



新安東京海上産險
TOKIO MARINE NEWA INSURANCE

2021 SUSTAINABILITY REPORT





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Editing Principles of this Report

About this Report

This Report is the eighth Sustainability Report published by Tokio Marine Newa Insurance Co., Ltd. (hereinafter referred to as TMNEWA, Tokio Marine Newa Insurance, TMNewa Company, the Company, or We), and the core value of B. E. S. T. of the Company, incorporating “Brand-new”, “Efficiency”, “Safety” and “Top” in this Report as the main axis. This Report is divided into the following five Chapters: “Brand-new: Sustainable Corporate Governance”, “Efficiency: Sustainable Commodities and Services”, “Safety: Promotion of A Sustainable Workplace”, “Social Prosperity: Contributions to A Sustainable Society”, and “Top: Sustainable Environment and Co-Prosperity”. We hope to present to the public and our stakeholders TMNEWA’s performance in the aspects of corporate governance, economy, environment, and society through the publication of this Report.

Organizational Boundaries and Scope of Disclosure

The reporting scope of this Report covers the operating activities and various services of TMNEWA Taipei Headquarters, all branches and service locations in Taiwan from January 1 to December 31, 2021, and some data would trace back to 2019 and 2020. All the statistical data disclosed in this Report came from internal statistics and investigation results and are presented in International Generic Indicators (IGI). Exact figures were given in this Report, and estimates were indicated in relevant chapters. Sources of financial data in this Report were from the financial statements assured by Deloitte & Touche. During the reporting period, there was no major change in the scale and structure of the organization. The re-editing of some data will be noted in the text of this Report.

Reporting Principles and Guidelines

The content framework of this Report was compiled in accordance with the GRI (Global Reporting Initiative) Standards and the GRI G4 Financial Services Sector Supplement. The core option criteria were followed as the reporting principle and Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, UN’s Sustainable Development Goals (SDGs), and the Principles for Sustainable Insurance (PSI) announced in the United Nations Environment Programme (UNEP) Finance Initiative were referred to as the framework of this Report. The GRI Content Index is detailed in Appendix I.

Verification of the Report

The content presented in this Report is based on a systematic analysis model for the identification of the sustainability topics the stakeholders are concerned about and the determination of the priority of these topics as the reference basis for information disclosure in this Report. After the compilation and editing of the first draft of this Report by the Sustainability Development Promotion Team, it was sent to the members of the editorial team for review and revision based on their duties before submitting to the president for the approval of the issuance. To improve the compliance of the Report with GRI Standards, AA1000 Assurance Standard (AA1000AS v3) and its 2018 appendix, British Standards Institution (BSI) was entrusted as the impartial third-party for the verification of the compliance with the core option criteria for the GRI and the requirements of AA1000 Assurance Standard (AA1000AS v3) Type I Moderate Level Assurance. The BSI Assurance Statement is detailed in Appendix IV.

Issuance of Report

This Sustainability Report is published every June, and the electronic version of this Report is also available at TMNEWA official website.

Current edition: Issued in June, 2022

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Chairman

Chung-Keng Chen

As the vaccinations in major countries accelerated in 2021, the global economy has gradually recovered. However, during the process, due to the supply shortage in semiconductor, shipping logistics and energy, coupled with the outbreak of Russian-Ukrainian War in early 2022, the energy and food prices rose, intensifying the inflationary pressure, which further impacted on the recovering economic activities once again. Despite the headwind, domestic economy still benefited from the continuous growth in the output capacity and the drastic increase in the export. In 2021, the overall written premiums in the domestic insurance market hit a record high for 11 consecutive years, and the Written Premium Income of TMNEWA also set a historical record of NT\$14.98 billion.

In the face of the threat of extreme weather, aside from making profits, the ESG performance in corporate management affects the whole supply chain and market development, and "Net Zero Emissions" has even become the global focus in recent years. After the signing of Glasgow Climate Pact in the 26th World Climate Conference (COP26) held in November, 2021, all the countries were required to reexamine their climate goals by the end of 2022, marking the entry of a new milestone for global sustainable development. To reach the goal of Net Zero by 2050, the Financial Supervisory Commission (FSC) officially launched the "Roadmap for the Sustainable Development of Listed Companies". The Company also autonomously initiated its GHG inventory operation in September, 2021 and successfully passed the ISO 14064-1 verification in May this year, taking our first step toward Net Zero emissions.

Important ESG Achievements of TMNEWA in 2021 are as follows.

