> <li>· (Former) Head of Corporate Planning and HR Division, Kyobo Life</li> <li>· (Former) SVP for Strategic Planning, Kyobo Life</li> </ul>	(Member) <ul style="list-style-type: none"> <li>· Management Committee</li> </ul>	●	●	-	-	-	
Outside Director	Male	Beom Ha Jee	<ul style="list-style-type: none"> <li>· (Current) Professor, Faculty of Management and Economics, Handong University</li> <li>· (Former) Dean of Business Management, King's College, New York</li> <li>· (Former) Chairman of Korea Academic Society of Financial Planning</li> </ul>	(Chair) <ul style="list-style-type: none"> <li>· Audit Committee</li> <li>· Risk Management Committee</li> </ul>	●	●	-	●	-	
				(Member) <ul style="list-style-type: none"> <li>· Remuneration Committee</li> <li>· Sustainable ESG Committee</li> </ul>						
Outside Director	Female	Hyo Eun Moon	<ul style="list-style-type: none"> <li>· (Current) CEO, ATC Partners</li> <li>· (Former) Vice President, Kakao (formerly Daum Communications)</li> <li>· (Former) Special Professor, Ewha Institute for Leadership Development</li> </ul>	(Chair) <ul style="list-style-type: none"> <li>· Remuneration Committee</li> </ul>	-	●	-	-	●	
(Member) <ul style="list-style-type: none"> <li>· Risk Management Committee</li> <li>· Management Committee</li> <li>· Sustainable ESG Committee</li> </ul>										
Outside Director	Male	Doo Cheol Kim	<ul style="list-style-type: none"> <li>· (Current) Professor Emeritus, School of Convergence, Sangmyung University</li> <li>· (Current) Member of Life Insurance Social Contribution Committee</li> <li>· (Former) Vice President, Cheonan Campus, Sangmyung University</li> </ul>	(Chair) <ul style="list-style-type: none"> <li>· Executive Candidate Recommendation Committee</li> </ul>	●	-	-	●	-	
				(Member) <ul style="list-style-type: none"> <li>· Audit Committee</li> <li>· Risk Management Committee</li> <li>· Management Committee</li> </ul>						
Outside Director	Male	Doo Bong Lee	<ul style="list-style-type: none"> <li>· (Current) Lawyer, Doo-Bong Lee Law Office</li> <li>· (Former) Chief Prosecutor, Daejeon High Prosecutors' Office</li> <li>· (Former) Chief Prosecutor, Incheon District Prosecutors' Office</li> </ul>	(Member) <ul style="list-style-type: none"> <li>· Audit Committee</li> <li>· Executive Candidate Recommendation Committee</li> <li>· Remuneration Committee</li> <li>· Sustainable ESG Committee</li> </ul>	-	-	●	-	-	
Outside Director	Male	Charles Byung Chul Min	<ul style="list-style-type: none"> <li>· (Current) Head of Korea, Affinity Equity Partners</li> <li>· (Former) Head of Global Investment Research Team, Goldman Sachs</li> </ul>	(Member) <ul style="list-style-type: none"> <li>· Audit Committee</li> </ul>	●	-	-	●	-	
Non-standing Director	Male	Hari R.Rajan	<ul style="list-style-type: none"> <li>· (Current) Partner, Corsair Capital</li> <li>· (Former) Investment Professional, J.P. Morgan Chase</li> </ul>	-	●	-	-	●	-	



# Governance

## Evaluation and Remuneration System

Kyobo Life regularly evaluates the activities of the Board and its committees. Evaluations are conducted at the beginning of each year by all members of the Board and the executives who attend Board meetings. Evaluation criteria include the procedure for convening Board meetings, the level of provision of agenda in advance, the frequency of Board meetings, and the effectiveness of oversight functions over the management. The 2023 evaluation results confirmed that the Board of Directors faithfully performed its role, such as deliberating on and resolving matters stipulated by laws or the Articles of Incorporation, important matters related to basic management directive and business execution, and matters regarding establishing governance policies, as well as reviewing management performance.

[2023 Governance and Remuneration System Annual Report \(P. 79\)](#)

## Evaluation of Outside Directors

Kyobo Life conducts evaluations of outside directors every January according to procedures and methods set by the Board of Directors. Evaluations are performed by the directors themselves, other directors, and the team that supports the operation of the Board and its committees. Each outside director receives an overall grade based on annual activities, and the evaluation criteria include expertise, ethics and responsibility, fairness, independence, and diligence. In 2023, all outside directors were given an excellent comprehensive grade as a result of the internal evaluation.

## Remuneration System for Directors

Remuneration for directors is transparently and fairly determined within the remuneration limits approved at the general meeting of shareholders annually. For registered directors (excluding outside directors and audit committee members), remuneration decisions comprehensively consider indicators including profitability, soundness, long-term performance, and leading performance. The amounts and criteria for remuneration are transparently disclosed in the business report.

[2023 Business Report \(P. 548\)](#)

## Management Evaluation and Performance-Based Bonus

Kyobo Life measures the top management's performance using both financial and non-financial indicators. At the beginning of each year, individual performance goals are established, which are designed to contribute to meeting company-wide targets. Evaluations are conducted to measure each individual's contribution to the company's performance, which is then reflected in performance-based bonus.

### Key Performance Indicators for Executives

Financial Indicators	Non-Financial Indicators
<b>Profitability Indicators</b> · New contract CSM, profit-weighted monthly initial premium, investment returns	<b>Customer Satisfaction Indicators</b> · Customer satisfaction, elite customer acquisition
<b>Soundness Indicators</b> · K-ICS ratio	<b>Leading Performance Indicators</b> · Digital innovation, ESG
<b>Growth Indicators</b> · Persistency ratio for protection products	

## Deferral, Adjustment, Redemption, and Payment of Management's Performance-Based Bonus

Kyobo Life pays 40-60% of the performance-based bonus, calculated based on performance evaluation results, as a lump-sum payment in cash, with the remaining amount deferred and paid in cash over three years. During this deferral period, if the company's financial performance is found to be significantly below the target or if losses are incurred due to potential risks, Kyobo Life reserves the right to adjust the variable bonus by reducing the deferred payment, suspending payment, or reclaiming already paid amounts.

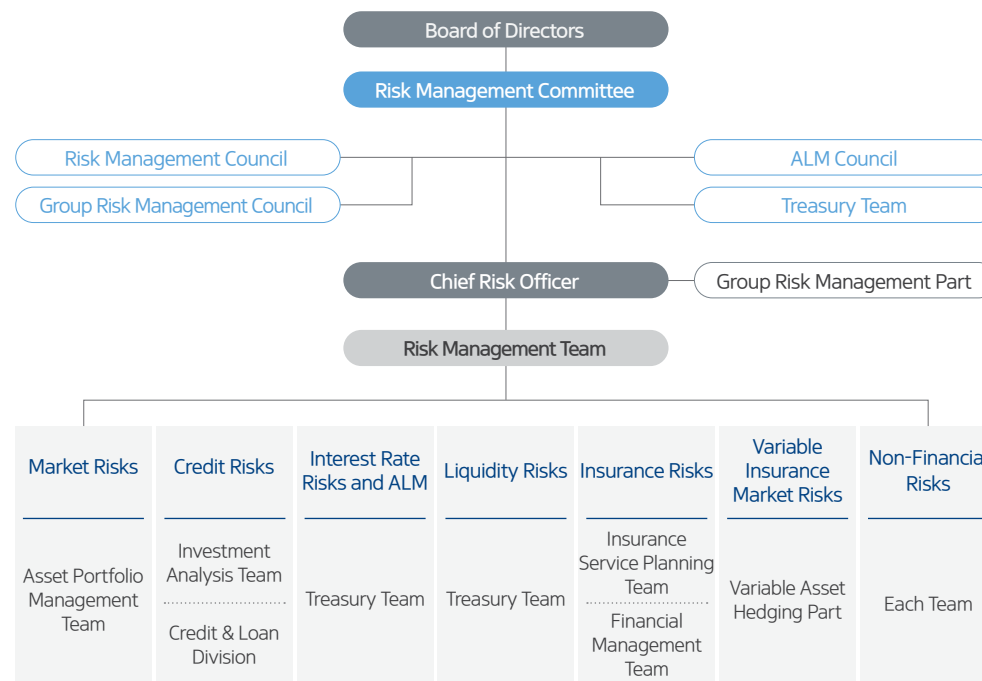
# Risk Management



## Risk Management Structure

Kyobo Life employs an Asset Liability Management (ALM) policy that considers both liabilities and assets from a medium to long-term perspective, aimed at enhancing corporate value. At the beginning of each fiscal year, the company establishes total risk limits as well as caps for individual risks, ensuring continuous monitoring to maintain financial soundness. Kyobo Life has also developed a robust governance structure for systematic risk management, categorizing risks into financial and non-financial types, with dedicated teams assigned to manage each category effectively. Key risk-related decisions, such as setting limits for each risk, are submitted to the Risk Management Council, which includes key executives, and are ultimately reported to the Risk Management Committee within the Board. As a representative financial company within the Kyobo financial conglomerate, Kyobo Life also dedicates a team to overseeing group-wide risk management, striving to ensure the soundness of operations across its entire financial group. The Group Risk Management Council, composed of risk management professionals from its financial affiliates, including Kyobo Securities and Kyobo Lifeplanet, monitors the risk levels within the Kyobo financial group and reports these findings to the Board's Risk Management Committee.

Risk Management Organizational Chart



### Risk Management Principles

Kyobo Life has established risk management principles, which include risk management guidelines and procedures, and actively manages risks that may arise in accordance with these principles.

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

### NOTE

#### Risk Management of a Financial Conglomerate

In 2022, Kyobo Life, along with its affiliated financial companies, was designated as the Kyobo financial conglomerate under the Act on the Supervision of Financial Conglomerates. Accordingly, Kyobo Life has established the "Internal Control Standards of a Financial Conglomerate" and the "Risk Management Regulations of a Financial Conglomerate." The company conducts internal control, risk management, and soundness management activities for the financial conglomerate and regularly reports and discloses related information both internally and externally.

# Risk Management

## Risk Management Process

Kyobo Life operates a company-wide risk management process centered around a dedicated risk management team. This process follows a structured plan, execute, and review system, ensuring that investment, product development, and sales activities are conducted within established risk limits, with continuous monitoring of risk levels. To assess the adequacy of its risk management system, the company conducts an annual Own Risk and Solvency Assessment (ORSA) in accordance with the Regulations on Supervision of Insurance Business, which is subsequently approved by the Board. Additionally, Kyobo Life links key metrics, such as the target K-ICS ratio and risk limits in each risk management area, to its key performance indicators, actively pursuing initiatives to meet these targets.



## Risk Management Areas

Classification		Definition	Management Methods
Financial Risks	Market Risks	· The risk of losses incurred from drops in stock or bond prices due to volatility in stock prices, interest rates, and exchange rates	· Sets and monitors market risk limits and loss limits for securities and derivatives
	Credit Risks	· The risk of losses incurred from transaction counterparties' bankruptcy or an individual's default	· Sets and monitors credit risk limits and transaction limits by borrower, group, and industry
	Interest Rate Risks	· The risk of losses incurred from interest rate spreads or maturity gaps between assets and liabilities	· Sets and monitors interest rate risk limits and target durations
	Insurance Risks	· The risk of losses incurred when benefit payouts exceed expectations	· Sets and monitors insurance risk limits and risk-profit ratio goals
	Liquidity Risks	· The risk of losses incurred from liquidating assets at low prices during a liquidity crunch	· Sets and monitors minimum liquidity limits and liquidity management indicators
	Variable Insurance Market Risks	· The risk of potential financial losses in variable insurance assets or liabilities due to market volatility	· Applies stress test scenarios, hedges net assets of variable insurances through trading derivatives, sets and monitors limits and management indicators
Non-Financial Risks	Operational, Strategic, and Reputational Risks	· The risk of losses incurred due to insufficient responses in business strategy, legal compliance, processes, IT systems, or other operational areas	· Conducts self-diagnosis of scenario-based business environment changes and risks, sets and monitors key risk indicators

## Risk Management

### Audit of Risk Management Process

Kyobo Life's risk management processes are periodically audited by its internal audit team. Internally, the company evaluates its risk management practices through the Risk Assessment and Application System (RAAS). Kyobo Life also undergoes a comprehensive audit by the Financial Supervisory Service (FSS) every five years and incorporates the findings to improve its risk management processes. Additionally, Kyobo Life conducts an annual self-assessment of its risk management practices within the Kyobo financial conglomerate to identify and implement tasks needing improvement. It also undergoes an annual additional risk assessment and a triennial risk management evaluation by the Financial Supervisory Service to further enhance its risk management framework.

### Risk Management Education

Kyobo Life provides various education programs to develop and enhance the risk management expertise of its employees. New members of the Risk Management Committee receive comprehensive training on risk and economic conditions. Employees of the risk management teams of the Kyobo financial conglomerate's affiliates and newly joining companies receive training on the group's risk management framework and status. Kyobo Life organizes seminars led by external experts on major risk topics for employees in risk management and related teams. To foster risk management professionals, the company also participates in risk management training programs offered by external institutions. Additionally, each team holds a biannual "Risk Communication Day," supervised by team leaders.

### Risk Management in Product Development Process

Kyobo Life exercises utmost caution in designing its products to ensure that risks associated with insurance policies do not arise from unforeseen issues during the product development phase. The company rigorously inspects its pricing strategies to prevent the occurrence of insurance risks due to incorrect pricing. Additionally, scenario-based profit and loss (P&L) analysis is conducted during the product development phase, and potential risks related to product development and changes are reviewed in advance. After the sale of each product, the company regularly compares actual performance against expected P&L and implements appropriate measures when unexpected risk factors are identified.



# Sustainable Investment (ESG Investment)



## Sustainable Investment (ESG Investment Framework)

As a responsible steward of customers' assets, Kyobo Life invests in sustainable companies engaged in sound and ethical business practices. The company applies a systematic process for sustainable investments. Each asset management team identifies businesses or projects with a strong focus on ESG factors. These potential investments are then reviewed and evaluated by the Investment Asset Screening Working Council, which includes leaders from each team, and further deliberated by the Investment Asset Screening Committee, composed of relevant executive management. Kyobo Life also ensures systematic monitoring of investments following the screening and execution process.

### Organizations and Roles in the Sustainable Investment Process



## Establishment of a Sustainable Investment Policy<sup>1)</sup>

In March 2022, Kyobo Life established a sustainable investment policy that includes the structure, scope, and principles of sustainable investment. The company also incorporated the Korean Green Taxonomy (K-Taxonomy) Guidelines, announced in June 2023, into its policy.

1) The scope of application includes retail lending, stocks, bonds, alternative investments, etc

[Sustainable Investment Policy](#) 🔍

### Principles of Sustainable Investment (Six Principles)

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




# Sustainable Investment (ESG Investment)

## Introduction of Sustainable (ESG) Investment Evaluation Checklist

Kyobo Life employs an ESG evaluation checklist when screening investments in Korean companies and project financing. Each specified criterion is scored on a scale from 1 to 5. Based on these scores, an overall grade is assigned for each ESG sector: A (Excellent), B (Satisfactory), C (Average), D (Insufficient), and E (Inferior). The grading also considers whether the company or project is associated with harmful industries or industries with known issues. Investments may be restricted or limited based on the grade assigned during the screening process.

1) Kyobo Life designates tobacco (global tobacco manufacturers) and inhumane weapons (cluster munitions, anti-personnel mines, etc.) as harmful industries and prohibits investments in these sectors as part of its social responsibility investment strategy.

### ESG Evaluation Process

-  Checked whether it falls under harmful industries or industries with issues
-  ESG evaluation is conducted
-  Grade for each ESG factor and a comprehensive grade is assigned

### ESG Checklist Evaluation Items

E (Environmental)	S (Social)	G (Governance)
· Environmental regulations	· Labor environment	· Investment structure
· Resource usage	· Fair trade	· Cash flow
· Pollutant emissions	· Fair competition	· Investor rights
· Environmental innovation	· Community benefits	· Information transparency

### Current Status of ESG Investments

(Unit: KRW 100 million)

Category		2023
Alternative Investments	Environmental (Renewable Energy)	52,910
	Social (Basic Infrastructure)	20,812
Bonds	Green Bonds	4,771
	Social Bonds	3,359
	Sustainable Bonds	1,531
Stocks		-
<b>Total</b>		<b>83,382</b>

## Environmentally Friendly Investment Based on the Korean Green Taxonomy Guideline

Kyobo Life executes green investments based on the Korean Green Taxonomy Guidelines. These investments include renewable energy generation facilities, such as solar and wind power, wastewater and waste treatment facilities, green transportation infrastructure like railways, green-certified buildings, and green bonds issued for projects aimed at improving energy efficiency or reducing air pollution. Beginning with investments in solar energy generation in 2007, Kyobo Life has expanded its green energy investments to include wind power in 2013 and fuel cell projects in 2018. In executing these investments, Kyobo Life carefully considers the repayment stability of the project through generation capacity guarantees by construction and maintenance companies. Going forward, the company will continue to promote an ESG-centered investment culture by further expanding its green investments.

### CASE STUDY

#### Roof-Mounted Solar Power Project at the Defense Installation Agency

Kyobo Life is participating in a roof-mounted solar generation project at the Defense Installation Agency. The project aims to construct solar power plants with a total capacity of 8MW across four sites, including the Second Transportation Training Regiment in Gyeongsan, Gyeongsangbuk-do, and the Special Warfare School in Gwangju, Gyeonggi-do. This initiative will result in the operation of a 7,997.05 kW solar power generation facility. The roof-mounted solar panel project, which efficiently utilizes the rooftops of existing buildings, involves the issuance of Renewable Energy Certificates (REC) that specify the supply calculated by multiplying the weighted value (1.5) by the actual amount, in accordance with the Act on the Promotion of the Development, Use and Diffusion of New and Renewable Energy. The certified REC capacity is then sold to power generation subsidiaries (Korea South-East Power, Korea Western Power, Korea Midland Power). Kyobo Life executes these investments after carefully considering repayment stability, which is ensured by generation capacity guarantees provided by the builders and maintenance companies.



# 2023 Activities for Stakeholders

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Harmonizing with Affiliated and Partner Companies	95
Partnering with Government and Local Communities	100









## Sustainability Management System

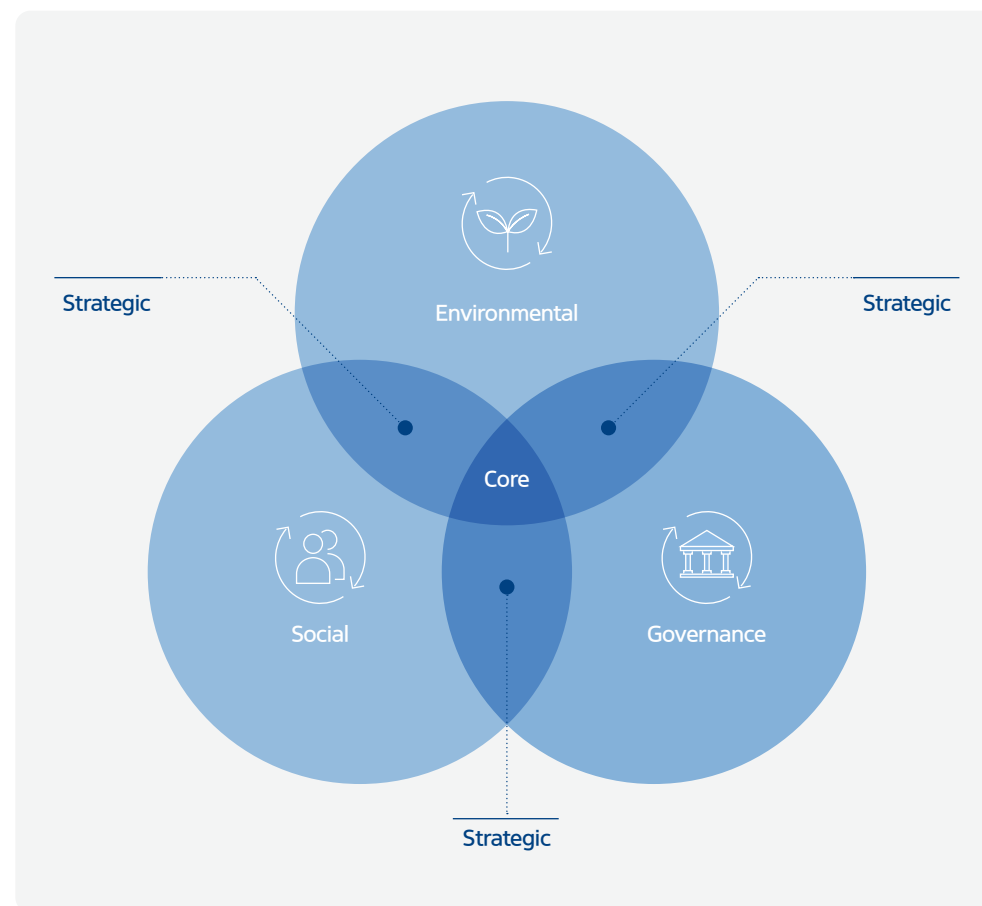
Since its founding, Kyobo Life has consistently upheld a management philosophy centered on sustainability. In 2011, this commitment was further solidified into a formal sustainable management philosophy of "pursuing the mutual growth with all stakeholders." Adhering to international standards such as ISO 26000, AA1000SES, and GRI Standards, Kyobo Life identifies its stakeholders as customers, financial planners, employees, investors, ecosystem players including affiliates and partners, as well as government entities and local communities. The company has established specific commitments and guiding principles tailored to each stakeholder group. Kyobo Life is dedicated to the active implementation of these commitments and principles to promote mutual growth with all stakeholders.