Achievements in Corporate Governance

TMNEWA has diverse and independent board members, and there are 5 seats of professional natural person directors. In 2021, the total hours of continuing education for the directors in corporate governance courses reached 225 hours. In addition, board performance evaluation is conducted on a regular basis. The self-evaluation and peer evaluation of the board performance averagely scored 96 points. To enhance directors' participation in corporate governance affairs, we have not only voluntarily set up the Remuneration Committee but also invited independent directors to attend and guide the Treating Customers Fairly Committee to better implement the Treating Customer Fairly (TCF) Principle.

Achievements in Commodities and Services

The Company has made industrious efforts in digital finance and won Gold Award for Digital Innovation and Award of Excellence of Digital Transformation Paradigm. The Digital Customer Service Platform is officially launched, taking the lead in the industry in providing Flexible Schedule for Roadside Assistance Service based on the concept of a one-stop digital service, providing the public with more convenient and friendlier auto insurance services. In 2021, the number of electronic insurance policies used amounted to 770,000, with an overall satisfaction rate of online insurance application of 95.8%. Moreover, to protect the rights



President

Jason Lin

and interests of physically and mentally disabled people, the Accessible Friendly Financial Service Section has been set up on our official website, which was awarded the WCAG 2.1 (AAA) Label by the National Communications Commission (NCC).

Achievements in Employee Cultivation

We continue to promote the Succession Plan, and about 70% of the demand for managers were met by the management associates training program. The Company actively guides its employees to pass professional license examinations for underwriting claims at home and abroad, and also provides incentives to encourage our employees to continue their professionalism in insurance. As for sustainable development, we also arrange professional courses for our employees, covering the fields in green energy circulation, renewable energy, green finance, corporate governance and sustainable development.

Achievements in Social Welfare

TMNEWA continues to invest in public welfare activities and donation projects, and the amount of donation for public welfare in 2021 exceeded NT\$9 million. Donation is used to provide assistance in drunk driving prevention, road safety promotion, education development, and care for school children. Moreover, we also make long-term investment in the tutoring classes in remote areas to provide students with resources to learn at ease. As of 2021, more than 1,900 school children in Nantou and Hualien areas have benefited from this program.

Achievements in Green Finance

We have officially signed as TCFD Supporter in July, 2021. In addition, we have also incorporated climate change risk into the cycle of ERM to proactively face the challenges brought by climate change risks. So far, TMNEWA has carried out GHG inventory and passed ISO 14064-1 verification. Moreover, climate-related risk scenario analysis is also conducted for investment position while ESG sustainable management factors are included for decision-making in the selection and evaluation of projects. The cumulative investment in environmental protection in 2021 amounted to NT\$465 million.

Faced with global climate change, unstable political and economic situations, and the continued spread of COVID-19 epidemic, countries have accelerated the pace to promote ESG. Tokio Marine Newa Insurance has kept its resilience and perseverance to actively face challenges brought by the environment and society. Amid such rapid changes, we find new opportunities for us to realize the important commitments we made to our customers, shareholders and stakeholders. Looking into the future, in addition to keep meeting customer needs and creating profits for shareholders, we will also continue upholding the idea of sustainable management and demonstrate our determination to practice sustainable value through actual actions to facilitate sustainable development, aiming at moving toward a better future together.

Company Overview

Date as of: 2021/12/31

Established Date	January 20 1999
Type of Company	Private Company
Headquarters	8F-13F, No. 130, Sec. 3, Nanjing E. Rd., Zhongshan District, Taipei City 104505
Capital	NT\$6 billion
Paid-up Capital	NT\$2.99 billion
Premium Income	NT\$15.55 billion
Direct Written Premiums	NT\$14.98 billion
No. of Employees	1,409
Main Products	Motor Insurance, Fire Insurance, Marine Insurance, Miscellaneous Insurance, Accident & Health Insurance
Major Market	Taiwan
Rating	Standard & Poor's (S&P): Rated "A" with a "stable" outlook Taiwan Ratings: Rated "twAAA" with a "stable" outlook
Overseas Subsidiary	Newa Insurance (Cambodia) PLC., the Company holds 45% of the shares

As of December 31, 2021, there are a total 34 branch offices, including the Headquarters and 6 branch offices including Taipei Branch Office, New Taipei City Branch Office, Taoyuan Branch Office, Taichung Branch Office, Tainan Branch Office, and Kaohsiung Branch Office; there are also Hualien Service Center and Taitung Service Center to serve people in remote areas with low population density. For our overseas operation base, we have set up the Shanghai Representative Office. In addition, our overseas subsidiary, Newa Insurance (Cambodia) PLC. was established in 2018, providing insurance related products and services to local Taiwanese.

Shareholding Structure

Two major shareholders

Yulon Group

- 1953- Yulon Motor Co., Ltd, was established in 1953 as the first automobile manufacturer in Taiwan with the spirit of “pursuit of excellence” and continues to focus on the improvement of R&D and manufacturing capabilities. The business territory includes automobile manufacturing, auto trading, textile, and high technology.
- 1999- To provide a one-stop auto service, Newa Insurance was officially established, officially stepping into the insurance market.
- 2008- Launched its own brand of Luxgen, an unprecedented move for Taiwan’s auto industry.

Tokio Marine Group

- Tokio Marine Group was founded in 1879 as the first insurance company in Japan. The Headquarters is located in Tokyo, Japan, and its subsidiaries and affiliated companies are located in 438 cities around the world, including insurance-related businesses of the Tokio Marine & Nichido Fire Insurance Co., Ltd., Tokio Marine & Nichido Life Insurance Co., Ltd., and Tokio Marine Asia Pte. Ltd, serving as the best business partners for Tokio Marine Newa Insurance Co., Ltd.

Shareholding

Shareholders	Number of Shareholders	Number of Shares Held	Shareholding Ratio
Govt. Organization	0	0	0
Local Financial Institution	0	0	0
Local Corporation	9	148,937,048	49.81%
Individual	52	3,746,120	1.25%
Foreigner	1	146,326,732	48.94%
Total	62	299,009,900	100.00%

Date as of: 2022/04/01

Remarkable Growth

- 1999**

 - Newa Insurance was officially established.
 - First in the industry to launch "The On-Line Estimate System".
 - First in the industry to provide "On-the Scene Service".

- 2002**

 - Formed strategic alliance with Tokio Marine Group.

- 2003**

 - Headquarters office relocated from Xin-Yi Road to the current location "Newa Insurance Building".

- 2005**

 - Merged with Allianz Insurance, which was under Tokio Marine Group, to be officially named as Tokio Marine Newa Insurance Co., Ltd.

- 2006**

 - Shanghai Representative Office is permitted to establish by China Insurance Regulatory Commission.

- 2007**

 - First in the industry to introduce "Senior Citizen Accident Insurance".

- 2008**

 - Approved to operate health insurance business.
 - Officially entered new era by launching "Claims Image Files Management System" for the Motor Claim Department.

- 2012**

 - Launched the public welfare microfilm entitled "Awakening Love", officially entering the first year of promoting "Drunk Driving Prevention".

- 2014**

 - Introduced "Designated Driver Liability Insurance" in response to the government's promotion of designated driver services for drunk people.

- 2015**

 - Officially launched the online insurance business, providing consumers with more convenient and faster services; established E-commerce Department to be in charge of planning and promoting e-commerce business.
 - Established Jiali Liaison Office in Tainan to demonstrate the determination for deep cultivation in local areas.

- 2017**

 - Passed the ISO 27001 Information Security Management System (ISMS) standards certified by SGS
 - Officially launched the online insurance service for Voluntary Automobile Insurance to speed up the process for customers to obtain insurance policies.
 - Established Nankan Liaison Office, YongKang Liaison Office and Nangao Liaison Office to provide more convenient services.
 - Kaohsiung Production Dept. III was renamed Fengshan Production Department.

- 2018**

 - In 2018, our long time effort on promoting road safety and drunk driving prevention has earned us "Golden Safety Award – Special Achievement" of The Ministry of Transportation and Communication, the first awarded enterprise in 29 years.
 - Established the first overseas subsidiary, Newa Insurance (Cambodia) PLC, in Cambodia, meeting the protection needs of Taiwanese companies investing overseas.

- 2019
- Established Taipei Branch Office to strengthen customer service in the Great Taipei Area.
 - Evaluated with “Treating Customer Fairly Principle”, Financial Supervisory Commission announced TMNewa in the top 20% of non-life insurance sector.

- 2021
- To promote corporate sustainable operation and implement corporate social responsibility, it was passed in the board meeting in May to establish the “Sustainable Development Committee”.
 - Signed the TCFD initiative in July.
 - Obtained double certifications of ISO 27001 Information Security Management system and ISO 27701 Privacy Information Management System.
 - Launched the “Digital Customer Service Platform” and the first in industry to provide Flexible Schedule for Roadside Assistance Service, providing faster, more convenient and friendlier motor insurance services.