### Kyobo Life's Stakeholders

**Sustainable Management Philosophy** — "Pursue the Mutual Growth with All Stakeholders"

Stakeholders	Commitment	Definition	Mapping of Stakeholder
Customers	 A Company That Provides Well-Rounded Customer Protection	Any individuals or groups enrolled in or with the potential to enroll in products created through the economic activities of Kyobo Life	Core Stakeholder
Financial Planners	 A Company That Thrives Alongside Financial Planners	Any individuals or groups delegated with the brokerage of insurance contract signing or ancillary works for the maintenance of such policies from Kyobo Life	
Employees	 A Company That Grows with Its Employees	Any individuals or groups who are part of Kyobo Life, providing work or services and receiving corresponding compensation from the company	
Shareholders and Investors	 A Company That Attracts Investors	Any individuals or groups who provide capital to Kyobo Life with the purpose of pursuing specific profit	Strategic Stakeholder
Affiliates and Partners (Ecosystem Players)	 A Company That Harmonizes with Affiliated and Partner Companies	Any individuals or groups who are part of Kyobo Life's business ecosystem through transactions, investments, and partnerships with the company	
Government and Local Communities	 A Company That Partners with the Government and Local Communities	Any communities that directly or indirectly impact Kyobo Life's business operations and are also affected by these operations	

### Kyobo Life's Mapping of Stakeholders





# Providing Well-Rounded Customer Protection

## Principles

- We will listen to our customers attentively and manage the company from their perspective.
- We will enhance our service quality from enrollment to retention and claims payment.



## Communication Channels (Frequency)



Customer Satisfaction Survey (annually)



VOC (Voice of Customers) (at all times)

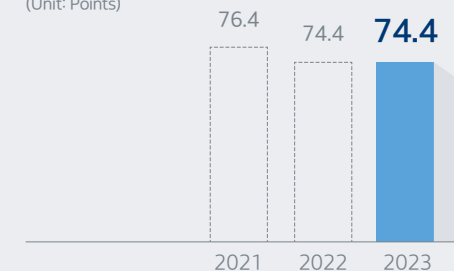


Website and YouTube Channel (at all times)

## Key Performance Data

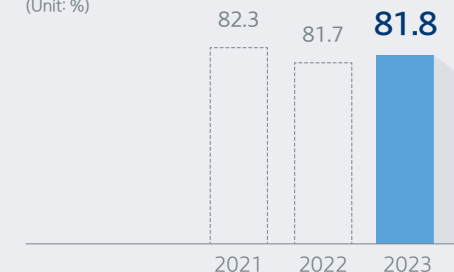
### Customer Satisfaction Score

(Unit: Points)



### Persistency Ratio (13<sup>th</sup> month)<sup>1)</sup>

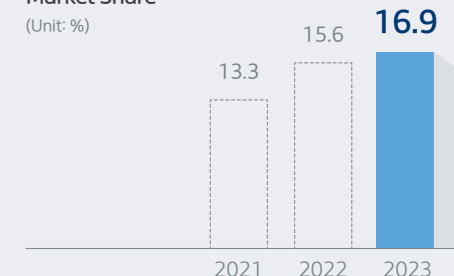
(Unit: %)



<sup>1)</sup> Calculated as: Total value of retained policies in the 13<sup>th</sup> month / Total value of policies established in the 13<sup>th</sup> month x 100 (Includes two overdue payments, accumulated)

### Market Share

(Unit: %)



## Customer Experience Innovation Based on Digital Technology


Kyobo Life is committed to revolutionizing the customer experience through digital technology. By leveraging digital advancements, the company aims to provide more convenient services throughout the entire insurance process, from enrollment to persistency and benefits payment. Additionally, Kyobo Life is collaborating with big tech firms to deliver new experiences and added value to its customers.

### Enrollment - Visible Enrollment Service Using Mirroring Technology

In October 2023, Kyobo Life launched a visible enrollment service which enables customers and consultants to share and review electronic documents without the need for face-to-face interactions. Through this service, customers can not only hear the consultant's voice but also visually verify key details of the insurance products on their smartphone screens while proceeding with the application. Additionally, customers can personally provide consent and verify their identification, helping to prevent mis-selling and security incidents. With this service, Kyobo Life has successfully reduced the average enrollment time from 40 minutes to 20 minutes.

**Visible Enrollment Service**


Customer



Share

◀ ▶

Consultant



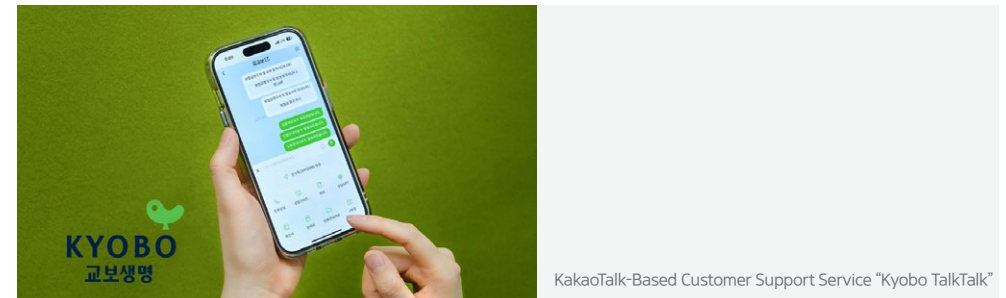
“ It’s much easier to understand when I can follow along with the same document being explained! ”

—

The consultant and customer can view the same web screen (such as on a smartphone)

### Persistency - Launch of “Kyobo TalkTalk” Customer Support Service on KakaoTalk

In March 2024, Kyobo Life became the first in the Korean insurance industry to launch a customer support system based on popular messaging platform KakaoTalk. Through this system, customers can easily inquire about and confirm insurance-related matters with Kyobo Life financial planners using their existing KakaoTalk account, without the need for installing any additional software. Financial planners can conveniently send insurance policies, product proposals, enrollment forms, and product information materials through KakaoTalk.



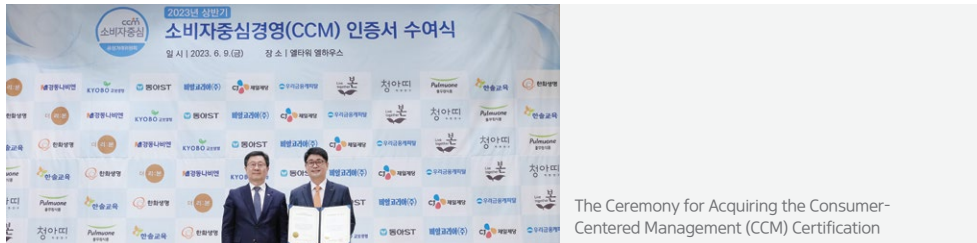
### Benefits Payment - Simplified Claims Process for Medical Indemnity Insurance

Previously, policyholders had to obtain and submit various documents from hospitals to claim medical indemnity insurance reimbursements. However, Kyobo Life now offers a simplified claims service through its mobile app and website. When customers apply for this service, the claims information (images, data) is transmitted from the partnering organization to the insurance company, allowing for a hassle-free claim process without paperwork. Around 4,600 hospitals and clinics nationwide are currently participating as partner hospitals, with plans for further expansion. This simplified claims service was proactively implemented in advance of the new legislation on medical indemnity claims simplification, which is scheduled to take effect in October 2024.

# Consumer-Centered Management

## Acquiring the Consumer-Centered Management (CCM) Certification for Nine Consecutive Times

The Consumer-Centered Management (CCM) certification is a system that evaluates and certifies whether a company conducts all its activities from a consumer perspective and continuously improves its related management practices. Since the introduction of CCM in 2007, Kyobo Life has actively promoted consumer-centered management across the entire operations, acquiring the CCM certification for the ninth consecutive time in 2023.



The Ceremony for Acquiring the Consumer-Centered Management (CCM) Certification

## Recognized as an Excellent Company in Consumer Protection in Korea

The Korean Consumer Protection Index (KCPI), administered by the Korea Management Association Consulting (KMAC), measures customers' perceptions of the quality of the company's consumer protection services. This index evaluates how well customers, who have directly experienced products and services, perceive a company's efforts to protect consumer rights at various stages of the consumption process. The KCPI assesses over 20 detailed items across different stages, including before, during, and after the use of products and services, covering areas such as responsiveness to consumer demands, consumer understanding, convenience, and handling of consumer complaints. Kyobo Life was selected as an Excellent Company in the Korean Consumer Protection Index for three consecutive years, from 2021 to 2023.



2023 Award Ceremony for Excellent Consumer Protection Companies in Korea

## Consumer Protection Charter

Kyobo Life established the "Consumer Protection Charter" in 2014, formalizing the company's efforts to protect consumers. The Consumer Protection Charter outlines Kyobo Life's commitment to consumer protection, including the fundamental direction and principles of action. The Charter emphasizes providing equal value to all customers, including financially underserved groups, from a consumer protection standpoint.

### Consumer Protection Charter

Kyobo Life is dedicated to helping everyone lead prosperous lives by enjoying diverse cultural experiences and achieving intellectual, financial, and social growth throughout their lives. This mission is carried out by adhering to the core values of "Tenacity and Creativity," "Customer-Oriented," and "Honesty and Integrity." Kyobo Life commits to the following principles to protect its customers:

- First,** Listen attentively to customers, consider their perspectives, and act without discrimination toward financially underserved customers.
- Second,** Actively incorporate customer feedback in the development of products and services.
- Third,** Provide accurate information about Kyobo Life's products and services to enable rational customer choices.
- Fourth,** Handle complaints promptly and fairly.
- Fifth,** Comply with laws and procedures to ensure the safety of customer information and assets.

# Thriving Alongside Financial Planners

## Principles

- We will respect and trust our financial planners as business partners.
- We will establish a fair process, ensuring they can comfortably engage in sales and service-related activities.
- We will support them in becoming insurance specialists.



## Communication Channels (Frequency)



Financial Planner Satisfaction Survey (annually)



Consultant Complaint Support Center (at all times)



Roundtable Meetings for Outstanding Financial Planners (four times a year)

## Key Performance Data

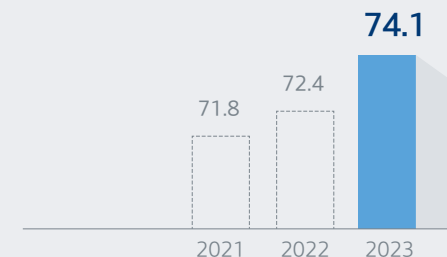
### Number of Financial Planners

(Unit: Persons)



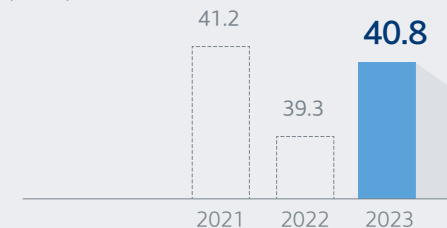
### Financial Planner Satisfaction Survey (DSI)

(Unit: Points)



### Financial Planner Settlement Ratio (13<sup>th</sup> Month)

(Unit: %)



# Enhancing Financial Planner Competencies

## Accelerating the Establishment of MDRT Culture

The Million Dollar Round Table (MDRT) is a prestigious association of financial planners in the life insurance industry, recognized for prioritizing customers' interests above all. Kyobo Life has been offering a wide range of programs designed to encourage its financial planners to join the ranks of MDRT members. The company has officially committed to establishing the Kyobo MDRT culture and supports this through various initiatives. These include operating and training financial planners via MDRT study groups within each regional support unit, and organizing an annual MDRT Day. This event brings together financial planners who have achieved MDRT membership, along with organizational leaders from sales sites and HQ team leaders.







### 2023 Kyobo MDRT Day

The theme for the 2023 Kyobo MDRT Day was "Kyobo Financial Planners: Pursuing Long-Term and Sustainable Success." Held at the company's HRD Training Center, the event featured a variety of programs, including lectures by guest speakers, the sharing of best practices, and a formal dedication to the MDRT culture.

### MDRT Study Groups

Kyobo Life operates MDRT Study Groups to support the development of outstanding financial planners. Each regional support unit forms a study group led by an MDRT member, with financial planners aspiring to MDRT membership. These groups meet voluntarily throughout the year. Leaders receive additional training to help them effectively manage the groups, and all participants are invited to attend the Kyobo MDRT Day.

#### 2023 Kyobo MDRT DAY Program

Sharing the MDRT Culture		Capacity Building	
Communication	Guest Speaker Lectures (I)	Guest Speaker Lectures (II)	
<b>Chairman and CEO</b> · Sharing and encouraging the Kyobo MDRT culture 	· A talk on strengthening the mindset for long-term and sustainable growth through understanding and insights into psychology 	· A motivational lecture sharing the beginner's mind, diligence, and sincerity needed for long-term success as a master of pansori (traditional Korean opera) 	
Information/Knowledge Sharing		Motivation	
MDRT FP Lectures	Lunch & Class	Encouragement	
<b>Learning and Sharing</b> · Excellent FP practices · Overcoming adversity and passion · Practical cases from study groups · Stories from senior FPs 	<b>Motivation</b> · The science of persuasion · Time to change my activities 	<b>Encouragement and FP-Ship Promotion</b> · MDRT ethical pledge · Introduction to MDRT/COT/TOT · Ceremonies for new whole life and honor rolls 	

### Kyobo Life's MDRT Culture

- 1— Be generous to customers to achieve greater success (while adhering to sales ethics).
- 2— Uphold the dignity of life insurance and work passionately toward your goals.
- 3— Approach work with vibrant, positive energy.
- 4— Cultivate a passion for continuous learning.
- 5— Seniors should sincerely guide juniors, while juniors show respect toward seniors.
- 6— Aim for long-term and sustainable success.
- 7— Do not hesitate to extend a helping hand to those in need (through volunteer work).

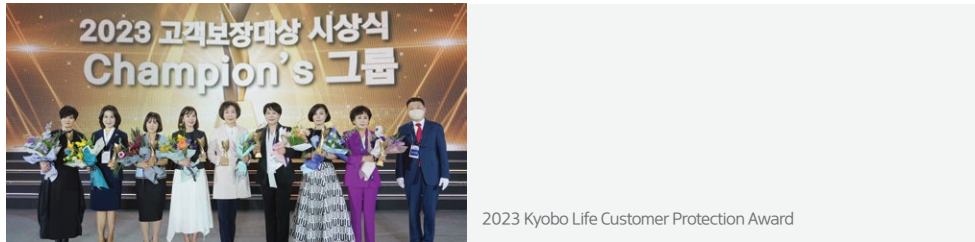


Kyobo MDRT Day Event

## Support for Financial Planner Activities

### Customer Protection Award

Kyobo Life hosts the annual Customer Protection Award to recognize and reward outstanding financial planners who exemplify the values of customer protection, driven by a strong sense of duty and pride as Kyobo Life financial planners. The 2023 award, which resumed after a four-year hiatus due to the pandemic, saw the participation of approximately 850 financial planners. The theme for this year's award, "Brightening Up the World with Your Shine," symbolizes how financial planners are like stars, always by their customers' side, illuminating the world. Kyobo Life deeply respects and appreciates the efforts of its exceptional financial planners and remains committed to supporting them in providing comprehensive protection with pride.



2023 Kyobo Life Customer Protection Award

### Operation of the Consultant Complaint Support Center

Kyobo Life was the first in the industry to establish a dedicated team to listen to and address the grievances of its financial planners in 2012. In 2018, this initiative was further expanded with the launch of the "Consultant Complaint Support Center." The Center promptly receives and addresses challenges faced by financial planners through its system. Key issues raised are discussed by the Consultant Complaint Support Council, which includes leaders from the relevant teams. Kyobo Life is committed to attentively listening to the concerns of its financial planners and actively addressing them.

#### Consultant Complaints Submitted and Addressed

Category	Units	2022	2023
Number of Cases Addressed (monthly average)	Cases	103.8	80.9
Immediate Addressing Rate	%	75.6	78.4
Average Addressing Time	Days	1.9	2.1

### Support for Overseas Language Training for the Children of Outstanding Financial Planners

Since 2004, Kyobo Life has been the first in the industry to offer overseas language training support for the children of outstanding financial planners. The company provides a top-tier overseas training program for the children of financial planners who meet specific criteria, such as achieving annual sales target, recruiting new financial planners, and maintaining a high persistency ratio. The program selects participants for both summer and winter sessions. In 2023, selected children participated in a two-week language training program in Canada and New Zealand. Participants receive level-appropriate English lessons from native-speaking teachers and stay with local host families, allowing them to experience overseas living and culture. They also have the opportunity to take part in various experiential programs operated locally. Over the past 20 years, approximately 3,000 students have participated in this program, with parents expressing high satisfaction and trust in this company-operated initiative.



Overseas Language Training for Outstanding Financial Planners' Children

# Growing with Employees

## Principles

- We will continue to foster a vibrant corporate culture characterized by joy, pride, and trust.
- We will provide equal opportunities and compensate employees based on fair evaluation.
- We will support their growth and development into professionals.



## Communication Channels (Frequency)



Labor-Management Council  
(quarterly)



In-house Idea Proposal  
(at all times)



Management Status Briefing  
(semi-annually)

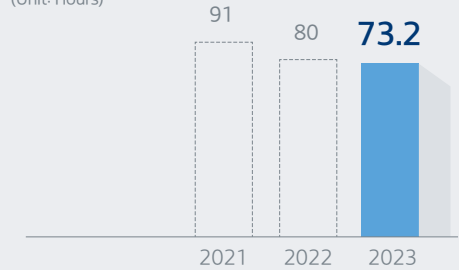


Employee Complaint Center  
(at all times)

## Key Performance Data

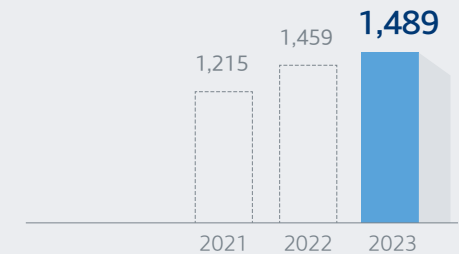
### Education Hours per Person

(Unit: Hours)



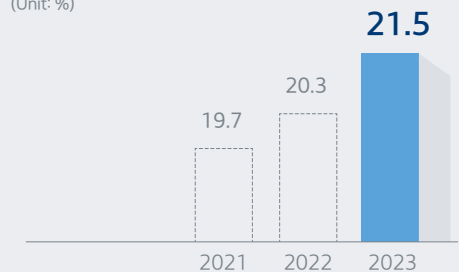
### Education and Training Cost per Person

(Unit: KRW Thousand)



### Ratio of Women in Managerial Positions<sup>1)</sup>

(Unit: %)



<sup>1)</sup> Calculated as: Total number of female managers / Total number of managers x 100

# Digital Work Environment

## Introduction of the BizLens<sup>®</sup> Data Analysis Portal System

Kyobo Life has introduced BizLens<sup>®</sup>, a cloud-based AI data analysis system that allows employees to perform data analysis, visualization, and the development of analytical models directly from their existing work PCs. Previously, data extraction, analysis, and visualization were conducted using separate programs. However, with the introduction of this system, various data-related tasks can now be performed within a single platform. Kyobo Life plans to continue improving the system and providing training to ensure that all employees can easily utilize the latest AI data analysis environment.