- 2022
- Passed ISO 14064-1 verification.

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Financial Performance

In terms of the financial performance, the Company's operating income in 2021 increased by 9.09% compared with 2020, and the before-tax net profit margin increased by approximately 30.79% while the ESP increased by about 43.75%, both hitting a record high.

The 2021 employee benefits amounted to approximately NT\$1.9 billion, and the amount of financial contribution to the government (including the Profit-Seeking Enterprise Income Tax) reached NT\$600 million. Please check our official website to download the annual reports for details. In 2021, there was no political contributions, nor was there any tax relief or financial assistance from other agencies.

Business overview over the past three years			
	Unit: NT\$/million		
Item/Year	2019	2020	2021
Operating Income	11,096	11,920	13,004
Gross Margin	3,690	3,634	4,357
Operating Profit or Loss	1,136	1,015	1,471
Non-operating Income and Expenses	22	12	3
Profit Before Tax	1,158	1,127	1,474
Profit from continuing operations for the period	968	861	1,238
Net profit (loss) for the period	968	861	1,238
Other Comprehensive Income or Loss for the Period (Net after tax)	634	142	637
Total comprehensive profit and loss for the Period	1,601	1,003	1,875
Earnings per share (EPS) after tax*	3.24	2.88	4.14
Employee Benefits	1,654	1,725	1,931
Dividends paid to shareholders	819	819	453
Taxes paid to the government	483	478	603
Capital	2,990	2,990	2,990
Shareholders' Equity	9,375	9,558	10,980
Retained Premiums	10,335	11,165	12,145

Business overview over the past three years

Unit: NT\$/million

Item/Year	2019	2020	2021
Direct Written Premiums	12,879	13,956	14,976
Total Asset	24,477	25,474	28,026
D/E ratio	161.09%	166.51%	155.26%
Capital Adequacy Ratio	598%	526%	622%
Return on common stockholders' equity (ROE)	10.32%	9%	11.28%
Donations to Social Welfare	6	7	9

Note 1: Source: Independent Auditors' Report

Note 2: Earnings per share (EPS) after tax is calculated in NTD.

United Nations Sustainable Development Goals (SDGs) contains 17 Goals and 169 Targets. Countries around the world have successively referred to them as the development topics from 2016 to 2030.



圖片來源：SUSTAINABLE DEVELOPMENT KNOWLEDGE PLATFORM



End poverty in all its forms everywhere

- Provide group accident and micro-insurance with low sum assured and low premium for economically disadvantaged groups.
- The Company provides micro-insurance every year to help children in remote areas in Hualien and Nantou for basic personal protection.



Ensure healthy lives and promote well-being for all at all ages

- Since 2012, the Company has continued to promote the prevention of drunk driving and traffic safety and participated in a number of publicity activities.
- We have underwritten the Employers Compensation Liability Insurance for temporary workers of the Department of Environmental Protection, Taipei City Government for 23 consecutive years.
- We make donations to the Taitung Christian Hospital to provide sounder medical services in remote areas.
- We provide customers of different ages with products such as casualty insurance, critical illness, infectious disease and cancer insurance.
- We introduce vaccine insurance for people aged between 0-75.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- For 13 consecutive years, we have reached remote primary schools in native tribes in Taiwan, handling after-school tutoring classes and improving the education and after-school care of rural schoolchildren.
- We joined hands with Tanmei Elementary School to promote international diversified courses such as bilingual traffic safety education.
- We respond to the E.SUN Volunteer & Social welfare Foundation's "Caring for Schoolchildren" Project.



Ensure availability and sustainable management of water and sanitation for all

- We provide environmental pollution liability insurance to help enterprises to manage environmental risks and provide compensation and recovery mechanisms.
- We invest in domestic sewer renovation in order to improve the problem of domestic sewage discharge to be in line with policies and promote the penetration rate of sewerage.



Ensure access to affordable, reliable, sustainable and modern energy for all

- We underwrite renewable energy related equipment such as wind turbines, solar power generation equipment manufacturing and generating sets and hydroelectric generating sets from the damage caused by fire, typhoon, flood, earthquake and other dangerous accidents. In addition, we also assist in the recovery as soon as possible after the disaster and maintain the sustainable development of the environment.
- We undertake offshore wind power related business through reasonable reinsurance arrangements and regularly review the performance in line with government policies and green energy plans.
- We have jointly established Star River Energy Corporation with AUO Corporation and several insurance companies in response to the trend of low-carbon green energy and the government's policy of encouraging private investment in renewable energy development. In 2021, the output of renewable energy power reached 10,661,091 kWh, which was equivalent to reduction of greenhouse gas emissions by about 5,352 tons of CO₂e.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

- The starting salary of the new employees of the Company is higher than the statutory basic salary. Every year, the annual salary adjustment and employee compensation and bonus distribution are carried out according to the Company's operating performance and personal performance.



Reduce inequality within and among countries

- The employee human rights policies are formulated, which adhere to the concept of employee diversity and equality. We follow relevant laws and regulations and do not discriminate against employees based on their race, gender, age, country, language, religion, sexual orientation, and physical and mental disabilities. In addition, all business partners are encouraged to work together on human rights issues and pay attention to related risk management.
- The Guidelines on Service for Persons with Disabilities were formulated as a guidebook for employees to provide services for persons with disabilities. In addition, a friendly financial service area and Accessible Web were set up on the official website, providing more convenient services for customers with disabilities.



Take urgent action to combat climate change and its impacts

- We introduced the GIS software, Impact On Demand (IOD), for early warning and damage prevention. Before a typhoon strikes, the IOD map software will reveal the list of affected policyholders in the areas of influence according to the typhoon path and affected areas announced by the Central Weather Bureau. The list is actively provided to our associates in the jurisdiction to grasp real-time information, carry out early warning and remind policyholders to overhaul related equipment in advance to lower the probability of losses.
- We have actively promoted electronic insurance policies in response to green energy and environmental protection policy. In 2021, the number of electronic insurance policies reached 771,205, of which accident and health insurance accounted for 70,412, reducing about 3 tons of CO₂e
- The TCFD initiative was signed by the president on behalf of the Company in July, 2021.
- Passed ISO 14064-1 was verification in May, 2022.



Conserve and sustainably use the oceans, seas and marine resources for sustainable development

- When the Company underwrites fishing vessel insurance, environmental risk factors will be carefully considered and the background and fishing operation mode of the owner be evaluated. If a fishing vessel is found to be operating in an illegal manner or has been caught by the competent authority for illegal fishing, its insurance will be strictly reviewed or rejected.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

- Directors and employees are arranged to receive education and training on anti-money laundering and counter-terrorism financing every year. The Company will continue to monitor anti-money laundering and counter-terrorism financing transactions.
- A whistleblowing system was established; the reporting mailbox and hotline were set up, and a confidentiality mechanism for whistleblowers is implemented.
- In 2021, the proportion of regular employees receiving education and training on integrity management courses reached 97.37%. There was no occurrence of corruption in 2021.

2021 Sustainability Management Performance

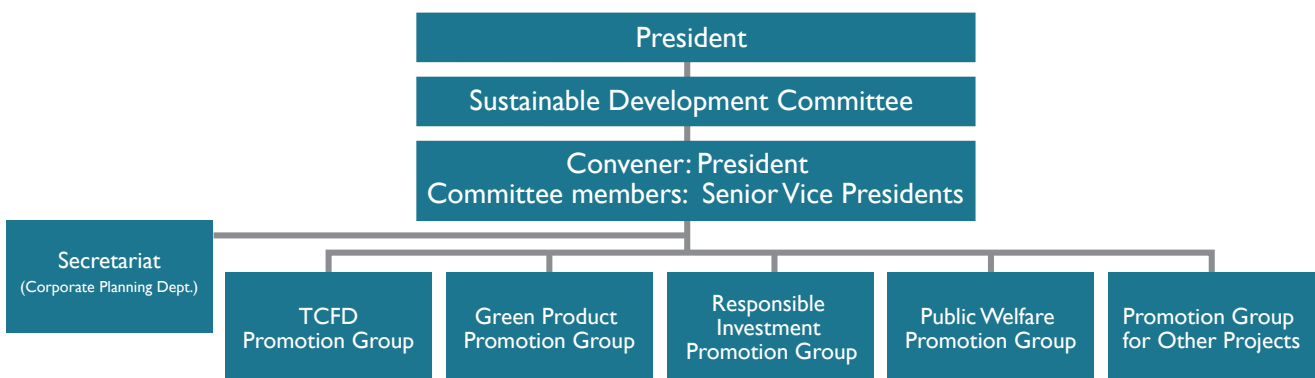
The board of directors approved the establishment of Sustainable Development Committee, with the president serving as the convener; and four permanent business promotion groups are set up under the Committee, including TCFD Promotion Group, Green Product Promotion Group, Responsible Investment Promotion Group, and Public Welfare Promotion Group.