## Introduction of KyoboGPT

Kyobo Life launched KyoboGPT to enhance work productivity by empowering employees to utilize AI more effectively and to deliver better customer value. KyoboGPT operates on the company's internal network, ensuring that data inputs are not transferred to OpenAI, thereby allowing the use of ChatGPT features without security concerns. To encourage active use of the system, the company is offering educational programs aimed at ultimately enhancing the digital capabilities of its employees.

### Features of BizLens<sup>®</sup>

#### Data Exploration

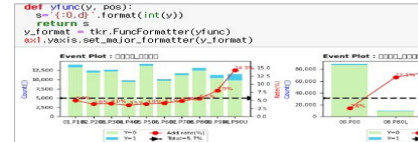
Extract data and save results using SQL queries for tasks that require data retrieval

```

1 select floor((s.age2/10) * 10) as age2,
2     avg(kcis_mca_cnr_cnt) as avg_kcis_mca_cnr_cnt,
3     avg(kcis_mon_pa_prm) as avg_kcis_mon_pa_prm,
4     avg(tot_pay_ord_sch) as avg_tot_pay_ord_sch
5 from a1model_dw_bds_vsbds00020
6 where 1=1
7 and base_ynd = '20240318'
8 and kcis_mca_cnr_cnt > 1
9 group by floor((s.age2/10) * 10)
10 order by s.age2 asc
    
```

#### Data Analysis (Notebook)

Use Python and Jupyter Notebook to analyze data and develop models with internal and external data



#### Data Analysis (AutoML)

Perform data analysis and prediction with just a few clicks, without writing any code



#### Data Visualization

Create easy-to-use data visualizations and share dashboards



### FY2023 제7회 이노랩 체험활동

#### 교보 GPT의 이해



임직원 여러분들의 많은 참여 부탁드립니다 ^^

<b>일시 / 장소</b> 8월 24일(목) 점심시간! (11시 50분 ~ 13시) 본사 4F "이노베이션랩" 라운지	<b>접수방법</b> 참여신청 이지모아 "이노베이션랩" 배너 클릭 → 참여하기 → "이벤트 참여신청" → "작성" ※ 기간 : 8/17(목) ~ 21(월) 3일간!
<b>내용</b> - 교보 GPT 소개 ..... (25분) - 교보 GPT 체험 ..... (25분) - 우수자 시상 ..... (10분)	<b>선발결과</b> 8/21(월), 이메일로 개별 공지  <del>우대사항</del> 1순위) 첫 GPT 초보자 환영 2순위) 참여를 원하는 분 누구나
<b>혜택</b> 참여자 전원 : Lunch Box 제공! 우수자 시상	블루투스 마우스 - 우수상 -  스타벅스 커피 - 평운상 -



KyoboGPT Class for Employees

An Educational Poster Introducing KyoboGPT



# Organizational Culture

## Work Diet

Kyobo Life implemented the "Work Diet" initiative to foster an innovative environment where employees can actively generate creative ideas by eliminating or minimizing low-priority or unnecessary tasks. As part of this initiative, each team establishes specific Work Diet tasks, devises an execution plan for six weeks, and monitors the results after three months. In 2023, the initiative was expanded to include seven sales force organizations, with 92 out of 129 Work Diet targets successfully accomplished.



### 2023 Work Diet Implementation Results (Sales Force)

Number of Participants	Number of Work Diet Tasks	By Type			Estimated Time Savings (per person)
		Elimination	Reduction	Improvement	
274 employees (34.1%)	129 tasks (18.4 tasks per team)	20 tasks (15.5%)	18 tasks (14.0%)	91 tasks (70.5%)	Approximately 27 minutes per day

## Reverse Mentoring

Reverse mentoring is a program designed to foster horizontal communication between leaders and team members, where junior employees act as mentors to their managers, engaging in various interactive activities. In 2023, senior executives participated as mentees, voluntarily engaging in a range of activities focused on the use of social media, experiencing various digital technologies, and exploring popular places and trends.

### CASE STUDY

#### Reverse Mentoring Participant Interviews

##### Mentee: Team Leader

"I needed an opportunity to understand the mindset of the younger generation and learn new knowledge, and reverse mentoring served this role well. I am grateful for this opportunity. It has greatly helped in broadening the understanding and trust between generations. Through genuine communication, I believe we can solve various problems and achieve greater outcomes."

##### Mentor: Junior Employee

"It was a great opportunity to bridge the gap with our managers, who previously felt distant. Particularly, it was enjoyable to share stories about the company with leaders of different teams through reverse mentoring. Thanks to the active participation of our team leader, I had a lot of fun and would love to participate again."

## Organizational Culture

### Operation of the Internal Venture Program

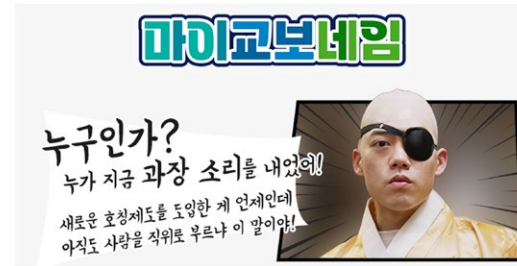
Kyobo Life has been operating an internal venture program since 2021. This program was initiated to spread a culture of challenge and creativity within the organization and to discover new growth engines. In 2023, the third round of the program began. A total of 78 employees proposed 80 ideas, and through document screening, employee voting, and in-person evaluations by experts, twelve teams were initially selected. These teams underwent a three-month nurturing process within the company before competing in government support projects. Four teams were selected for these projects and participated in a one-year formal internal venture process. In early 2024, the second-round internal startup, "Haenenda (We Make It) Company," successfully spun off as an independent company. Haenenda Company's core service is "1 PM," a child management platform for working moms. As Kyobo Life's first independent spin-off, Haenenda Company will continue to build a sustainable business model in collaboration with Kyobo Life. Kyobo Life plans to continue operating the internal venture program to foster a challenging and creative organizational culture.



Kick-Off of the Third-Round Internal Venture Program

### Implementation of the English Name System: "My Kyobo Name"

As part of its efforts to create a horizontal and flexible organizational culture, Kyobo Life introduced the "My Kyobo Name" initiative. This campaign encourages all employees to address each other by their English names, regardless of rank, age, or years of service, thereby eliminating traditional job titles such as assistant manager, manager, or senior manager. However, at customer contact points and sales sites, titles like "head of the branch" or "teller" are still used to accommodate the specific nature of the work. Kyobo Life has launched a variety of campaigns to support this English name initiative and will continue to foster a culture that prioritizes tasks over titles.



The "My Kyobo Name" Campaign

#### CASE STUDY

##### Employee Interview on the My Kyobo Name Initiative

###### Scarlett, Gangdong Loan Center

"I find that using polite language feels more natural after addressing someone by their English name, partly because we're not accustomed to it. However, this practice helps us be more respectful of each other's opinions. With a heightened sense of respect, I feel a greater responsibility. As a result, I now approach discussions with a stronger sense of accountability."



# Attracting Investors

## Principles

- We will continue to generate sustainable profits through ethical and responsible growth.
- We will enhance corporate value by proactively managing financial and non-financial risks.



## Communication Channels (Frequency)



IR, Business Disclosures  
(at all times)



Sustainability Report  
(annually)



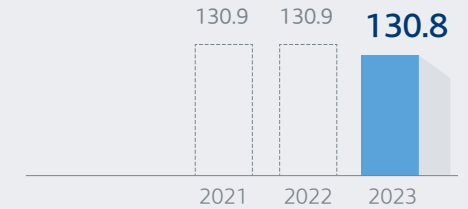
General Meetings of Shareholders  
(at least once a year)



Governance and Remuneration System  
Annual Report (annually)

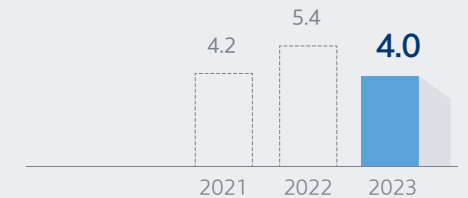
## Key Performance Data

**Total Assets<sup>1)</sup>**  
(Unit: KRW Trillion)



1) The classification and measurement of financial assets adhered to IAS 39 until FY2022. From FY2023, IFRS 9 has been applied.

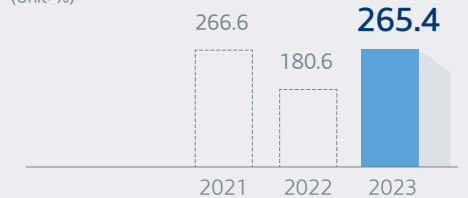
**ROE (Return on Equity)<sup>2)</sup>**  
(Unit: %)



2) Return on Equity (ROE) was calculated as:  
= Net Income / {(Equity Capital at the Beginning of the Period + Equity Capital at the End of the Period)} x 100, based on consolidated financial statements

\* The classification and measurement of financial assets adhered to IAS 39 until FY2022. From FY2023, IFRS 9 has been applied.

**Solvency Ratio<sup>3)</sup>**  
(Unit: %)



3) The RBC ratio was utilized up until FY2022, while the K-ICS ratio has been applied from FY2023

## Financial Soundness

### Maintenance of Stable Financial Soundness

Kyobo Life consistently endeavors to maintain financial soundness, a critical competitive factor in the insurance industry. With 2023 marking the first year of implementing the International Financial Reporting Standards for Insurance Contracts (IFRS 17) and Korea's new solvency system (K-ICS), Kyobo Life has been proactively preparing by building the necessary infrastructure and systems since 2016. Additionally, the company closely monitors and responds to regulatory changes to minimize the impact of IFRS 17 and K-ICS implementation on its financial stability. For instance, Kyobo Life proposed a differentiated shock coefficient by product group, tailored to the characteristics of each product group, to address the mass lapse risk newly added to insurance risk under K-ICS. This proposal led to regulatory adjustments in December 2023, effectively reducing the company's exposure to mass lapse risks. By the end of 2023, Kyobo Life's K-ICS solvency ratio stood at 265.4%, significantly exceeding the financial authority's recommended solvency ratio.

\* K-ICS is a new solvency regime that assesses insurance liabilities at market value rather than absolute terms. It enhances the level of confidence compared to the previous RBC system and expands the scope of risks that are measured.

### Industry Top Credit Ratings

Kyobo Life has been recognized for its excellent financial stability and ability to pay claims by maintaining the highest credit ratings from domestic and international credit rating agencies. As of 2024, Kyobo Life received an A1 (stable) rating from Moody's and an A+ (stable) rating from Fitch Ratings, which are among the highest in the industry. Additionally, Kyobo Life maintains the highest credit rating of AAA (stable) from Korea's three major credit rating agencies: Korea Ratings, Korea Investors Service, and NICE Investors Service.

#### Kyobo Life's Credit Ratings

International		Domestic		
<b>MOODY'S</b> <b>A1</b>	<b>FitchRatings</b> <b>A+</b>	<b>AAA(Stable)</b>		
Moody's: A1 rating maintained for ten consecutive years (2015-2024)	Fitch: A+ rating maintained for twelve consecutive years (2013-2024)	Korea Ratings	Korea Investors Service	NICE Investors Service

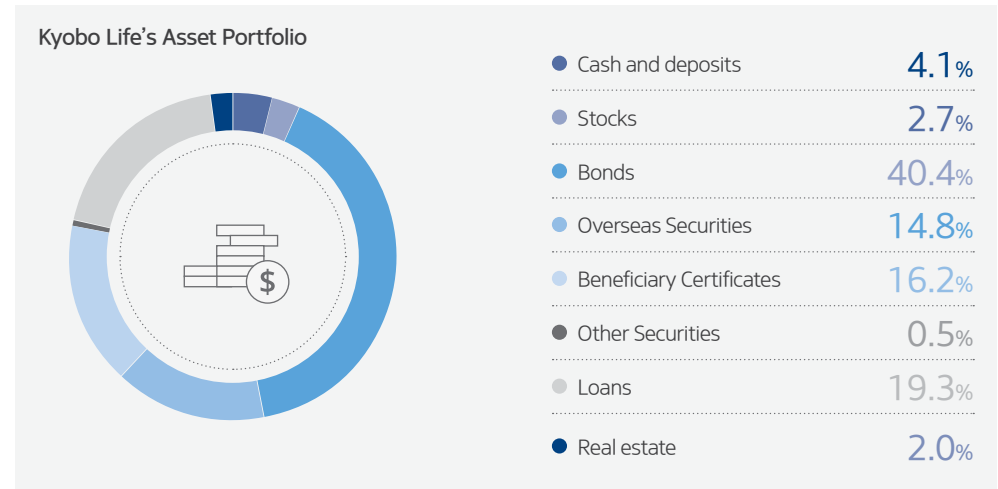
## Stable Asset Management

### Basic Principles of Asset Management

Kyobo Life is committed to achieving stable investment returns as part of its pursuit of long-term mutual growth that benefits both the company and its stakeholders. As a diligent steward of customer assets, Kyobo Life makes investment decisions with careful consideration of risks and opportunities, prioritizing stability, liquidity, profitability, public good, and ESG factors. This approach underscores the company's dedication to prioritizing customer interests while also fulfilling its social responsibility. Kyobo Life's investment philosophy is firmly rooted in maintaining stable and sustainable investments aligned with these guiding principles.

### Asset Management Performance

At the end of FY2023, Kyobo Life's assets under management totaled KRW 97.3 trillion, reflecting a 5.8% increase compared to the same period last year, driven by the rise in the book value of securities due to declining interest rates. Kyobo Life increased its investments in both domestic and overseas bonds to expand its portfolio of long-term assets with fixed interest rates. Additionally, factors such as trading of long-term and short-term bonds, which capitalized on high volatility in interest rates, and the strong yields from interest-bearing assets contributed to an investment return of 3.44%, marking a 0.09 percentage point increase compared to the previous year.



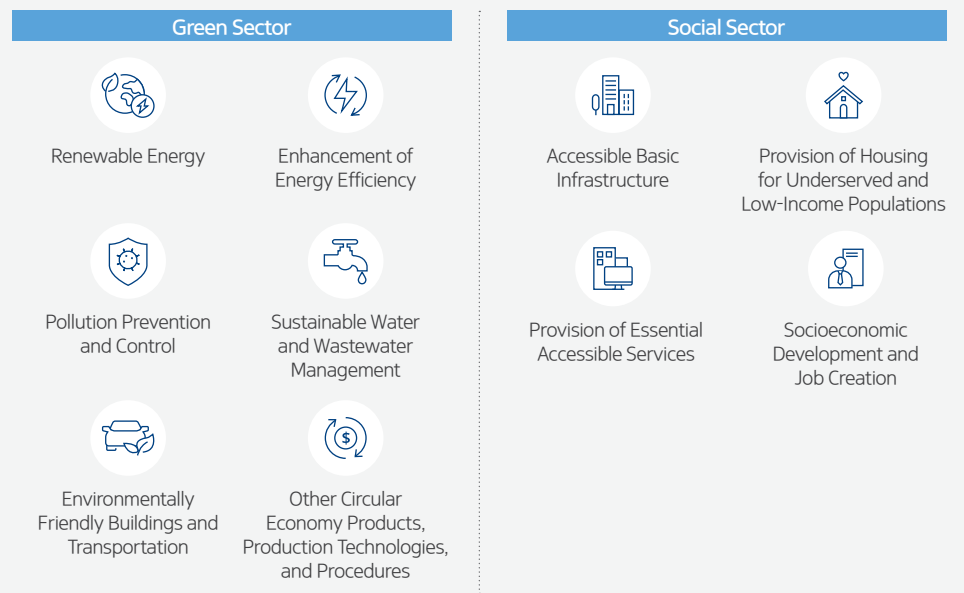
# Stable Asset Management

## Issuance of Sustainability Bonds

Kyobo Life has been issuing sustainability bonds to strengthen financial soundness and expand ESG investments. Following the issuance of sustainability bonds worth KRW 470 billion in September 2021 and USD 500 million (approximately KRW 644.9 billion) in June 2022, Kyobo Life issued an additional KRW 500 billion in sustainability bonds in May 2023. The company has established a sustainable bond framework to systematically manage the funds raised through these bonds. Kyobo Life's sustainable bond framework has been evaluated by Korea Ratings, DNV, and NICE Investors Service, and has been found to be in compliance with the Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines set by the International Capital Market Association (ICMA). The funds raised from sustainability bonds are invested in green and social sectors according to this management system. Post-investment reporting on the use of these funds is publicly disclosed on Kyobo Life's website.

[Sustainability Bond Framework](#)

### Allocation of Proceeds from Sustainability Bonds



## CASE STUDY

### Report on the Allocation of Proceeds from Sustainability Bonds (June 2024)

In June 2022, Kyobo Life issued sustainability bonds amounting to USD 500 million. The funds raised through these bonds were allocated to environmental and social sectors, with detailed allocation information disclosed on Kyobo Life's website in June 2024.



### Details on the Allocation (Issued in June 2022)

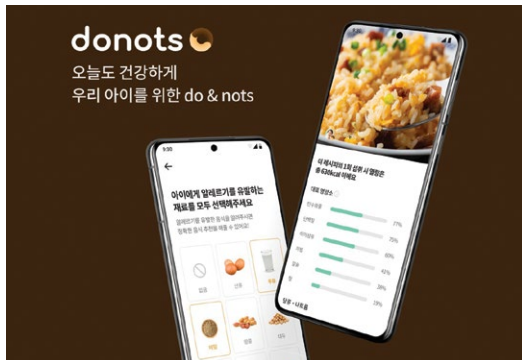
Category	Project	Areas	Investments (KRW 100 million)
Environment	Eco-Friendly Buildings	Buildings with the LEED or Green Building certifications	3,595
	Renewable Energy	Solar power generation	1,985
	Enhancement of Energy Efficiency	Combined-cycle power plants	661
	Sustainable Water and Wastewater Management	Construction of public water and wastewater treatment facilities	116
Society	Provision of Basic Accessible Services	Construction of social infrastructure	91

## Digital-Based New Growth Drivers

### Launch of “donots,” a Platform for Infant and Toddler Health

To secure new growth drivers in the digital age, Kyobo Life has established a corporate strategy and is advancing into the platform business. In 2023, Kyobo Life launched its second platform, “donots.” The “donots” service is designed for parents of infants and toddlers, providing customized recipes and nutritional information tailored to their children’s age and characteristics. Additionally, the platform includes features that allow parents to share health tips and knowledge with each other, fostering a sense of community among users with similar concerns about their children’s health. Kyobo Life plans to continuously enhance this service by actively incorporating user feedback.

[The “donots” Website](#)



A community-oriented platform focusing on infant and toddler health. It enables users to share essential “dos and don’ts” for caring for their children’s well-being while offering personalized content recommendations.