The Sustainable Development Committee discussed the level of stakeholders' concern and level of impact on sustainable management based on each topic and identified a total of 15 material sustainability topics (including 19 material topics) and disclosed their management approaches.

The management approaches of the material sustainability issues correspond to 10 of the Sustainable Development Goals (SDGs) of the United Nations.

I.1 Sustainable Development Operation

It was approved in the board meeting in May, 2021 to establish the Sustainable Development Committee, with the president serving as the convener and the senior vice presidents serving as committee members. Under the Committee are the business promotion groups, including TCFD Promotion Group, Green Product Promotion Group, Responsible Investment Promotion Group, and Public Welfare Promotion Group, and these business promotion groups plan the strategic directions for sustainable management and report to the board of directors on a regular basis. In addition, the Sustainable Development Policy is established based on the Sustainable Development Principles passed by the board of directors as the management approach for the implementation of corporate sustainability development. The economic, environmental and social issues generated from the operating activities are handled by senior management authorized by the board of directors, and the implementation status is reported to the board of directors on a regular basis by the Sustainable Development Committee.



I.2 Embracing Stakeholders

Identification of Stakeholders

TMNEWA's editorial team and various departments had group discussions, referred to the stakeholder groups identified in the same trade and followed the five major principles set forth in the AA1000 Stakeholder Engagement Standards (SES), namely Dependency, Responsibility, Influence, Diverse Perspective and Tension for the identification of stakeholders. A total of 7 major categories of stakeholders were identified, including Channel partners/Suppliers, Shareholders, Employees, Media/External rating agencies, Community/NGOs/Non-profit organizations, Associations/ Government agencies, and Customers/ Online Community.

Stakeholder Communication

The Company conducts stakeholder identification every year, and the promotion policies for the issues of the stakeholders' concern are detailed as follows for actual implementation in internal management and external business activities.

Issues of concern to stakeholders and communication channels

Stakeholder	Issues of concern	Promotion policy of the issues of concern	Communication channels	Frequency
Channel partners/Suppliers	<ul style="list-style-type: none"> • Information Security • Compliance • Economic Performance • Treating Customer Fairly and Customer Experience • Integrity Management 	<ul style="list-style-type: none"> • Establish an effective and smooth communication platform. • Jointly comply with the marketing laws and regulations to protect the rights and interests of customers. • Properly assess the environmental and social impact of the procurement behavior and the suppliers. • Jointly work with suppliers to comply with environmental, safety, and health regulations to reduce the environmental impact of the company operation. • Promote green procurement and use products with environmental labels and energy-saving labels. 	<ol style="list-style-type: none"> 1. Business visits 2. Phone contact by dedicated personnel 3. EMAIL 4. Business meetings 5. Insurance Market Observation Post System 6. Whistleblowing mailbox and hotline for dishonest behavior 	<ol style="list-style-type: none"> 1. Occasionally 2. Occasionally 3. Immediately 4. Occasionally 5. Immediately 6. Immediately
Shareholders	<ul style="list-style-type: none"> • Compliance • Information Security • Risk Management • Integrity Management • Economic Performance 	<ul style="list-style-type: none"> • Improve operational performance and strengthen risk management. • Strengthen financial and non-financial information to enhance transparency of information. • Strengthen functions of the board of directors for the implementation of corporate governance. 	<ol style="list-style-type: none"> 1. General Shareholders' Meeting 2. Annual Report 3. Shareholders Section on the Company's official website 4. Insurance Market Observation Post System 5. Whistleblowing mailbox and hotline for dishonest behavior 	<ol style="list-style-type: none"> 1. Once a year 2. Once a year 3. Immediately 4. Immediately 5. Immediately
Employees	<ul style="list-style-type: none"> • Information Security • Compliance • Talent Attraction & Retention • A Friendly and Safe Workplace • Labor-management Relations 	<ul style="list-style-type: none"> • Abide by labor laws and regulations and attach importance to labor rights. • Establish effective employee grievance channels and communication mechanisms. • Create a good environment for career development and set up reasonable and fair compensation system. • Provide a safe and healthy working environment. 	<ol style="list-style-type: none"> 1. Annual performance appraisal 2. Supervisor interviews 3. Employee opinion mailbox 4. Mailbox for sexual harassment complaints 5. Independent directors' mailbox 6. KM employee discussion section 7. Labor-management conference 8. Employee complaint form 9. Whistleblowing mailbox and hotline for dishonest behavior 	<ol style="list-style-type: none"> 1. Once a year 2. Occasionally 3. Immediately 4. Immediately 5. Immediately 6. Immediately 7. Once a quarter 8. Immediately 9. Immediately