#### Key Features of “donots”



Keep records of your child’s physical status



Analyze the nutritional content of your child’s meals



Share health tips with a community of parents



Receive personalized recipe recommendations (that considers age, allergies and other needs)

### Establishment of the Group Data Integration Infrastructure

In an increasingly competitive insurance market, Kyobo Life is striving to innovate customer experiences and secure a competitive edge through digital technology. In April 2023, Kyobo Life, along with Kyobo Securities, Kyobo Book Centre, Kyobo Lifeplanet, Kyobo DTS, and Dplanex, signed a business agreement to establish an integrated data system and infrastructure for the Kyobo Group. This initiative aims to consolidate scattered data within the Kyobo Group into a unified system and infrastructure. Going forward, Kyobo Life plans to analyze the integrated data and use it to provide new experiences to online customers.



Signing of the Business Agreement for the Kyobo Group Data System and Infrastructure Development

# Harmonizing with Affiliated and Partner Companies

## Principles

- We will grow together with our partner companies through fair and equitable trade.
- We will cooperate with affiliated and partner companies to achieve harmonious growth.



## Communication Channels (Frequency)



Online Violation Report Center  
(at all times)



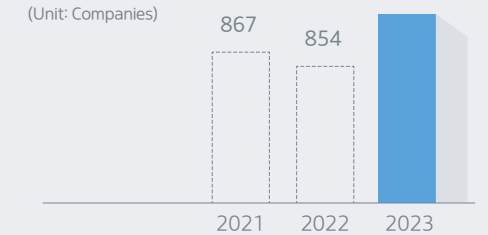
Notification of the  
"Clean Contract" Policy  
(twice a year)



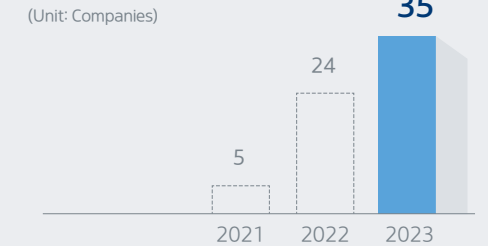
Demo Day  
(1-2 times a year)

## Key Performance Data

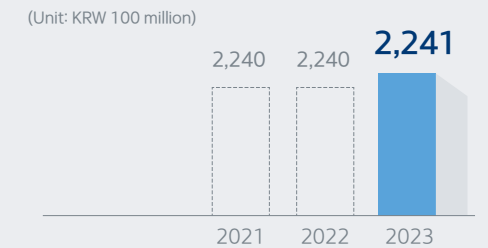
Number of Companies That Received the Notification for the "Clean Contract" Policy



Number of INNOSTAGE Participants



Investments in Digital Strategy (cumulative)<sup>1)</sup>



1) The data has been recalculated using accumulated figures since 2018, encompassing both fund investments (capital commitments) and direct investments in startups.

# Spreading the Culture of Mutual Growth

## Transparent Selection Process of Partner Companies

Kyobo Life has established a digital procurement system to ensure a fair and transparent process for subcontractor or supplier registration and bidding. The company has also incorporated provisions to prevent unfair trade practices into its "Contract Work Regulations," which all employees must follow when signing contracts with partner companies. Additionally, Kyobo Life implemented the "Clean Contract" system, which prohibits collusion and unfair trading when executing contracts and restricts dealings with companies that violate this policy. To further uphold transparency, the company operates a reporting center where violations of fair trade by Kyobo Life employees can be reported via the website, phone, or mail.

### The Clean Contract Policy

The Clean Contract Policy prohibits collusion and unfair trading practices in the signing and execution of contracts for product purchases, services, and construction work. It also prohibits employees from requesting or receiving monetary rewards or entertainment. The policy is integrated into the digital procurement system, requiring businesses to electronically sign the Clean Contract Policy when registering on the platform. Furthermore, the team responsible for fair trade regularly notifies partner companies, with transaction records exceeding KRW 20 million over the past year, of their obligations under the Clean Contract Policy. Businesses found in violation of the policy face penalties, including restrictions on participating in future bids.

### Unfair Trade Prevention System

Kyobo Life prevents unfair trade by embedding detailed provisions in its "Contract Work Regulations." The company ensures fair participation and competitive bidding through its website or digital procurement system. During contract implementation, Kyobo Life enforces the "Clean Contract" policy, which prohibits collusion and unfair trade practices, and restricts further business dealings with unethical companies, thereby ensuring fairness, transparency, and social responsibility.

### Restrictions on Dishonest Businesses

When relevant team leaders notify the Compliance Officer of a dishonest business owner or the reasons for restricting bidding participation or contract signing, the Compliance Officer determines the sanction period, registers the dishonest business, and manages it. In 2023, no businesses were registered as dishonest.

#### Penalties for Violating the Clean Contract System



Businesses Leading a Bid-Rigging Scheme

5 years



Businesses Involved in the Bid-Rigging Scheme

3 years



Businesses Offering Monetary Rewards or Entertainment

Serious Misconduct 5 years,  
Other cases 3 years

#### Operation of Reporting Channels

- **Company Website** ([www.kyobo.com](http://www.kyobo.com)): Customer Center → Reporting Center → Employee Misconduct Reporting
- **Phone**: 080-987-0800 (Compliance and Ethics Hotline)
- **Mail**: (03154) Compliance Officer, Kyobo Life Insurance Co., Ltd., Jongno 1, Jongno-gu, Seoul, South Korea





# Spreading the Culture of Mutual Growth

## Enhancing the Sustainability of Partner Companies

Kyobo Life aims to enhance the sustainability of its partner companies by considering ESG factors when signing contracts and maintaining communication channels with them. The company also supports their regular education and inspection activities on material issues, including information security and occupational health and safety, which can cause severe damage if incidents occur.

### Selection of Partner Companies

When selecting partner companies through its digital procurement system, Kyobo Life excludes companies that present potential risks, such as those with delayed tax payments or a history of unfair trade practices. Additionally, the company requires all businesses bidding for facility construction or IT-related work to submit their occupational safety and health plans. These safety and health criteria are then applied when evaluating businesses during the selection process.

### Operation of Communication Channels

Kyobo Life operates continuous communication channels with partner companies to listen to and address their concerns and suggestions. The company conducts satisfaction surveys with its partners and holds regular and ad-hoc meetings with IT sector partners. Additionally, Kyobo Life operates safety and health councils with service providers, including those responsible for cleaning, security, and IT maintenance, to regularly gather and consider their feedback.

### Support for Education and Inspection

Kyobo Life recognizes the importance of addressing material issues that could result in catastrophic losses, such as breaches in information security and safety and health standards. To mitigate these risks, the company offers relevant educational programs to its partner companies. These programs include courses on information security and safety and health for employees of subcontractors responsible for IT system maintenance, janitorial services, and security. Additionally, Kyobo Life conducts joint inspections with employees of partner companies to proactively prevent safety and health accidents.

#### Key Partners of Kyobo Life

##### IT System Managers

- Maintenance of implemented work systems and user support services

##### Suppliers

- Supply of office supplies, equipment, and furniture, etc.

##### Building Managers

- Cleaning of Kyobo Life buildings, management of billboards and heating and AC, and provision of relocation services, etc.

##### Partner Hospitals

- Partner hospitals for enrollment diagnosis

##### Asset Management Companies

- Asset management companies entrusted with Kyobo Life's asset management

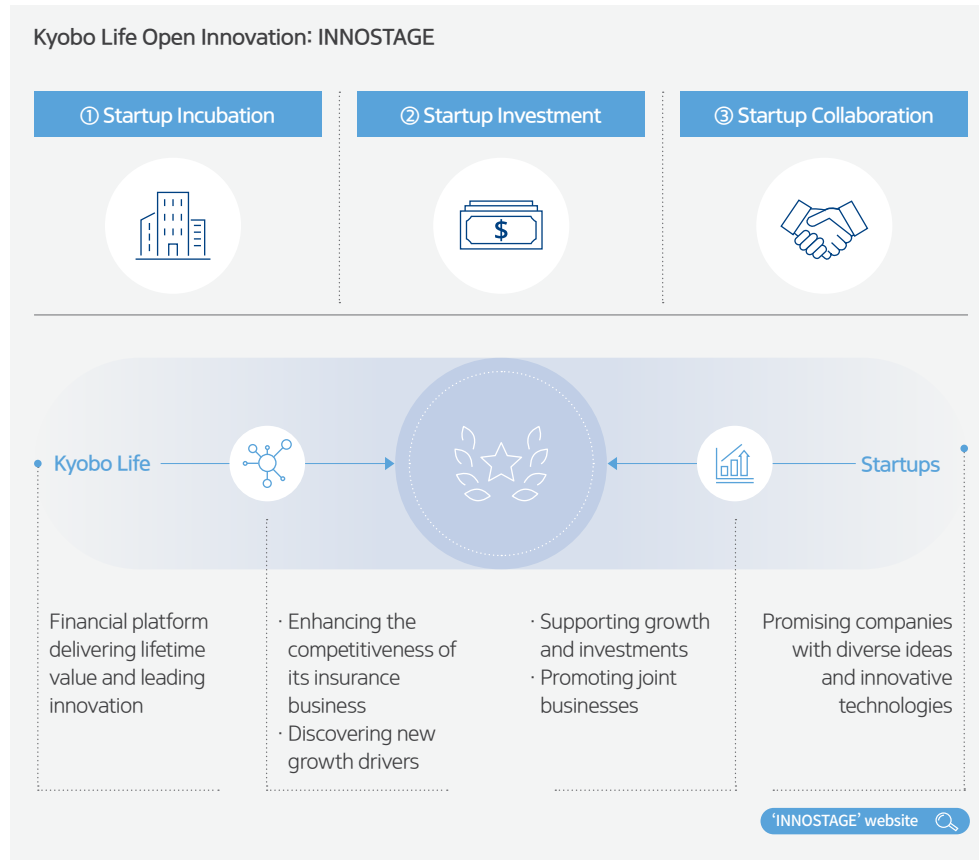
#### Evaluation Criteria for Partner Companies

<b>Workforce</b> 	<b>Financial Soundness</b> 	<b>Equipment and Facilities Owned</b> 
<b>Management Excellence</b> 	<b>History of Tax Payment</b> 	<b>Delivery Track Records</b> 

# Spreading the Culture of Mutual Growth

## Strengthening the Ecosystem for Mutual Growth with Startups

Since 2019, Kyobo Life has been operating INNOSTAGE, its open innovation brand. INNOSTAGE aims to strengthen Kyobo Life's insurance business competitiveness and secure new growth drivers by identifying, strategically investing in, nurturing, and supporting the growth of technology-focused innovative startups with synergy potential. The primary goal is to build a mutually beneficial ecosystem.

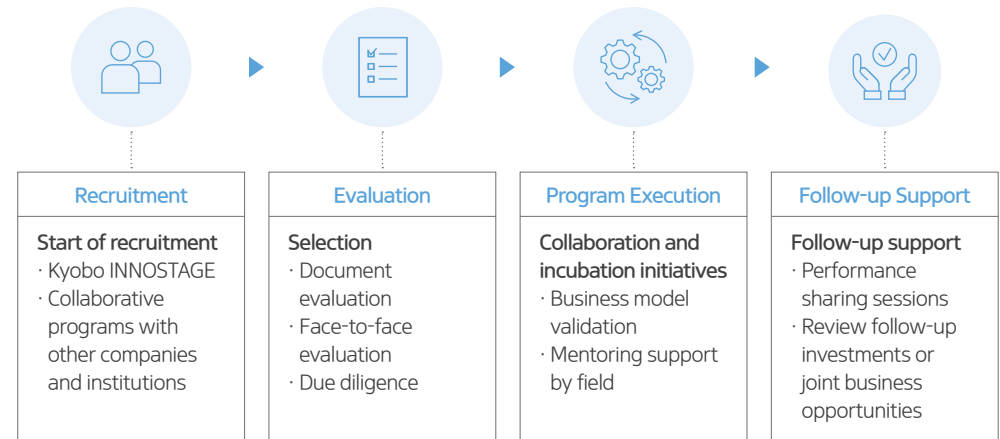


### Startup Incubation

Kyobo Life operates a four-stage acceleration program to support the growth of startups. The acceleration program includes business support funds (support for business development, PoC\*, etc.), collaboration opportunities (partnerships and collaborations with the Kyobo Group), mentoring (expert advice across various fields), space support (office space), follow-up support (investment, TIPS, joint business, global expansion), and networking (interaction and networking events with INNOSTAGE alumni companies).

\* PoC (Proof of Concept) refers to the process of demonstrating the feasibility of an idea, product, or service

### Startup Incubation Program



### Startup Incubation Status

\* As of December 2023 (Cumulative)

Companies Identified	Companies Selected and Incubated	Collaborations
1,579 companies	70 companies	152 times

# Spreading the Culture of Mutual Growth

## Strengthening the Ecosystem for Mutual Growth with Startups

### Investment for Startups

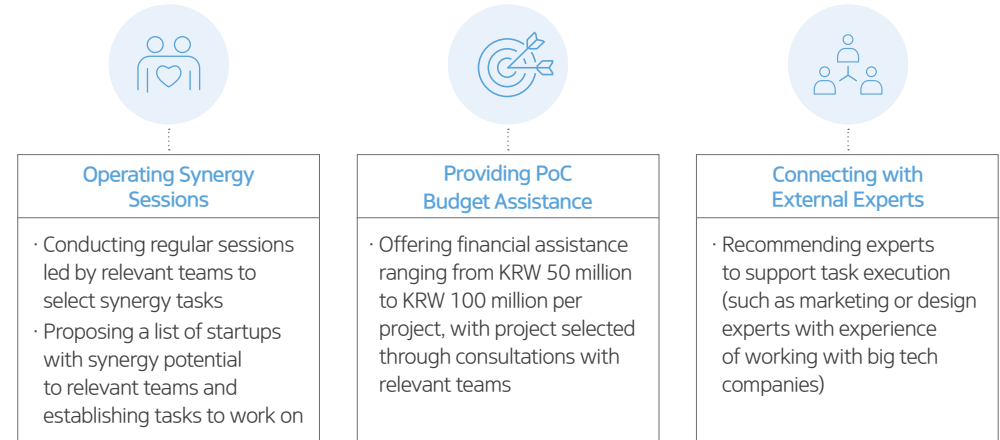
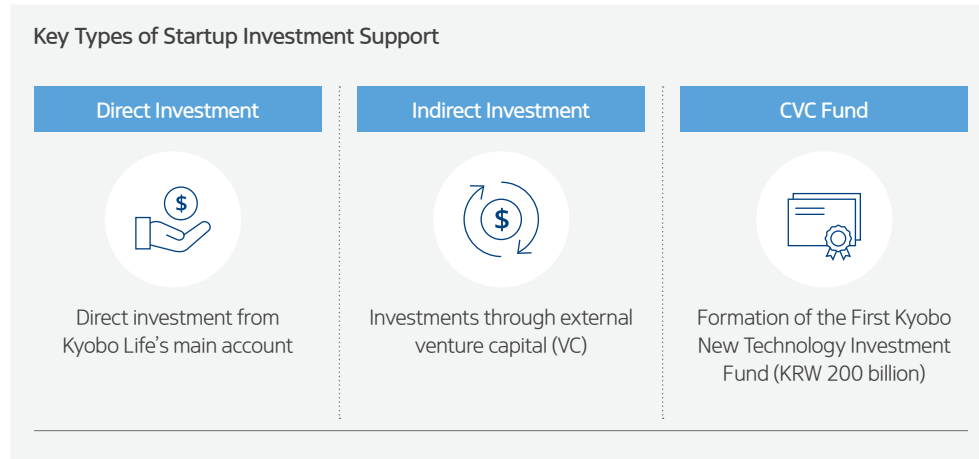
Kyobo Life makes strategic investments to collaborate and establish partnerships with promising startups that align with its strategic goals. This year, Kyobo Life also began participating as an operator of the TIPS program, a startup support program sponsored by the Ministry of SMEs and Startups.

\* TIPS (Tech Incubator Program for Startup Korea) is a program where the private sector and the government jointly invest and support startups with outstanding technologies to help them grow their businesses

### Collaboration with Startups

Kyobo Life provides various support measures to startups such as PoC (Proof of Concept), manpower, and investment to achieve meaningful collaboration outcomes aligned with its business needs. In particular, Kyobo Life focused on promoting a collaborative culture, supporting PoC budgets, and connecting with external experts in various fields to foster startup collaboration in 2023.

### Support for Collaboration

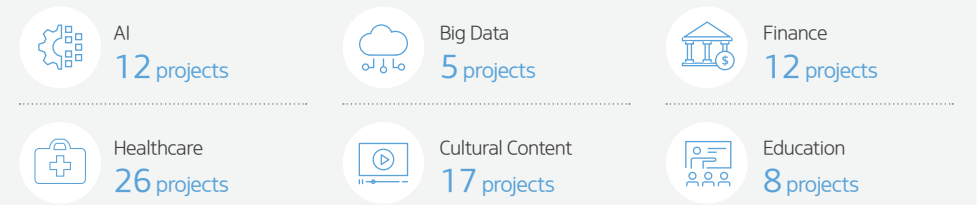


### Startup Investment Status



### Collaboration Status by Sector

\*As of December 2023 (Cumulative)



# Partnering with Government and Local Communities

## Principles

- We will comply with national tax laws and related regulations, fulfilling our tax obligations responsibly.
- We will fulfill our social and environmental responsibilities as a committed corporate citizen.



## Communication Channels (Frequency)



Corporate Social Responsibility Website  
(at all times)



Employee Volunteer Groups  
(at all times)

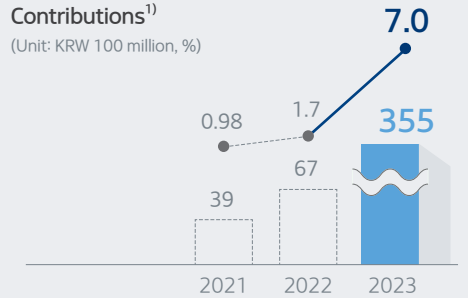


Kyobo Public Welfare Foundations  
(at all times)

## Key Performance Data

### Amount and Ratio of Social Contributions<sup>1)</sup>

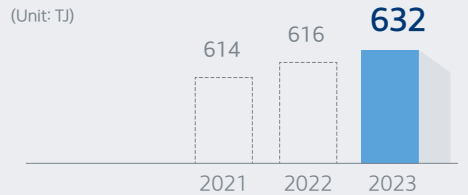
(Unit: KRW 100 million, %)



1) Ratio of Social Contributions is calculated as: The Total Amount of Social Contributions / Net Income, based on consolidated financial statements

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

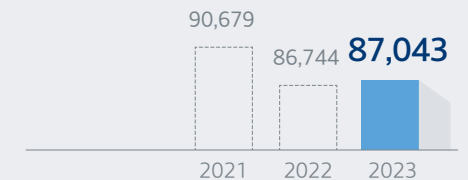
(Unit: TJ)



2) Calculated in accordance with the Guidelines on Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading Systems from 2022 and the Verification Guidelines for the Operation of Emissions Trading Systems

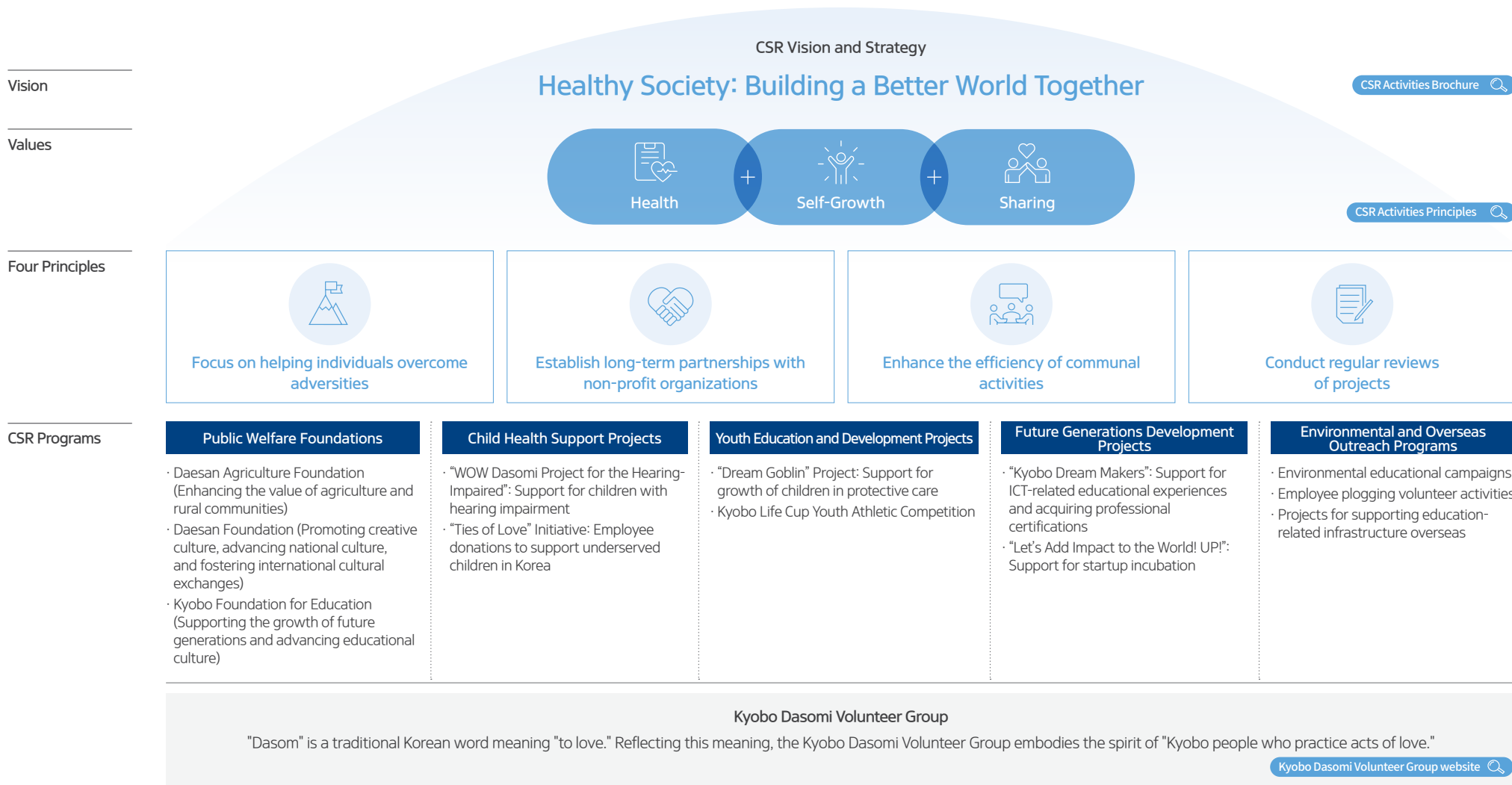
### Social Responsibility Investment (SRI)

(Unit: KRW 100 million/%)



# CSR Vision and Strategy

Rooted in the corporate philosophy of "Respecting cherished values sought by humanity and striving to support the realization of such values," Kyobo Life has been dedicated to fulfilling its social responsibility since its establishment. To engage more systematically in community activities, the company founded the "Kyobo Dasomi Volunteer Group" in December 2002. This initiative supports children and teenagers in developing into individuals with strong character who practice sharing and continuous self-development, all based on a healthy body and mind.



## Key CSR Activities

### Support for Agriculture and Rural Areas

#### Daesan Agriculture Foundation

Kyobo Life established Korea's first public foundation to support agriculture and rural areas in 1991. This was done to ensure the sustainable development of our agriculture and rural communities, which have faced difficulties due to globalization and liberalization. In 2023, the foundation undertook various public welfare projects to enhance the value of agriculture and rural areas, including supporting agricultural research, awarding the Daesan Agriculture Award, providing agricultural training, and nurturing the next generation of agricultural talent. Additionally, a new digital platform was launched to efficiently provide valuable information by connecting various agricultural and rural resources. Moreover, targeting young adults in their 20s and 30s with little experience in agriculture, the foundation introduced the "Youth Farm Taste Journey" to promote healthy food and the multifaceted value of agriculture and rural areas. The first "Love for Rural Children Drawing Contest" was also held to raise awareness among future generations, thus increasing social interest in agriculture, rural areas, ecology, and the environment.

#### Key Projects of the Daesan Agriculture Foundation

Projects	Agricultural Research Support	Daesan Agriculture Award	Next-Generation Agricultural Talent Development
<b>Project Overview</b>	Supporting timely research needed in the agricultural field to contribute to the sustainable development of agriculture and rural areas	Selecting university students who have the determination and practical plans to work in agriculture, as well as graduate students aspiring to be journalists who accurately convey the voices of agricultural and rural areas, and nurturing them through comprehensive training programs and mentoring systems to become leading talent in the agricultural sector	Selecting university students who have a strong will and practical plans to engage in the agricultural sector after graduation, and nurturing them through a systematic training program and a mentoring system to become key talent in agriculture
<b>Project Goals</b>	To discover and honor individuals who have significantly contributed to the development of domestic agriculture and rural areas, thus boosting the pride of farmers and serving as a societal role model	To train key talent who will lead the future of agriculture and rural areas	To share the importance of healthy food and the public value of agriculture and rural areas with urban residents

### Child Health Support Program

#### Ties of Love

Since 2003, Kyobo Life has been operating the "Ties of Love" program. This initiative, conducted in collaboration with ChildFund Korea, is a community relations activity that supports marginalized children, including child-headed households and children from single-parent families. The program follows a matching grant model, where employees voluntarily donate a portion of their monthly salary, and the company matches the donated amount to create the "Love Fund." The accumulated funds are then used to support educational expenses, childcare costs, and special talent development fees.

#### Ties of Love Support Details



##### Domestic Child Sponsorship

The company provides support for the underserved children in Korea.



##### Baby Box Child Sponsorship

The company supports children without family or relatives to grow up as healthy members of society.



##### Climate Change Child Sponsorship

The company assists children living in poor housing conditions to cope with climate change-related challenges.

#### Key Achievements in 2023

<b>Number of Participating Employees</b> (Annual Total)	<b>14,967</b> persons	<b>Number of Participating Employees</b> (Monthly Average)	<b>1,247</b> persons
<b>Amount of Support</b> (Annual Total)	<b>KRW 336</b> million	<b>Number of Beneficiary Children</b>	<b>4,670</b> children

# Key Community Relations Activities

## Youth Education and Development Programs

### "Dream Goblin": Support for Growth of Children in Protective Care Facilities

The "Dream Goblin" project is designed to support children in protective care who face the challenge of becoming self-reliant without adequate preparation. Through the volunteer efforts of Kyobo Life employees, the project provides comprehensive support in areas such as language development, character building, emotional well-being, and financial education. These initiatives aim to equip children with the necessary skills to lead healthy lives and become responsible members of society. Language education, particularly for preschool-aged children, is delivered on a one-on-one basis, tailored to their individual language development levels, helping them take their first steps toward self-reliance.

### Kyobo Life Cup Youth Athletic Competition

Kyobo Life has been hosting the "Kyobo Life Cup Youth Athletic Competition" since 1985 with the aim of discovering and nurturing young athletic talent at an early stage. This is the only comprehensive national youth sports competition organized by a private entity, targeting elementary school students in seven sports categories: track and field, swimming, gymnastics, ice skating, tennis, judo, and table tennis. To date, approximately 148,000 athletes have participated in this prestigious event, with many going on to represent Korea as national team athletes. In addition, Kyobo Life operates the "Kyobo Scholarship Program for Youth Athletes," which is designed to support promising athletes who have excelled in these competitions. The program provides scholarships and various forms of support, allowing these young athletes to focus solely on their sports. The scholarship is awarded annually for six years, covering their middle and high school education.

### Development and Education Programs Catering to Different Growth Stages

Children in Protective Care	Youth Out of Protective Care
<b>Elementary School Students</b> Basic Finance Character Education Experiential Learning	<b>Self-Reliance Support</b> Job Placement, Acquisition of Certifications Self-Reliance Mentoring, Financial Education
<b>Middle and High School Students</b> Finance Emotional Support	

### Highlights of the "Goblin Support" Project in 2023

Beneficiaries  
**279** children

Out-of-Care Youth Preparing for Independence  
**200** youths

Financial Assistance for Self-Reliance  
**KRW 150** million



2023 Kyobo Life Cup Youth Athletic Competition



The Award Ceremony for the 2023 Kyobo Scholarship Program for Youth Athletes

# Key Community Relations Activities

## Nurturing Future Generations

### Kyobo Dream Makers

The "Kyobo Dream Makers" program is an ICT-based educational initiative designed to support children and teenagers in social care. This program primarily focuses on two areas: the "Language Development Support Program" and the "Career Growth Support Program." The Language Development Support Program addresses the needs of children who face challenges in acquiring essential academic skills such as reading, writing, and basic arithmetic due to language development delays. This program employs a blended learning approach, combining online and offline methods, including AI-driven personalized learning solutions. It aims to enhance the academic abilities of children, including those from multicultural backgrounds or in protective care, by providing targeted support. The Career Growth Support Program offers comprehensive assistance to young individuals aged 24 and under, helping them explore and develop their aptitudes and career paths. This program includes aptitude and career assessments, personalized academic mentoring, ICT learning experiences, ICT vocational training in areas like webtoon illustration, drone operation, software development, and video production, as well as expert mentoring. By providing consistent, long-term support, the program helps participants - from older elementary students to young adults - become contributing members of society. Looking ahead, Kyobo Life is committed to expanding the range of experiences available to children and teenagers. The company aims to inspire their interests and broaden the support provided, helping them to achieve their dreams.

### Program Highlights

	Objective	Details
ICT Learning Experiences	Exploring aptitudes and motivating education through experiences of key ICT technologies	Using 3D pens, autonomous RC cars, ChatGPT, design tools, etc.
Specialized ICT Vocational Training	Supporting career-building capability and job placement through ICT skills development	Acquiring official professional certifications and providing expert courses on ICT fields (drones, video production, coding, and webtoon design and storytelling)

### 2023 Key Achievements (Kyobo Dream Makers Beneficiaries)



### Let's Add Impact to the World! UP

The "Let's Add Impact to the World! UP" initiative, also known as the "Impact UP" initiative, is Kyobo Life's acceleration-focused CSR program aimed at fostering impact-driven businesses that address social problems and deliver their products and services to underserved communities. Since its inception in 2018, the program has identified 991 businesses, nurtured 131 of them, and provided products and services from these ventures that received intensive support and commercialization assistance to 106,000 underserved individuals. In 2023, the sixth round of the Impact UP program was launched, focusing on companies creating meaningful social and environmental impact.

### Three Goals of Impact UP

- First,** Provide underserved groups, particularly the younger generation, with opportunities to acquire ICT-based digital knowledge and skills
- Second,** Identify and support businesses that can offer ICT-based digital services to young underserved groups
- Third,** Create a new CSR framework that overcomes the challenges of limited financial resources while generating sustainable social value

### 2023 Key Achievements of Impact UP Companies

Company	Impact Area	Company Operations
Sheco	Marine & Fresh Water Bodies	Development of robots designed to collect liquid and particulate pollutants in marine and freshwater environments
SaveTree	Tree Health	Provision of solutions for monitoring and managing tree health
Regen Partners	Urban Living	Provision of solutions to address flood damage from rainwater
Shellpia	Waste Management	Upcycling of oyster shells to produce environmentally friendly snow removal materials

### CASE STUDY

#### Sheco - Winner of the "Grand Prize"

Sheco Co., Ltd. is a social venture startup operating under the slogan, "Let's share a clean environment from today's generation to future generations." The company focuses on developing robots for environments prone to pollution-related accidents, particularly where workers are at risk during cleanup processes. In 2023, Sheco achieved significant milestones, including its designation as the Ministry of SMEs and Startups' export voucher support project, acceptance of commendations for fire and disaster prevention training, and recognition as a representative company for excellent SME R&D performance.





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# Environmental

ESG Data Pack

## Greenhouse Gas Emissions

Classification	Unit	2020	2021	2022 <sup>1)</sup>	2023	2023 Target
Total Emissions (Scope 1&2)	tCO <sub>2</sub> eq	30,406	29,793	29,925	30,764	29,775
Direct Emissions (Scope 1)	tCO <sub>2</sub> eq	4,226	4,504	4,614	4,989	4,591
Indirect Emissions (Scope 2)	tCO <sub>2</sub> eq	26,179	25,289	25,311	25,775	25,184
Other Indirect Emissions (Scope 3)	tCO <sub>2</sub> eq	-	-	3,243	3,036	3,227
Emission Intensity <sup>2)</sup>	tCO <sub>2</sub> eq/1,000m <sup>2</sup>	51.7	50.6	50.8	52.3	-

1) Calculated in accordance with the Guidelines on Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading Systems from 2022 and the Verification Guidelines for the Operation of Emissions Trading Systems

2) Emission intensity based on the total area of the business site

## Financed Emissions (Scope 3, Category 15)

Asset Type	2023		
	Measured Asset Size (KRW trillion)	Financed Emissions (10,000 tCO <sub>2</sub> eq)	Intensity (10,000 tCO <sub>2</sub> eq/KRW trillion)
Listed Equity and Corporate Bonds	19.43	553.42	28.48
Corporate Loans and Unlisted Equity	0.09	0.42	4.79
Project Finance (PF)	15.86	616.03	38.83
Commercial Real Estate	5.50	4.33	0.79
Mortgages	2.32	1.19	0.51
Sovereign Debt	26.88	528.17	19.65
Total	70.08	1,703.57	24.30

## Energy Management

Classification	Unit	2020	2021	2022	2023	2023 Target	
Energy Total Consumption	TJ	619	614	616	632	613	
Direct Energy	Total Consumption	TJ	79.9	85.5	86.7	92.7	-
	Gas	TJ	69.5	75.6	73.9	75.8	-
	Oil	TJ	10.3	9.9	9.3	12.4	-
	Mobile Combustion <sup>1)</sup>	TJ	0.0	0.0	3.5	4.5	-
Indirect Energy	Total Consumption	TJ	539.2	528.8	529.2	538.8	-
	Electricity	TJ	538.7	527.6	527.9	537.6	-
	District Heating	TJ	0.4	1.2	1.3	1.2	-
Energy Intensity	TJ/1,000m <sup>2</sup>	1.1	1.0	1.0	1.1	-	

※ Kyobo Life did not use renewable energy

1) Gasoline, Diesel

# Environmental

## Water Consumption

Classification	Unit	2020	2021	2022	2023	2023 Target
Total Water Consumption	m <sup>3</sup>	413,903	395,821	249,399	274,422	248,092
Recycled Water <sup>1)</sup>	m <sup>3</sup>	3,815	4,226	3,947	4,324	-
Recycling Rate	%	1	1	3	2	-

1) Reporting Scope: Kyobo Tower

## Waste Disposal

Classification	Unit	2020	2021	2022	2023	2023 Target
Total Waste Disposed <sup>1)</sup>	Ton	149	162	933	871	928
Recycled Waste <sup>2)</sup>	Ton	141	153	292	323	-
Recycling Rate	%	95	94	65	37	-

1) Reporting scope changed from 2022: From Headquarters (Gwanghwamun) and Kyobo Tower to all buildings.

2) Reporting scope: Headquarters (Gwanghwamun) and Kyobo Tower

## Resource Consumption

Classification	Unit	2020	2021	2022	2023
Paper	Boxes	4,893	4,652	2,591	2,843
Toner	Units	2,463	2,067	1,829	2,303

## Environmental Regulation Violations

Classification	Unit	2020	2021	2022	2023
Number of Violations	Cases	0	0	0	0
Fines and Penalties	KRW million	0	0	0	0

# Social

## Number of Employees

Classification		Unit	2020	2021	2022	2023
Total Number of Employees <sup>1)</sup>		Persons	3,842	3,839	3,762	3,802
By Gender	Men	Persons	2,263	2,264	2,236	2,258
	Women	Persons	1,579	1,575	1,526	1,544
	Share of Men	%	58.9	59.0	59.4	59
	Share of Women	%	41.1	41	40.6	41
By Employment Type	Total Number of Regular Employees	Persons	3,632	3,608	3,498	3,554
	Men	Persons	2,121	2,105	2,062	2,092
	Women	Persons	1,511	1,503	1,436	1,462
	Share of Men	%	58.4	58.3	58.9	59
	Share of Women	%	41.6	41.7	41.1	41
	Total Number of Temporary Employees	Persons	210	231	264	248
	Men	Persons	142	159	174	166
	Women	Persons	68	72	90	82
	Share of Men	%	67.6	68.8	65.9	67
	Share of Women	%	32.4	31.2	34.1	33
By Age	Under 30	Persons	450	381	464	444
	Over 30 and Under 50	Persons	2,702	2,504	2,303	2,231
	Over 50	Persons	690	954	995	1,127
By Position	Staff (Staff-General Manager)	Persons	3,633	3,629	3,539	3,592
	Head of Department or Higher	Persons	168	159	174	161
	Executives	Persons	41	51	49	49

Classification		Unit	2020	2021	2022	2023
By Location <sup>2)</sup>	Total	Persons	3,835	3,830	3,754	3,802
	Seoul	Persons	774	763	786	811
	Busan	Persons	222	210	201	193
	Daegu	Persons	127	131	110	118
	Incheon	Persons	121	119	117	135
	Gwangju	Persons	111	115	87	109
	Daejeon	Persons	106	99	103	86
	Ulsan	Persons	54	55	52	47
	Sejong	Persons	4	5	6	6
	Gyeonggi	Persons	404	388	350	323
	Gangwon	Persons	54	49	44	40
	Chungbuk	Persons	64	62	59	52
	Chungnam	Persons	65	64	64	56
	Jeonbuk	Persons	71	71	74	61
	Jeonnam	Persons	66	62	55	53
	Gyeongbuk	Persons	120	113	114	98
	Gyeongnam	Persons	125	116	107	96
	Jeju	Persons	36	36	32	28
	Headquarters	Persons	1,308	1,368	1,389	1,486
	Overseas	Persons	3	4	4	4
Workers Who Are Not Employees <sup>3)</sup>		Persons	-	-	1,674	1,405

※ The number of employees reported is calculated based on the head count

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

2) Excludes registered executive directors

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

# Social

## Diversity

Classification		Unit	2020	2021	2022	2023
Women	Total Number of Managers <sup>1)</sup>	Persons	784	776	767	759
	Number of Women Managers	Persons	147	153	156	163
	Share of Women Managers	%	18.7	19.7	20.3	21.5
	Total Number of Junior Managers <sup>2)</sup>	Persons	-	-	1,122	1,261
	Number of Women Junior Managers	Persons	-	-	199	239
	Share of Women Junior Managers	%	-	-	17.7	19.0
	Total Number of Executives	Persons	41	51	49	56
	Number of Women Executives	Persons	2	2	6	4
	Share of Women Executives	%	4.9	3.9	12.2	7.0
	Total Number of Employees in Revenue-Generating functions <sup>3)</sup>	Persons	-	-	1,992	1,926
	Number of Women in Revenue-Generating functions	Persons	-	-	888	875
	Share of Women in Revenue-Generating Positions	%	-	-	44.6	45.0
	Total Number of Employees in STEM-related Positions <sup>4)</sup>	Persons	-	-	551	645
	Number of Women in STEM-related Positions	Persons	-	-	179	221
Share of Women in STEM-related Positions	%	-	-	32.5	34.0	
Persons With Disabilities	Total Number of People With Disabilities	Persons	35	37	34	35
	Number of Employees in IT Jobs	Persons	3	3	4	2
	Number of On-Site Workers	Persons	20	21	21	20
	Number of Headquarters Personnel	Persons	12	13	9	13
	Share of Personnel	%	0.9	0.9	0.9	0.9