Issues of concern to stakeholders and communication channels

Stakeholder	Issues of concern	Promotion policy of the issues of concern	Communication channels	Frequency
Media/External rating agencies	<ul style="list-style-type: none"> • Integrity Management • Compliance • Information Security • Information Disclosure • Treating Customer Fairly and Customer Experience 	<ul style="list-style-type: none"> • Ensure the consistency, correctness, and timeliness of the Company's external information transmission through the spokesperson system. • Designate a unit in charge to handle the coordination and contact with the media for the interviews to establish mutual trust. • Understand the strengths and weakness of the Company's credit quality through the credit rating systems. • Continue to strengthen the Company's use of financial leverage in financial transactions. 	<ol style="list-style-type: none"> 1. Business visits/interviews 2. Contact by phone or EMAIL 3. Insurance Market Observation Post System 4. Interviews or press conferences 5. Press releases 6. Management meeting for credit rating 	<ol style="list-style-type: none"> 1. Occasionally 2. Immediately 3. Immediately 4. Occasionally 5. Occasionally 6. Once a year
Community/NGOs/Non-profit organizations	<ul style="list-style-type: none"> • Information Security • Talent Attraction & Retention • Public Welfare • Diversity and Equal Opportunity • Human Rights 	<ul style="list-style-type: none"> • Encourage employees to participate in community service. • Pay attention to social issues and care for the disadvantaged groups in society. 	<ol style="list-style-type: none"> 1. Annual report 2. Public Welfare Activity Section on the official website 3. Insurance Market Observation Post System 4. Seminars and public welfare & environmental protection activities 5. Sponsored events 	<ol style="list-style-type: none"> 1. Once a year 2. Immediately 3. Immediately 4. Occasionally 5. Occasionally
Government agencies/Associations	<ul style="list-style-type: none"> • Corporate Governance • Information Security • Compliance • Treating Customer Fairly and Customer Experience • Risk Management 	<ul style="list-style-type: none"> • Strictly comply with social, product and marketing related laws and regulations and establish a good internal control mechanism. • Implement integrity management and anti-corruption policy. • Pay attention to the trends of sustainable management at home and abroad for the establishment of an effective corporate governance framework. • Participate in various meetings organized by associations and societies and cooperate with as well as respond to the related industrial policies. • Cooperate with the development of solutions to emerging risks and abide by relevant laws and regulations. 	<ol style="list-style-type: none"> 1. Regular reporting of business information 2. Financial check-ups 3. Official documents 4. Compliance with regulations and government policies 5. Participation in meetings, forums, and seminars 6. Contact by phone or EMAIL 	<ol style="list-style-type: none"> 1. As required 2. Occasionally 3. Immediately 4. Immediately 5. Occasionally 6. Immediately
Customers/Online Community	<ul style="list-style-type: none"> • Economic Performance • Integrity Management • Information Disclosure • Digital Finance and Innovation • Community Communication 	<ul style="list-style-type: none"> • Attach importance to customer privacy, follow personal data protection laws and regulations, and take rigorous protection measures for customer data. • Improve service quality and customer satisfaction. • Provide a complete, transparent, and effective grievance channel for customers. • Provide diversified and innovative insurance products and services. • Establish social media norms and be in charge of disseminating knowledge of risk management and insurance to provide customers with effective interaction and communication channels. 	<ol style="list-style-type: none"> 1. Business locations 2. Toll-free customer service hotline 3. Online customer service 4. Website message board 5. Independent directors' mailbox 6. In-person visits and telephone interviews 7. Whistleblowing mailbox and hotline for dishonest behavior 8. Insurance Market Observation Post System 9. Line@ 10. Tokio Marine Nawa Insurance online customer service platform 11. Facebook fan page 	<ol style="list-style-type: none"> 1. Immediately 2. Immediately 3. Immediately 4. Immediately 5. Immediately 6. Occasionally 7. Immediately 8. Immediately 9. Immediately 10. Immediately 11. Immediately

Principles for Sustainable Insurance (PSI)- Public Information Disclosure

The threats and risks brought by globalization to sustainable development are increasing. In this context, the transparency of an enterprise's impact on economic, environmental, and social aspects has become a crucial element affecting stakeholders, investment decisions, and other market relations. Therefore, the establishment of clear and open information is necessary for the development of a reliable sustainability report.