Classification		Unit	2020	2021	2022	2023
National Honorees	Total Number of National Honorees	Persons	75	73	64	62
	Share of National Honorees	%	2.0	1.8	1.7	2.0
By Nationality	Korea	Persons	3,838	3,834	3,755	3,799
	Asia (excluding Korea)	Persons	1	2	2	1
	Americas	Persons	3	3	5	2
	Share of Korea	%	99.9	99.9	99.8	99.9
	Share of Asia (excluding Korea)	%	0.0	0.1	0.1	0.05

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

2) Recalculated by changing the calculation criteria

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

4) Departments under Group DT Promotion, Digital Strategy, Platform, Digital Technology, IT Support, Information Security, Product Support Divisions/Actuarial Team, Treasury Team, Assumption Management Team, Appointed Actuary (the data is calculated since 2022)

# Social

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

Classification		Unit	2020	2021	2022	2023
Total Number of New Hires		Persons	117	134	283	181
By Experience	New Employees	Persons	100	65	160	112
	Experienced Employees	Persons	17	69	123	69
By Gender	Men	Persons	79	94	177	111
	Women	Persons	38	40	106	70
By Age	Under 30	Persons	96	70	158	116
	Over 30 and Under 50	Persons	20	59	117	64
	Over 50	Persons	1	5	8	1
By Nationality	Korea	Persons	117	134	283	181
	Overseas	Persons	-	-	-	-
Recruitment costs		KRW million	150	452	826	633

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

## Open Positions and Internal Hires

Classification		Unit	2020	2021	2022	2023
Number of Open Positions Filled by Internal Candidates		Persons	2,075	1,683	2,061	2,349
Percentage of Open Positions Filled by Internal Candidates		%	94.7	92.6	87.9	92.8

## Employee Turnover

Classification		Unit	2020	2021	2022	2023
Turnover Rate		%	2.6	2.9	2.9	3.0
Turnover <sup>1)</sup>	Total Number of Turnovers	Persons	101	113	112	114
	Men	Persons	74	79	64	73
	Women	Persons	27	34	48	41
	Under 30	Persons	14	22	32	24
	Over 30 and Under 50	Persons	37	55	67	50
Over 50		Persons	50	36	13	40
Voluntary Turnover Rate		%	1.2	1.9	2.5	2.0
Voluntary Turnover <sup>2)</sup>	Total Number of Turnovers	Persons	47	75	96	77
	Men	Persons	24	43	51	43
	Women	Persons	23	32	45	34
	Under 30	Persons	13	22	30	24
	Over 30 and Under 50	Persons	28	53	63	49
Over 50		Persons	6	-	3	4
By Region	Korea	Persons	47	75	96	77
	Overseas	Persons	-	-	-	-

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

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

## Years of Service

Classification		Unit	2020	2021	2022	2023
Average for All Employees	Years/Months		16 Years 6 Months	17 Years	16 Years 2 Months	16 Years 7 Months
	Men	Years/Months	17 Years 5 Months	17 Years 9 Months	16 Years 9 Months	17 Years 5 Months
Women	Years/Months		15 Years 2 Months	15 Years 11 Months	15 Years 4 Months	15 Years 10 Months

# Social

## Compensation

Classification		Unit	2020	2021	2022	2023
Wages <sup>1)</sup>	Average Wages	KRW thousand	91,724	99,026	104,874	107,405
	Men	KRW thousand	107,938	114,737	120,723	122,691
	Women	KRW thousand	68,558	76,654	81,792	85,161
Executive Wages	Average Base Wages for Men Executives	KRW million	107.9	114.7	120.7	122.7
	Average Base Wages for Women Executives	KRW million	68.6	76.7	81.8	85.2
Gender Equal Pay <sup>2)</sup>	Total	%	67.1	68.1	69.6	71.9
	Managerial Positions	%	86.4	86.5	86.2	88.4
	Non-Managerial Positions	%	106.9	108.2	108.4	115.2
Base Wages and Compensation for New Hires		KRW 10 thousand	4,280	4,369	4,491	4,626
Base Wages and Compensation Ratio for New Hires		%	184	185	181	177

1) Based on earned income

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

## Employee Engagement

Classification	Unit	2020	2021	2022	2023
Organizational Commitment Rate	Points	-	-	-	3.56
Job Satisfaction Rate	Points	-	-	-	3.49

※ Reported from 2023 data due to changes in the diagnostic framework

## Employee Training

Classification		Unit	2020	2021	2022	2023
Total Training Hours		Hours	296,099	345,749	303,768	267,191
Training Hours Per Person		Hours	83.0	91.0	80.0	73.2
By Gender	Men	Hours	86.0	90.0	82.0	73.1
	Women	Hours	85.0	86.0	77.0	73.4
By Employment Type	Regular Employees	Hours	-	90.0	83.0	74.7
	Temporary Employees	Hours	-	62.0	46.0	52.0
By Position	Organizational Heads <sup>1)</sup>	Hours	42.0	36.0	49.0	87.5
	Organizational Members <sup>2)</sup>	Hours	85.0	93.0	82.0	72.4
By Age <sup>3)</sup>	Under 30	Hours	-	-	92.0	121.5
	Over 30 and Under 50	Hours	-	-	84.0	72.8
	Over 50	Hours	-	-	65.0	55.0
Training Cost	Education and Training Cost (Total)	KRW thousand	4,317,751	4,644,440	5,490,435	5,659,998
	Educational and Training Cost Per Person <sup>4)</sup>	KRW thousand	1,124	1,215	1,459	1,489
	Capacity Development Cost (Total)	KRW thousand	715,815	665,157	799,006	701,104
	Capacity Development Cost Per Person <sup>5)</sup>	KRW thousand	212	214	291	234

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

2) L2 or lower

3) The data has been calculated since 2022

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

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

# Social

## Employee Benefits

Classification	Unit	2020	2021	2022	2023
Benefit Costs	KRW thousand	73,611,000	68,294,000	68,472,000	81,541,000
Benefit Costs Per Person	KRW thousand	19,195	17,831	18,240	21,447
Benefits Compared to Revenue	%	0.47	0.43	0.33	0.71 <sup>1)</sup>

1) Starting from the FY2023 accounting standards, the criteria for calculating sales revenue have been changed.: Operating Revenue  
 → Insurance Operating Revenue + Investment Operating Revenue

## Retirement Pension System

Classification	Unit	2020	2021	2022	2023	
Defined Benefits (DB)	Members	Persons	2,706	2,520	2,305	2,397
	Operating Amount (Separate)	KRW 100 million	2,008	2,039	2,040	2,160
Defined Contribution (DC)	Members	Persons	1,057	1,248	1,214	1,300
	Operating Amount (Separate)	KRW 100 million	96	102	123	122
Subscription Rate	%	100	100	100	100	

## Parental Leave

Classification	Unit	2020	2021	2022	2023	
Number of Employees on Parental Leave	Persons	147	140	137	118	
	Men	Persons	16	19	25	24
	Women	Persons	131	121	112	94
Number of Employee Returning to Work After Parental Leave	Persons	139	71	81	64	
	Men	Persons	14	8	12	13
	Women	Persons	125	63	69	51
	Share of Men	%	87.5	72.7	84.6	92.9
	Share of Women	%	95.4	86.3	92.9	98.1
Number of Employees Working Over 12 Months After Return	Persons	93	84	68	71	
	Men	Persons	3	8	8	10
	Women	Persons	90	76	60	61
	Share of Men	%	100	88.9	100	90.9
	Share of Women	%	92.8	98.7	95.2	98.4

## Performance Appraisal

Classification	Unit	2020	2021	2022	2023	
Ratio of Employees Subject to Performance Appraisal	%	100.0	100.0	100.0	100.0	
Number of Employees Subject to Regular Performance Appraisal	First Half of the Year	Persons	3,196	3,198	2,864	2,960
	Men	Persons	1,727	1,725	1,559	1,593
	Women	Persons	1,469	1,473	1,305	1,367
	Second Half of the Year	Persons	3,556	3,237	3,151	3,109
	Men	Persons	2,046	1,856	1,806	1,805
Women	Persons	1,510	1,381	1,345	1,304	
Number of Employees With Regular Performance Appraisal Completed	First Half of the Year	Persons	3,196	3,198	2,864	2,960
	Men	Persons	1,727	1,725	1,559	1,593
	Women	Persons	1,469	1,473	1,305	1,367
	Second Half of the Year	Persons	3,556	3,237	3,151	3,109
	Men	Persons	2,046	1,856	1,806	1,805
Women	Persons	1,510	1,381	1,345	1,304	

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



# Social

## Occupational Safety and Health

Classification		Unit	2020	2021	2022	2023
Industrial Accidents	Fatalities	Persons	0	0	0	0
	Occupational Illnesses Frequency	Cases	0	0	0	0
	Occupational Illness Frequency Rate (OIFR)	%	0.0	0.0	0.0	0.0
	Ratio of Industrial Accidents <sup>1)</sup>	%	-	0.02	0.05	0.03
Absentee Rate <sup>2)</sup>		%	0.2	0.2	0.8	0.7
Health Checkup		Persons	2,683	2,899	2,646	2,809

1) New Disclosure Items (Disclosed based on data from 2021 according to the standards of the Korea Occupational Safety and Health Agency)

2) Based on the Criteria for Sick Leave and Medical Leave

## Human Rights Education<sup>1)</sup>

Classification		Unit	2020	2021	2022	2023
Number of Employees Who Complete the Education		Persons	3,842	3,839	3,762	3,802
Human Rights Education Hours per Person		Hours	3	3	3	3
Participation Rate in the Sexual Harassment Prevention Education		%	100	100	100	100
Participation Rate in Disability Awareness Education		%	100	100	100	100
Participation Rate in Workplace Harassment Prevention Education		%	100	100	100	100

1) Education target: Employees (including part-timers and temporary staff) and dispatched personnel. Employees working less than 60 hours per month during the training period, overseas workers, and those dispatched to other companies are excluded from the target group

## Labor Union

Classification		Unit	2020	2021	2022	2023
Union-Eligible Employees <sup>1)</sup>		Persons	3,629	3,708	3,508	3,508
No. of Labor Union Members		Persons	2,643	2,625	2,450	2,492
Union Membership Rate Among Eligible Employees		%	73	71	70	71

1) The number of employees eligible for union membership differs from the total number of employees. Department heads and employees in HR and audit departments are not eligible for union membership.

\* The collective agreement applies to all employees, with the exception of executives. The coverage rate of the collective agreement, excluding executives, is 98.7% as of 2023

## Grievance Reporting and Processing

Classification		Unit	2020	2021	2022	2023
Total Number of Cases Received	Total	Cases	2	11	36 <sup>1)</sup>	35
	Sexual Harassment	Cases	0	5	2	3
	Bullying	Cases	2	6	5	9
	HR <sup>2)</sup>	Cases	-	-	11	15
	Others	Cases	-	-	18	8
Number of Cases Processed	Total	Cases	2	11	36 <sup>1)</sup>	35
	Sexual Harassment	Cases	0	5	2	3
	Bullying	Cases	2	6	5	9
	HR <sup>2)</sup>	Cases	-	-	11	15
	Others	Cases	-	-	18	8

1) In 2023, HR & Others categories were newly added, and the number of cases received and processed in 2022 has been revised accordingly

2) HR/Others categories (new) include data from the previous two years

# Social

## Lobbying and Political Contribution

Classification	Unit	2020	2021	2022	2023
Lobbying	KRW 100 million	0	0	0	0
Political Contributions	KRW 100 million	0	0	0	0

## Contribution to Local Community

Classification	Unit	2020	2021	2022	2023	
Employee Volunteer Activities	Total Volunteer Hours	Hours	15,645	12,586	10,307	9,292
	Participating Employees (Cumulative)	Persons	7,640	6,078	6,398	6,566
	Volunteer Hours per Person	Hours	4.1	3.3	2.7	2.0
Social Contribution	Total Amount	KRW 100 million	57.0	39.0	67.0	355.0
	Cash Donations	KRW 100 million	3	-	4	4
	In-Kind Donations	KRW 100 million	-	-	-	-
	Indirect Business Expenses	KRW 100 million	54.0	39.0	63.0	351.0
Support Ratio <sup>1)</sup>	%	1.5	1.0	1.7	7.0	

1) Ratio of Social Contribution support = Amount of Social Contribution support/net income, based on Consolidated financial Statements

## Community Relations

Classification	Unit	2020	2021	2022	2023	
Let's Add Impact to the World! UP!	Number of Companies Identified and Supported	Companies	5	5	5	10
	Number of Beneficiaries	Persons	42,953	56,182	103,575	106,575
	Support Amount	KRW 100 million	3.7	3.0	3.5	5.0
Support for Children in Protective Care Facilities	Number of Beneficiaries	Persons	-	968	2,331	2,398
	Support Amount	KRW 100 million	-	2.4	4.0	5.0
Independent Living Support Program	Number of Beneficiaries	Persons	-	205	341	387
	Support Amount	KRW 100 million	-	1.5	3.0	3.0
Kyobo Dream Makers	Number of Beneficiaries	Persons	98	1,650	1,667	1,664
	Support Amount	KRW 100 million	1.9	2.9	5.0	5.0
Wow Dasomi Project for the Hearing-Impaired	Number of Beneficiaries	Persons	43	30	43	35
	Support Amount	KRW 100 million	2.2	3.0	5.0	5.0
Ties of Love	Number of Beneficiaries	Persons	1,413	1,389	1,233	1,247
	Support Amount	KRW 100 million	3.6	3.6	3.3	3.3

# Social

## Compliance and Ethics Training

Classification		Unit	2020	2021	2022	2023
Training Hours per Person	Total	Hours	12	12	12	12
	Managers	Hours	14	14	15	18
	Non-managers	Hours	16	15	18	25
Percentage of Employees Trained		%	100	100	100	100

## Fair Trade/Anti-Corruption Training

Classification		Unit	2020	2021	2022	2023
Fair Trade/Anti-Corruption Training		Hours	1	1	2	2
Percentage of Employees Trained		%	100	100	100	100

## Ethical Management

Classification		Unit	2020	2021	2022	2023	2023 Target
Code of Conduct Violations	Total	Cases	21	16	26	20	20
	Insurance Sales Related	Cases	7	0	11	5	5
	Workplace Sexual Harassment	Cases	0	2	1	0	-
	Workplace Bullying	Cases	1	1	2	2	2
	Process Violations	Cases	9	2	4	4	4
	Disruption of Organizational Order	Cases	2	0	3	2	2
	Negligence of Duty	Cases	2	1	1	4	4
	Others	Cases	0	10	4	3	3
Code of Conduct Violations Actions Taken	Total	Cases	21	16	26	20	20
	Dismissal	Cases	0	1	0	1	1
	Demotion	Cases	0	0	0	1	1
	Suspension	Cases	3	1	4	3	3
	Wage Reduction	Cases	3	0	5	5	5
	Reprimand	Cases	11	1	12	7	7
	Others	Cases	4	13	5	3	3

# Social

## Information Security and Privacy Protection

Classification		Unit	2020	2021	2022	2023
Information Protection Investment Ratio <sup>1)</sup>		%	-	9.4	7.8	8.5
Number of Complaints Proven Breaches of Customer Privacy and Losses of Customer Information		Cases	0	0	0	0
Information Security Training	Executives	Hours	11.0	12.0	12.0	12.0
	Financial Planners	Hours	12.0	10.0	8.0	8.0
	Employees	Hours	12.0	12.0	12.0	12.0
	Employees in charge of information technology tasks	Hours	12.0	12.0	12.0	12.0
	Employees in charge of information security tasks	Hours	14.0	14.0	14.0	14.0
Percentage of Employees Participating in Training		%	100	100	100	100

1) Information Protection Investment Budget/Total IT Budget \* 100

## Breach of Personal Data

Classification		Unit	2020	2021	2022	2023
Number of Leaks/Thefts/Losses		Cases	0	0	0	0
Number of Customers Affected by Breaches		Persons	0	0	0	0
Financial Damage Due to Customer Information Breaches		KRW million	0	0	0	0
Fines for Regulatory Violations		KRW thousand	0	0	0	0

## Ratio of Customer Information Used for Secondary Purposes

Classification		Unit	2020	2021	2022	2023
Number of Customers Who Consented to Third-Party Information Provision		Persons	-	-	5,960,986	6,618,309
Percentage of Customers Who Consented to Third-Party Information Provision <sup>1)</sup>		%	-	-	87.0	87.0

1) Customers who consented to third-party information provision / Total transaction customers \* 100

## Customer Satisfaction

Classification		Unit	2020	2021	2022	2023
Customer Satisfaction Survey Score		%	73.1	76.4	74.4	74.4
Persistency Ratio (13 <sup>th</sup> Month) <sup>1)</sup>		%	80.8	82.3	81.7	81.8
Customer Retention Rate <sup>2)</sup>		%	95.5	96.1	96.2	95.9

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

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

## Complaints

Classification		Unit	2020	2021	2022	2023
Number of Complaints		Cases	3,380	2,277	1,788	1,813
	Internal Complaints	Cases	1,998	1,191	980	980
	External Complaints	Cases	1,382	1,086	808	833
VOC Process Rate		%	100	100	100	100
Ratio of Insurance Claims to Complaints <sup>1)</sup>		%	2.3	1.5	1.1	0.9

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

# Governance

## Composition of BoD

Classification	Unit	2020	2021	2022	2023	
Independence	Ratio of Outside Directors	%	57.0	44.0	62.5	57.1
Diversity	Female Directors	Persons	0	0	2	1
Expertise	Directors with Industry Experience	%	100	100	100	100
Effectiveness	Average Tenure	Years	6.2	5.9	6.0	6.7
	Attendance Rate	%	100	100	99	100

## Operation of BoD

Classification	Unit	2020	2021	2022	2023	
Meetings	Total Number of Board Meetings Held	Times	9	9	9	8
	Regular Board Meetings	Times	9	9	9	8
	Special Board Meetings	Times	0	0	0	0
Reports and Resolutions	Total Number of Agenda	Cases	59	60	53 <sup>1)</sup>	58
	Reported Items	Cases	25	28	24	26
	Resolved Items	Cases	34	32	28	32
Resolution Outcomes	Approved	Cases	34	32	28	32
	Rejected	Cases	0	0	0	0

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

## Committees Under BoD

Classification	Unit	2020	2021	2022	2023	
Executive Candidate Recommendation Committee	Number of members	Persons	3	4	3	3
	Ratio of Outside Directors	%	66.7	75.0	66.7	66.7
	Attendance of CEO	Participation	V	V	V	V
	Number of Meetings	Times	3	3	3	3
	Attendance Rate	%	100	100	100	100
	Number of Resolved Items	Cases	8	7	7	8
	Number of Reported Items	Cases	0	0	0	0

Classification	Unit	2020	2021	2022	2023	
Audit Committee	Number of Members	Persons	3	3	3	3
	Percentage of Outside Directors	%	100	100	100	100
	Financial Expertise of the Chair	Expertise	V	V	V	V
	Number of Financial Experts	Persons	3	3	3	2
	Number of Meetings	Cases	9	8	9	8
	Attendance Rate	%	100	100	100	100
	Number of Resolved Items	Cases	13	12	14	12
	Number of Reported Items	Cases	17	17	18	17
Remuneration Committee	Number of Members	Persons	3	3	4	4
	Percentage of Outside Directors	%	66.7	66.7	75.0	75.0
	Number of Meetings	Times	4	5	5	4
	Attendance Rate	%	100	100	100	100
	Number of Resolved Items	Cases	9	16	10	7
	Number of Reported Items	Cases	0	0	0	0
Risk Management Committee	Number of Members	Persons	3	3	4	3
	Percentage of Outside Directors	%	100	100	100	100
	Number of Financial Experts	Persons	2	2	2	2
	Number of Meetings	Times	10	9	7	7
	Attendance Rate	%	100	100	100	95.2
	Number of Resolved Items	Cases	14	11	9	9
	Number of Reported Items	Cases	14	14	15	16
	Number of Resolved Items	Cases	14	14	15	16
Sustainable ESG Committee	Number of Members	Persons	-	-	4	4
	Percentage of Outside Directors	%	-	-	75.0	75.0
	Number of Meetings	Times	-	-	2	3
	Attendance Rate	%	-	-	100	100
	Number of Resolved Items	Cases	-	-	1	1
	Number of Reported Items	Cases	-	-	1	2

# Governance

## Highest-Paid Employee and Staff Compensation

Classification	Unit	2020	2021	2022	2023
Median of the Total Annual Compensation of All Employees	KRW million	-	-	99	105
Ratio of Annual Median Employee Compensation to Total Annual Highest-Paid Employee Compensation	Times	-	-	8.2	8.1
Ratio of Increase in Compensation of Highest-Paid Employee to Median Increase in Employee Compensation <sup>1)</sup>	Times	-	-	0.7	0.0

1) Based on the FY2022 competency-based pay (base pay) increase rate, there was no adjustment to the competency-based pay for the highest-paid employee in FY2023

## Shareholders

Classification	Unit	2023
Chang Jae Shin	%	33.78
Corsair Korea Investors LLC	%	9.79
Guardian Holdings Limited	%	9.05
Tiger Holdings LP	%	7.62
Export-Import Bank of Korea	%	5.85
KLI INVESTORS LLC	%	5.33
KLIC Holdings Limited	%	5.23
Henir LLC	%	5.23
APFIN INVESTMENT PTE LTD	%	4.50
Life Investors of Korea, LP	%	2.30
AXA	%	2.24
Kyobo Life Insurance Co., Ltd. (Treasury Shares)	%	2.04
In Jae Shin, Kyung Ae Shin, Young Ae Shin	%	5.12
Meiji Yasuda Life Insurance Company	%	1.00
Employee Stock Ownership Association	%	0.56
Others	%	0.36

# Governance

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

Classification		Unit	2020	2021	2022	2023
Effective Tax Rate	Net Income Before Income Tax Expense <sup>2)</sup>	KRW 100 million	6,664.0	7,240.9	5,440.6	6,455.4
	Income Tax Expense <sup>3)</sup>	KRW 100 million	1,885.7	1,983.8	428.1	1,550.6
	Effective Tax Rate <sup>4)</sup>	%	28.3	27.4	7.9	24.0
	Cash Taxes Paid <sup>5)</sup>	KRW 100 million	576.5	512.8	2,629.3	4,213.2
	Cash Tax Rate <sup>6)</sup>	%	8.7	7.1	48.3	65.3
	Consolidated Tax reporting	Sales (Premium Income) <sup>7)</sup>	KRW 100 million	186,449.1	197,151.1	261,952.4
Operating Income		KRW 100 million	6,842.8	7,152.2	5,719.5	6,190.5
Net Income Before Income Tax Expense		KRW 100 million	6,664.0	7,240.9	5,440.6	6,455.4
Income Tax Paid		KRW 100 million	576.5	512.8	2,629.3	4,213.2
Income Tax Accrued <sup>8)</sup>		KRW 100 million	400.8	552.5	2,296.0	-2,506.2
Cost of External Audits		KRW 100 million	17.1	17.5	25.1	33.0

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

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

3) [Business Report] Income Tax Expense

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

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

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

7) [Business Report] Operating Revenue

8) [Business Report] Current Tax Liabilities

## Tax Reporting by Country

Classification		Unit	2020	2021	2022	2023
United States of America	Name of Local Entity	-	KYOBO LIFE ASSET MANAGEMENT(AMERICA) CO., LTD			
	Business Areas	-	Asset Management			
	Number of Employees	Persons	4	4	3	2
	Operating Income	KRW 100 million	16.2	8.1	2.8	7.0
	Net Income Before Income Tax Expense	KRW 100 million	16.2	8.3	2.8	7.0
	Income Tax Expense	KRW 100 million	5.4	2.8	1.0	2.0
	Income Tax Accrued	KRW 100 million	0.7	2.6	2.5	1.0
Japan	Name of Local Entity	-	Kyobo Life Insurance ASSET MANAGEMENT (JAPAN) CO., LTD			
	Business Areas	-	Asset Management			
	Number of Employees	Persons	3	3	3	4
	Operating Income	KRW 100 million	3.8	6.4	6.2	0.5
	Net Income Before Income Tax Expense	KRW 100 million	3.9	6.5	6.3	2.7
	Income Tax Expense	KRW 100 million	1.4	2.4	2.4	0.8
	Income Tax Accrued	KRW 100 million	0.0	0.0	0.0	0.04

# Finance

## Economic Value Generated and Distributed

Classification		Unit	2020	2021	2022	2023
Customer	Claims Paid <sup>1)</sup>	KRW 100 million	104,955	115,535	168,877	140,376
Financial Planner	Commissions Paid <sup>1)</sup>	KRW billion	697	628	670	762
Employees	Wages and Benefits <sup>1)</sup>	KRW billion	447	535	473	528
Investors	Investors - Dividends <sup>1)</sup>	KRW billion	103	154	51	0
Local Community	Donations and Social Contribution Activities <sup>1)</sup>	KRW billion	161	139	248	250
Government	Income Tax, etc. <sup>1)</sup>	KRW billion	115	255	513	154
Partners	Service Purchase Costs <sup>2)</sup>	KRW billion	15	6	7	6

1) Based on separate financial statement and special accounts

2) Based on remittance on the electronic purchase system

## Premium Income by Product

Classification		Unit	2020	2021	2022	2023
Premium Income by Product	Total	KRW billion	14,280.0	15,808.3	20,736.1	18,987.0
	Protection	KRW billion	5,607.6	5,708.0	5,784.7	5,922.3
	Annuity	KRW billion	3,023.6	2,846.7	2,358.5	5,948.6
	Savings	KRW billion	2,401.6	2,958.1	6,211.3	777.7
	Corporate Pension	KRW billion	3,247.2	4,295.4	6,381.5	6,338.5

## Derivative Exposure

Classification		Unit	2020	2021	2022	2023
Total Fair Value of Acceptable Collateral Posted With the Central Clearinghouse		KRW 100 million	2,098	1,907	3,238	3,244

## Securities Lending and Borrowing

Classification		Unit	2020	2021	2022	2023
Total Fair Value of Securities Lending Collateral Assets		KRW 100 million	9,880	1,987	1,130	5,351



# Finance

## Summary of Statement of Financial Position

Classification	Unit	IFRS4			IFRS17	
		FY2020	FY2021	FY2022	FY2022	FY2023
Total Assets	KRW billion	125,704.7	130,934.9	130,880.6	121,502.5	130,779.3
Cash and Deposits	KRW billion	1,940.6	2,897.0	2,837.4	3,860.0	5,107.3
Securities	KRW billion	70,800.7	73,089.0	70,267.9	90,215.9	96,377.5
Loans	KRW billion	22,353.3	23,725.3	24,829.9	21,406.7	22,273.5
Investment in Associates	KRW billion	36.3	71.7	85.6	85.6	149.4
Investment Property	KRW billion	1,094.7	1,058.1	1,047.6	1,047.6	1,022.8
Property and Equipment	KRW billion	1,378.7	1,414.9	1,452.0	1,452.0	1,444.5
Intangible Assets	KRW billion	296.3	257.4	269.0	269.0	237.1
Other Assets	KRW billion	4,431.1	3,249.1	5,636.3	3,165.8	4,167.3
Separate Account Assets	KRW billion	23,373.0	25,172.4	24,455.0	-	-
Total Liabilities	KRW billion	113,925.2	118,980.1	123,955.1	107,722.9	119,959.9
Policy Reserve	KRW billion	76,686.2	79,287.1	81,702.0	79,065.2	88,114.9
Policyholders' Equity Adjustment	KRW billion	1,461.8	719.6	163.3	-	-
Other Liabilities	KRW billion	11,846.8	12,926.4	15,725.7	28,657.7	31,845.0
Separate Account Liabilities	KRW billion	23,930.4	26,046.9	26,364.1	-	-
Total Equity	KRW billion	11,779.5	11,954.8	6,925.5	13,779.6	10,819.4
Total Equity attributable to Controlling interests	KRW billion	11,454.8	11,596.5	6,552.5	13,406.6	10,564.0

\* For FY2022 and FY2023, other liabilities include investment contract liabilities and other contract liabilities.

## Summary of Income Statement

Classification	Unit	IFRS4			IFRS17	
		FY2020	FY2021	FY2022	FY2022	FY2023
Operating Revenues	KRW billion	18,644.9	19,715.1	26,195.2	16,363.3	16,693
Operating Expenses	KRW billion	17,960.6	18,999.9	25,623.3	15,729.4	16,074
Operating Profit	KRW billion	684.3	715.2	572.0	633.9	619.0
Non-Operating Income	KRW billion	-17.9	8.9	-27.9	-27.2	26.5
Profit Before Tax	KRW billion	666.4	724.1	544.1	606.7	645.5
Income Tax Expenses	KRW billion	188.6	198.4	42.8	68.9	155.1
Net Income	KRW billion	477.8	525.7	501.2	537.8	490.5
Net Income Attributable to Controlling Interests	KRW billion	452.2	489.3	487.6	524.1	475.4

※ For the list of subsidiaries included in the Consolidated Financial Statements, please refer to Appendix P. 8-10 in the 2023 Annual Report

# GRI Content Index

Statement of Use	During the reporting period (January 1, 2023, to December 31, 2023), Kyobo Life has reported sustainability management information in accordance with the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	N/A

## GRI 2: General Disclosures 2021

GRI Standards	Indicators	Reporting Page	Additional Information
The Organization and Its Reporting Practices	2-1	Organizational Details	P. 6, 121
	2-2	Entities Included in the Organization's Sustainability Reporting	P. 2, 6
	2-3	Reporting Period, Frequency, and Contact Point	P. 2
	2-4	Restatements of Information	P. 109, 111, 112, 113
	2-5	External Assurance	P. 2, 135
Activities and Workers	2-6	Activities, Value Chain and Other Business Relationships	P. 9, 80
	2-7	Employees	P. 108
	2-8	Workers Who Are Not Employees	P. 108
Governance	2-9	Governance Structure and Composition	P. 70-72
	2-10	Nomination and Selection of the Highest Governance Body	P. 71-72 2023 Governance and Remuneration System Annual Report P. 29-33
			P. 72 2023 Governance and Remuneration System Annual Report P. 17
	2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	P. 11, 72, 74 2023 Governance and Remuneration System Annual Report P. 69-71
	2-13	Delegation of Responsibility for Managing Impacts	P. 22, 31, 34, 55, 61, 64, 70, 74, 77
	2-14	Role of the Highest Governance Body in Sustainability Reporting	P. 11 2023 Governance and Remuneration System Annual Report P. 72

# GRI Content Index

ESG Reporting Framework

GRI Standards	Indicators	Reporting Page	Additional Information		
Governance	2-15	Conflicts of Interest	2023 Governance and Remuneration System Annual Report P. 15	Kyobo Life discloses information related to conflicts of interest through periodic management disclosures on its website, such as the 'Quarterly Disclosure on Credit Offerings to Major Shareholders' and the 'Quarterly Disclosure on the Acquisition of Bonds or Stocks Issued by Major Shareholders'	
	2-16	Communication of Critical Concerns	P. 11, 22, 31, 34, 70, 117		
	2-17	Collective Knowledge of the Highest Governance Body	P. 72		2023 Governance and Remuneration System Annual Report P. 45 (As of 2023)
	2-18	Evaluation of the Performance of the Highest Governance Body	P. 73		
	2-19	Remuneration Policies	P. 73		
	2-20	Process to Determine Remuneration	P. 73		
	2-21	Annual Total Compensation Ratio	P. 118		
	Strategy, Policies and Practices	2-22	Statement on Sustainable Development Strategy		P. 4-5
2-23		Policy Commitments	P. 13, 34, 40, 44, 55, 77		
2-24		Embedding Policy Commitments	P. 13, 34, 40, 44, 55, 77		
2-25		Process to Remediate Negative Impacts	P. 36, 46, 113		
2-26		Mechanisms for Seeking Advice and Raising Concerns	P. 36, 46, 96		
2-27		Compliance with Laws and Regulations	2023 Business Report P. 565		
2-28		Membership Associations	P. 132-133		
Stakeholder Engagement	2-29	Approach to Stakeholder Engagement	P. 19, 81, 84, 87, 91, 95, 100		
	2-30	Collective Bargaining Agreements	P. 46, 113		

# GRI Content Index

## GRI 3: Material Topics 2021

GRI Standards		Indicators	Reporting Page	Additional Information
Material Topics				
GRI 3: Material Topics 2021	3-1	Process to Determine Material Topics	P. 15-19	
	3-2	List of Material Topics	P. 15-19	
Climate Action				
GRI 3: Material Topics 2021	3-3	Management of Material Topics	P. 21-29	
GRI 20: Economic Performance 2016	201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	P. 21-29	
GRI 302: Energy 2016	302-1	Energy Consumption Within the Organization	P. 106	
	302-3	Energy Intensity	P. 106	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG Emissions	P. 29, 106	
	305-2	Energy Indirect (Scope 2) GHG Emissions	P. 29, 106	
	305-3	Other Indirect (Scope 3) GHG Emissions	P. 29, 106	
	305-4	GHG Emissions Intensity	P. 29, 106	
Sustainable Investment (ESG Investment)				
GRI 3: Material Topics 2021	3-3	Management of Material Topics	P. 77-78	
Organization Specific Indicator	-	Amount of ESG Investment	P. 78	In 2023, Kyobo Life's proportion of ESG investments is 9.0%. * Proportion of ESG investments = ESG investment amount / total assets under management
Enhancing Customer Satisfaction				
GRI 3: Material Topics 2021	3-3	Management of Material Topics	P. 17, 30-32	
Organization Specific Indicator	-	Customer Satisfaction Survey Score	P. 32	In the 2023 survey, Kyobo Life received a customer satisfaction survey score of 74.4. Notably, satisfaction with the enrollment procedure, policy management, and add-on services improved compared to the previous year

# GRI Content Index

ESG Reporting Framework

GRI Standards		Indicators		Reporting Page	Additional Information
Compliance and Ethical Management					
GRI 3: Material Topics 2021	3-3	Management of Material Topics		P. 18, 33-37	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices		-	Kyobo Life has not faced any legal actions regarding anti-competitive practices, monopolies, or other unfair trade practices (as of 2023 according to the Business Report on P. 565-567)
Personal Data Protection					
GRI 3: Material Topics 2021	3-3	Management of Material Topics		P. 18, 64-68	
GRI 418: Customer Privacy 2016	418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Information		P. 116	
Consumer Rights Protection					
GRI 3: Material Topics 2021	3-3	Management of Material Topics		P. 18, 61-63	
Organization Specific Indicator	-	Acquisition of Consumer-Centered Management (CCM) Certification		P. 84	Kyobo Life acquired the CCM certification for the 9th consecutive time in 2023
Risk Management					
GRI 3: Material Topics 2021	3-3	Management of Material Topics		P. 17, 74-76	
Organization Specific Indicator	-	Solvency Ratio		P. 91-92	In 2023, Kyobo Life's solvency ratio is 265.4%
Digital Innovation					
GRI 3: Material Topics 2021	3-3	Management of Material Topics		P. 17	
Organization Specific Indicator	-	Reduction of Enrollment Time for New Policies		P. 31	Reduction of Enrollment Time for New Policies - Rapid review product group: 28.6 hours → 8.3 hours - Standard review product group: 41.5 hours → 11.5 hours
Organization Specific Indicator	-	Reduction of Assessment Time for Payment Claims		P. 31	Reduction of Assessment Time for Payment Claims - Rapid Benefit Payment: 4.8 hours → 2.0 hours - Standard Benefit Payment: 11.7 hours → 6.6 hours

# SASB (Sustainability Accounting Standards Board)

Kyobo Life adheres to the SASB standards to share its sustainability management performance and financial impacts with various stakeholders, including investors and customers.

## SASB Industry Standard: Insurance

	SASB Metric	SASB Code	Kyobo Life Reporting
Transparent Information & Fair Advice for Customers	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	FN-IN-270a.1	The status of major lawsuits and sanctions related to Kyobo Life can be found in the Kyobo Life Business Report P. 563 (XI. Other Matters Required for Investor Protection)  <a href="#">Kyobo Life Business Report</a>
	Complaints-to-claims ratio	FN-IN-270a.2	Complaints-to claims ratio in 2023: 0.91%: For four years data, please refer to P. 116 ※ Ratio of insurance claims to complaints: the ratio of complaints received per 1,000 claims (excluding accident claims, survivorship annuities, and maturity benefits)
	Customer retention rate	FN-IN-270a.3	Customer retention rate in 2023: 95.9% (P. 116) ※ Based on SASB: (Total customers at the end of the reporting period - new customers added during the reporting period) / (Number of customers at the end of the previous period - number of customers involuntarily terminated during the reporting period - number of customer terminations in employer-sponsored plans)
	Description of approach to informing customers about products	FN-IN-270a.4	Kyobo Life's main products and services and their terms and conditions, including product structure and guarantee conditions, are disclosed on the Kyobo Life website. The Company also periodically informs customers of the coverage details of the products they have subscribed to through the Lifelong Care Services, which is a retention service for policyholder. Kyobo Life pays special attention to ensure that insurance product advertisements and informational materials are approved by the compliance officer in advance to prevent customers from causing improper judgment.  <a href="#">Kyobo Life website_Products</a> <a href="#">Kyobo Life website_Product Information</a> <a href="#">Kyobo Life website_Lifelong Care Service</a>
Incorporation of Environmental, Social, and Governance Factors in Investment Management	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment management processes and strategies	FN-IN-410a.2	Kyobo Life has established a sustainable investment policy that contains sustainable principles such as coal phase-out financing and uses its own ESG checklist for investment screening. For specific details, please refer to P. 78
Policies Designed to Incentivize Responsible Behavior	Net premiums written related to energy efficiency and low carbon technology	FN-IN-410b.1	Not applicable as Kyobo Life is a life insurance company
	Discussion of products or product features that incentivise health, safety or environmentally responsible actions or behaviours	FN-IN-410b.2	Kyobo Life has launched the "donots" platform to promote health for infants and toddlers which provides parents with tailored recipes and nutritional information suitable for their child's age and characteristics. For detailed information, please refer to P. 94

## SASB (Sustainability Accounting Standards Board)

ESG Reporting Framework

	SASB Metric	SASB Code	Kyobo Life Reporting
Financed Emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	FN-IN-410c.1	The total financed emissions of Kyobo Life in 2023 is 17.0357 million tCO <sub>2</sub> eq.
	Gross exposure for each industry by asset class	FN-IN-410c.2	Please refer to P. 29 for Kyobo Life's gross exposure for each industry by asset class
	Percentage of gross exposure included in the financed emissions calculation	FN-IN-410c.3	Please refer to P. 29 for the percentage of gross exposure included in Kyobo Life's financed emissions
	Description of methodology used to calculate financed emissions	FN-IN-410c.4	Kyobo Life calculates the financed emissions of its managed assets using the PCAF (Partnership for Carbon Accounting Financials) methodology
Physical Risk Exposure	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FN-IN-450a.1	Not applicable as Kyobo Life is a life insurance company
	Total amount of monetary losses attributable to insurance pay-outs from (1) modelled natural catastrophes and (2) non-modelled natural catastrophes, by type of event and geographical segment (net and gross of reinsurance)	FN-IN-450a.2	Not applicable as Kyobo Life is a life insurance company
	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of entity-level risks and capital adequacy	FN-IN-450a.3	Not applicable as Kyobo Life is a life insurance company
Systemic Risk Management	Exposure to derivative instruments by category: (1) total exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with a central clearinghouse, and (3) total exposure to centrally cleared derivatives	FN-IN-550a.1	The total fair value of acceptable collateral posted with a central clearinghouse was KRW 324.38 billion in 2023
	Total fair value of securities lending collateral assets	FN-IN-550a.2	The total fair value of securities lending collateral assets in 2023 was KRW 535.13 billion.
	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	Kyobo Life annually identifies risk factors that could impact its business through analysis of the management environment, business strategies, and performance. The company proactively and strategically addresses potential risks. For detailed information, please refer to P. 74-76
<b>Activity Indicators</b>			
	Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	FN-IN-000.A	Kyobo Life does not sell reinsurance assumed as it is a life insurance company The total number of in-force policies in 2023 was 9,407,204

# PSI (Principles for Sustainable Insurance)

Kyobo Life has been complying with the Principles for Sustainable Insurance(PSI) for the sustainable development of the insurance industry from 2022. We will work with major stakeholders to reflect ESG factors throughout our management activities and disclose them transparently.

Principles	Activities of Kyobo Life
<p>Principle 1. We will embed in our decision-making environmental, social and governance issues relevant to our insurance business</p>	<p><b>Establishment of ESG Governance</b> In March 2022, Kyobo Life Insurance established the sustainable ESG Committee under the Board of Directors, responsible for final decision-making on ESG. In 2023, the sustainable ESG Committee convened three times to review the progress of major ESG initiative execution and to select new key tasks. For detailed information on ESG governance, please refer to “ESG Governance” on P. 11.</p> <p><b>Consumer Rights Protection</b> Kyobo Life has established a consumer protection system to safeguard consumer information and rights. The company has enacted a Consumer Protection Charter to provide reliable services to customers and appointed a Chief Consumer Officer reporting directly to the CEO to ensure utmost dedication to consumer protection. Additionally, Kyobo Life continuously improves its VOC management system, incorporating consumer feedback into its business activities.</p> <p><b>Investment Management</b> Kyobo Life Insurance has established a sustainable investment policy, which guides its investment decisions. In 2023, the company integrated the Korean Green Taxonomy (K-Taxonomy) into its sustainable investment policy and invested in eco-friendly sectors such as solar, wind, and fuel cell projects. Kyobo Life Insurance has also developed its own ESG checklist, applied during the investment asset screening process, and considers ESG factors through initiatives such as the declaration of coal phase-out financing and negative screening.</p>
<p>Principle 2. We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.</p>	<p><b>Partnership with Yuhan-Kimberly</b> Kyobo Life launched a single-use hand towel recycling campaign in partnership with Yuhan-Kimberly in 2023. Collection bins for used hand towels have been placed in the restrooms of the headquarters and Kyobo Tower to collect used hand towels, which are then recycled into raw materials for new hand towels. Kyobo Life plans to expand this campaign to all its buildings to promote resource circulation and minimize GHG emissions.</p> <p><b>Culture of Fair Trade</b> Kyobo Life Insurance operates a Compliance Program (CP) to ensure that employees and partners voluntarily comply with fair trade laws. Additionally, the company has included provisions to prevent unfair trade practices in its internal “Contract Work Regulations,” ensuring all employees adhere to these rules when executing contracts. Kyobo Life Insurance also implements a “Clean Contract System” to prohibit collusion and unfair practices during contract execution, imposing restrictions on transactions with companies that violate these principles.</p>
<p>Principle 3. We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.</p>	<p><b>Community Relations</b> Kyobo Life Insurance is committed to building a better society through various community relations activities. The company has established principles of community relations and implements various programs such as support for infants and children, youth education and development, fostering digital talent and startups, and environmental and overseas outreach programs. In 2023, Kyobo Life Insurance collaborated with the Ministry of Environment to conduct the “Earth Festival,” an environmental education campaign for the public in Gwanghwamun. For more information on key community relations activities, please refer to P. 101.</p> <p><b>Global Initiatives</b> To achieve sustainable management at a global level, Kyobo Life Insurance participates in various global initiatives. These initiatives help the company quickly identify and analyze ESG-related issues and trends, enabling proactive ESG management. Since becoming the first in the insurance industry to join the UN Global Compact (UNGC) in 2010, Kyobo Life Insurance has supported the Women’s Empowerment Principles (WEPs) and joined other initiatives such as UNEP FI (United Nations Environment Programme Finance Initiative), PSI (Principles for Sustainable Insurance), CDP (Carbon Disclosure Project), and TCFD (Task Force on Climate-related Financial Disclosures).</p>
<p>Principle 4. We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.</p>	<p>Kyobo Life transparently discloses its performance and key management matters in accordance with relevant laws. Every year, the company publishes annual reports on sustainability, governance and remuneration, annual reports, business reports, and sales reports to share its ESG management activities.</p>

[Sustainability Report](#)

[Annual Report of Governance and Remuneration System](#)

[Kyobo Life Business Report](#)

[Kyobo Life Sales Report](#)

[Kyobo Life Annual Report](#)



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






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






TCFD Recommendations Around Four Thematic Areas		Reporting Page
Governance	Describe the board's oversight of climate-related risks and opportunities.	P. 22
	Describe management's role in assessing and managing climate-related risks and opportunities	P. 22
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	P. 23-24
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	P. 23-24
	Describe the resilience of the organization's strategy, considering different climate-related scenarios, including a 2°C or lower scenario.	P. 25-27
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	P. 28
	Describe the organization's processes for managing climate-related risks.	P. 28
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	P. 28
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	P. 29
	Disclose Scope 1, 2 and 3 greenhouse gas (GHG) emissions and related risks.	P. 29
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	P. 29

# UN SDGs (Sustainable Development Goals)

The Sustainable Development Goals (SDGs) are the largest collective global goals of the international community, aiming to address universal social issues, environmental and climate change problems, and economic challenges by 2030. These goals consist of 17 main objectives and 169 detailed targets. Kyobo Life engages in various activities linked to the UN SDGs, considering the nature of its business.

ESG Reporting Framework

SDGs Goals	Key Activities and Achievements	Reporting Page
 <p><b>1</b> NO POVERTY</p>	<p>No Poverty</p> <ul style="list-style-type: none"> <li>- Employee-driven charity initiative "Ties of Love" to support underprivileged children in Korea</li> <li>- Support for children in protective care facilities, the "Dream Goblin" Project</li> </ul>	P. 102-103
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<p>Good Health and Wellbeing</p> <ul style="list-style-type: none"> <li>- Providing health insurance and healthcare services</li> <li>- Disease prevention programs and mental and physical health programs for Kyobo Life employees and their families</li> </ul>	P. 9, 50
 <p><b>4</b> QUALITY EDUCATION</p>	<p>Quality Education</p> <ul style="list-style-type: none"> <li>- Support for children in protective care facilities, the "Dream Goblin" Project</li> <li>- "Kyobo Dream Makers" program offering ICT experiences and specialized education (courses for acquiring ICT professional certifications) for financially underserved children</li> </ul>	P. 103-104
 <p><b>5</b> GENDER EQUALITY</p>	<p>Gender Equality</p> <ul style="list-style-type: none"> <li>- Operation of female workforce training program</li> <li>- "DE&amp;I Conference" to improve organizational awareness of diversity</li> </ul>	P. 47
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p>Decent Work and Economic Growth</p> <ul style="list-style-type: none"> <li>- Establishment of stable labor-management relation</li> <li>- Assistance Service for hearing-impaired customers</li> <li>- "Impact UP" initiative to support impact-driven businesses solving social issues and aiding underserved individuals</li> </ul>	P. 46, 59, 104

SDGs Goals	Key Activities and Achievements	Reporting Page
 <p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Industry, Innovation and Infrastructure</p> <ul style="list-style-type: none"> <li>- "Agricultural Research Support Program" to aid Korean agriculture and rural areas</li> <li>- Continuation of Social Responsibility Investment (SRI)</li> </ul>	P. 100-102
 <p><b>10</b> REDUCED INEQUALITIES</p>	<p>Reduced Inequalities</p> <ul style="list-style-type: none"> <li>- Conducted training on sexual harassment prevention, disability awareness improvement, and workplace bullying prevention</li> <li>- Promotion of a family-friendly corporate culture through the "Family-Friendly Policies"</li> <li>- Operation of a fair performance evaluation system based on results and competencies</li> </ul>	P. 48, 49, 54
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Responsible Consumption and Production</p> <ul style="list-style-type: none"> <li>- Conducted a resource circulation campaign for disposable hand towels</li> <li>- Hosted the "Earth Festival" to experience and communicate about carbon reduction and eco-friendliness</li> <li>- Organized the "History &amp; Culture Plogging" environmental protection volunteer activities for employees</li> <li>- Operated the "Goodwill Market" campaign for recycling donations</li> <li>- Implemented a rooftop solar power project at the Defense Installation Agency</li> </ul>	P. 41-42, 78
 <p><b>13</b> CLIMATE ACTION</p>	<p>Climate Action</p> <ul style="list-style-type: none"> <li>- Established a sustainable investment policy and declared a coal phase-out financing</li> <li>- Engaged in environmental initiatives (CDP, TCFD)</li> <li>- Issued sustainability bonds to mitigate environmental impact</li> </ul>	P. 77, 93, 129, 132
 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Peace, Justice and Strong Institutions</p> <ul style="list-style-type: none"> <li>- Acquired ISO 37001 certification for the Anti-Bribery Management System</li> <li>- Strengthened anti-money laundering system</li> <li>- Operated the Fair-Trade Compliance Program (CP, Compliance Program)</li> </ul>	P. 35-37

# UN Global Compact

In September 2010, Kyobo Life became the first company in the insurance industry to join the United Nations Global Compact (UNGC). The company adheres to the 10 principles outlined by the UNGC in the areas of human rights, labor, environment, and anti-corruption, and reports its implementation activities annually through its Sustainability Report.







ESG Reporting Framework

	Principles	Kyobo Life's Activities and Efforts	Reporting Page
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights	<ul style="list-style-type: none"> <li>· Expression of support for human rights through joining the UNGC</li> <li>· Establishment of a human rights policy</li> <li>· All Employees have stated their commitment to the Code of Job Ethics</li> </ul>	P. 34, 44
	2. Make sure that they are not complicit in human rights abuses	<ul style="list-style-type: none"> <li>· Establishment of anti-harassment and bullying policy</li> <li>· Conducting employee human rights due diligence</li> <li>· Operating employee support and consultation system</li> </ul>	P. 44-48
Labor	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	<ul style="list-style-type: none"> <li>· Operation of labor-management councils, labor-management roundtable meetings and management briefings</li> <li>· Fostering a cooperative labor-management culture (union membership rate of 71%)</li> </ul>	P. 46
	4. The elimination of all forms of forced and compulsory labor	<ul style="list-style-type: none"> <li>· Inclusion of a prohibition on forced labor in the human rights policy</li> <li>· Operation of an overtime reporting center</li> </ul>	P. 44, 50
	5. The effective abolition of child labor	<ul style="list-style-type: none"> <li>· Inclusion of a prohibition on child labor in the human rights policy</li> </ul>	P. 44
	6. The elimination of discrimination in respect of employment and occupation	<ul style="list-style-type: none"> <li>· Prohibition of discrimination in accordance with the Kyobo's Code of Job Ethics</li> <li>· Implementation of blind recruitment</li> <li>· Establishment of diversity policy</li> </ul>	P. 13, 34, 45

	Principles	Kyobo Life's Activities and Efforts	Reporting Page
Environment	7. Businesses should support a precautionary approach to environmental challenges	<ul style="list-style-type: none"> <li>· Climate action</li> <li>· Establishment of sustainable investment policies and introduction of ESG checklists</li> <li>· Acquisition of ISO 14001 environmental management certification</li> </ul>	P. 21-29, 40, 77-78
	8. Undertake initiatives to promote greater environmental responsibility	<ul style="list-style-type: none"> <li>· Establishment of environmental policies</li> <li>· Engagement in eco-friendly community relations activities</li> <li>· Participation in disposable hand towel recycling project</li> </ul>	P. 40-42
Anti-Corruption	9. Encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> <li>· Issuance of sustainable bonds</li> <li>· Implementation of eco-friendly investments based on the Korean Green Taxonomy guidelines</li> </ul>	P. 78, 93
	10. Businesses should work against corruption in all its forms, including extortion and bribery	<ul style="list-style-type: none"> <li>· Clean Contract guide</li> <li>· Operation of a system to prevent unfair trade</li> <li>· ISO 37001 certification (Anti-Bribery Management System)</li> <li>· Operation of anti-money laundering systems, internal control systems, and whistleblower policy</li> </ul>	P. 35-37, 96

# ESG Initiatives

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

	Initiative	Details
	UN Global Compact (UNGC)	Joined in September 2010 (first among the domestic insurance industry) · A voluntary international agreement on social responsibility that endorses and commits to 10 principles in the areas of human rights, labor, environment, and anti-corruption
	Women's Empowerment Principles (WEPs)	Joined in June 2019 · A joint initiative of the UN Women and the UN Global Compact to call for gender equality and enhancement of women's competitiveness
	Carbon Disclosure Project (CDP)	Joined in May 2021 as a signatory · Global environmental initiative requiring the disclosure of environmental management information by companies
	United Nations Environment Programme Finance Initiative (UNEP FI)	Joined in January 2022 · International partnerships between UNEP and the international finance sector for sustainable finance
	Principles for Sustainable Insurance (PSI)	Joined in January 2022 · An international initiative for insurance companies created by UNEP FI (United Nations Environment Programme Finance Initiative) for the sustainable development of the insurance industry
	TCFD (Task Force on Climate-Related Financial Disclosures)	Joined in January 2022 · Task force for recommending voluntary disclosure of corporate impact in relation to climate change

## Membership Associations

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

## Awards

Date	Awards	Awarding Institution
February 2024	Selected as Korea's No. 1 in the life insurance industry for being the "Most Respected" (for two consecutive years) and selected as an "All Star 30" company	Korea Management Association Consulting
January 2024	Selected as the best case for "New financial products for mutual growth and cooperation"	Financial Supervisory Service
November 2023	Selected No. 1 in Korea Sustainability Index (KSI) for 14 consecutive years	Korean Standards Association
November 2023	Selected as "Korea's Excellent Korea Consumer Protection Index (KCPI) Company" in 2022	Korea Management Association Consulting
June 2023	Awarded by the Minister of Environment for environmental education and social contribution	Ministry of Environment
May 2023	Acquired "Consumer-Centered Management (CCM)" Certification for nine consecutive times	Fair Trade Commission
December 2022	Selected as "No. 1 Family-Friendly Company"	Ministry of Gender Equality and Family
July 2021	Awarded the Consumer-Centered Management (CCM) Fair Trade Commission President Commendation	Fair Trade Commission
December 2020	Awarded the "Financial Supervisory Service Commissioner's Award for Excellence in Consumer Protection Evaluation"	Financial Supervisory Service
December 2020	Awarded the 2020 Korea ICT Innovation "Commendation from the Minister of Science and ICT" Award	Ministry of Science and Technology
October 2020	Awarded the 7 <sup>th</sup> "Korea Reading Management Excellent Workplace Certification Award (Minister of Culture, Sports and Tourism Award)"	Ministry of Culture, Sports and Tourism
December 2019	Inaugural induction into the Consumer-Centered Management (CCM) Hall of Fame	Fair Trade Commission
December 2017	Fair Trade Commissioner's Commendation on the 22 <sup>nd</sup> Consumer Day	Fair Trade Commission
February 2016	Awarded the 12 <sup>th</sup> "Transparent Management Award"	Co-organized by 5 economic organizations
December 2014	Won the 1 <sup>st</sup> "Private Conglomerate Award" in the process category of the CSV Porter Prize	The Institute for Industrial Policy Studies, Dong-A Ilbo
October 2014	Awarded the 2 <sup>nd</sup> "President's Commendation and Government Award for Beloved Corporations"	Ministry of Trade, Industry and Energy

# Third-party Assurance Statement

## Dear Management and Stakeholders of Kyobo Life Insurance

### Introduction

Korean Standards Association (“KSA”) was commissioned by Kyobo Life Insurance (“the Company”) to perform a third-party Assurance Engagement of ‘Kyobo Life Sustainability Report 2023’(“the Report”). KSA presents independent opinions as follows as a result of the feasibility of the data contained in this Report. The Company has sole responsibility for the content and performance contained in this Report.

### Independence

As an independent assurance agency, KSA does not have any kind of commercial interest in businesses of the Company apart from undertaking a third-party assurance on the Report. KSA has no other contract with the Company that may undermine credibility and integrity as an independent assurance agency.

### Assurance Standards: AA1000AS v3

### Assurance Level and Type: Moderate, Type2

Note: Moderate assurance has a lower level of confidence than high assurance because it is based on limited evidence.

### Assurance Scope

The assurance scope includes systems and activities such as sustainability management policies, goals, businesses, standards, and achievements of the Company during the reporting period. While the Company’s environmental and social data, as well as financial data in a broad sense, was verified, the scope of review concerning stakeholder engagement was limited to the materiality assessment process.

- in adherence with the four principles of AA1000AP(AccountAbility Principles) 2018
- in accordance with GRI Standards 2021 (Topic Standards) 201-2, 206-1, 302-1, 302-3, 305-1-4, 418-1
- Company-specific Indicator: Customer Satisfaction Survey Score, Acquiring Consumer-centered management(CCM) certification, RBC(Risk-based Capital), Reduction of Enrollment time for New Reduction of Assessment Time for Payment Claims, Amount of ESG investment

### Assurance Methodology

KSA used the following methods to gather information, documents, and evidence with respect to the assurance scope.

- Confirmation of stakeholder participation and materiality assessment process by the sustainability expert.
- Verification of environmental information disclosure data and information by the environmental expert.
- Examination of internal documents and basic materials.

### Assurance limitations

KSA assumed that the data and evidence provided by the Company were complete and sufficient. KSA provided limited assurance through data inquiry and analysis as well as limited sampling methods.

## Assurance Results and Opinions

KSA reviewed the draft version of this Report within the scope of this assurance and presented our opinions as an assurance provider. Modifications were made to the Report content if deemed necessary. KSA were not aware of any suspicions of significant errors or inappropriate descriptions in this Report as a result of our Assurance Engagement. As such, KSA present our opinions of the ‘Kyobo Life Sustainability Report 2023’ as follows.

### Four principles of AA1000AP(AccountAbility Principles) 2018

#### Inclusivity

- Has the Company engaged its stakeholders in strategically responding to sustainability?

KSA believes the Company is aware of the importance of stakeholder participation and is making an all-out effort to establish a process that will increase their participation. The Company has selected stakeholders including customers financial planners employees, shareholders and investors, ecosystem players(affiliates and partners, government (related organizations), and communities and has communication channels for each group to receive diverse feedbacks and opinions.

#### Materiality

- Has the Company included material information in the Report to help stakeholders make informed decisions?

KSA is not aware of any significant omissions or exclusions of data that are material to stakeholders. KSA verified that the Company conducted a materiality assessment with issues identified from analyses of internal and external environments and reported according to the result.

#### Responsiveness

- Has the Company appropriately responded to stakeholder requirements and interest in this Report?

KSA verified that the Company responded to stakeholders’ needs and interests by reflecting stakeholders’ opinions in the Report. KSA is not aware of any evidence that the Company’s response to significant issues of stakeholders was reported inappropriately.

#### Impact

- Has the Company appropriately monitored its impact on the stakeholders?

KSA verified that the Company is monitoring and assessing its impact on the stakeholders by conducting an enhanced verification of its standard business activities. Furthermore, it has been verified that the Company appropriately publishes its findings in the Report.

## Reliability and quality of specified performance

- Has the Company appropriately collected and disclosed specified performance information based on a reliable process?

The assurance provider performed a reliability assurance of the sustainability performance information on the subject of Type2 assurance. To assure this information, interviews were conducted with relevant personnel, and it was determined that the performance information disclosed in the Report was collected and disclosed based on a reliable process and evidence. Additionally, no evidence was found indicating that specific sustainability information was inaccurately reported.



June 2024

KSA Chairman & CEO Myung Soo Kang

The Korean Standards Association (KSA), established as a special corporation in accordance with the Law for Industrial Standardization in 1962, serves as a knowledge service provider that distributes and disseminates such services as industrial standardization, quality management, sustainability management, KS certification and ISO certification. The KSA is committed to the sustainable development of Korean society as an ISO 26000 national secretary, AA1000 assurance provider, KSI (Korea Sustainability Index) operator, and as an assurance provider of the Korean government’s greenhouse gas energy target management system.