The Company makes use of its multiple channels to convey important information via its official website, Facebook fan page, and press releases. The electronic version of the press releases is released at the News Section on the official website to ensure smooth communication both internally and externally. Moreover, the Company also compiles and issues the Annual Report and Sustainability Report every year to help its stakeholders in understanding the Company's financial and non-financial performance.

Consultation & Grievance Channels for Stakeholders

Category	Consultation & Grievance Channels
Internal stakeholders	<ul style="list-style-type: none"> • Work Rules are set up as prescribed, and there are also the Measures for Employee Grievance. Employees can file a grievance according to the prescribed procedures if their rights and interests are damaged. • Encourage direct communication between the employees and the management, and a mailbox for employees' opinions is set up (idea@tmnewa.com.tw). In addition, there is also a mailbox for sexual harassment complaints (talk2us@tmnewa.com.tw), and a Grievance Handling Committee is set up to ensure a gender-friendly and equal workplace. • Regularly hold labor-management meetings to strengthen labor-management communication. • To implement the business philosophy of integrity and transparency, it is passed by the board of directors to establish the Ethical Corporate Management Best Practice Principles, Integrity Management Policy, Procedures for Ethical Management and Guidelines for Conduct and other regulations to prohibit internal and external personnel from engaging in dishonest behavior. • Set up the whistleblowing mailbox (whistleblower@tmnewa.com.tw) and hotline (070-1010-8922) as a channel for the reporting of dishonest behavior of internal and external personnel.
External stakeholders	<ul style="list-style-type: none"> • To improve customer satisfaction, the customer service center will rapidly handle customer grievance and complaints based on different grievance channels and sources (such as letters from the competent authority, toll-free hotline, customer letters, emails, faxes, or over-the-counter complaints). • The customer service website: https://www.tmnewa.com.tw/ContactUs.aspx, and the customer service hotline (toll-free): 0800-050-119.

1.3 Identification of Material Topics

The Company refers to the editing principles of GRI standards to ensure the quality and correctness of the disclosed content in this Report, continues to listen to our stakeholders, and welcomes suggestions from all sectors to make timely adjustment so as to keep moving toward sustainable development. This Report applies a systematic analysis model for the identification of sustainability topics our stakeholders are concerned about and that have major impact on the Company's operations as the reference for information disclosure in this Report for effective communication with our stakeholders and continuous improvement of the performance of sustainability in terms of operations.

The material topics of this Report were identified through discussions between the Sustainable Development Committee and the Sustainability Report Editorial Team on the material sustainability issues of the Company via the 5 major steps, including "identification of stakeholders", "summary of corporate sustainability topics", "survey of issues of concern", "identification of material topics", and "review and discussion" to ensure that the disclosed information meets the needs of stakeholders.

7 major categories of stakeholders

The Sustainability Report Editorial Team and various departments had group discussions, referred to the stakeholder groups identified in the same trade and followed the five major principles set forth in the AA1000 Stakeholder Engagement Standards (SES), namely Dependency, Responsibility, Influence, Diverse Perspective and Tension for the identification of stakeholders. A total of 7 major categories of stakeholders were identified, including Channel partners/Suppliers, Shareholders, Employees, Media/External rating agencies, Community/NGOs/Non-profit organizations, Associations/ Government agencies, and Customers/ Online Community.

30 corporate sustainability topics

For the collection of topics, context of sustainability was put into consideration. It was mainly based on the GRI Standards and the GRI G4 Financial Services Sector Supplement while at the same time the UN's Sustainable Development Goals (SDGs) were referred to. Then according to the correlation and the characteristics of TMNEWA, a total of 30 sustainability topics concerning corporate governance, economy, and environment were summarized and used as the guidelines for the design of sustainability topics.

991 copies of questionnaire were returned

By distributing questionnaires, the survey on topics of stakeholders' concern and the level of impact of the topics on sustainable management of the Company was conducted as the reference for the prioritization of topics. A total of 991 copies of questionnaire were returned, including 969 copies of level of concern questionnaire and 22 copies of level of impact questionnaire (filled out by directors, independent directors and senior executives).

19 material topics 15 material sustainability topics

Through questionnaire analysis, the scores of each topic in the level of concern survey and the scores of the level of impact on the sustainable management of the company were utilized for matrix analysis. After discussions between the senior executives and the Sustainability Report Editorial Team, 19 material topics were identified in 2021, and they were consolidated into 15 material sustainability topics and the management approaches were disclosed.

The 8th Sustainability Report

Review and discussion

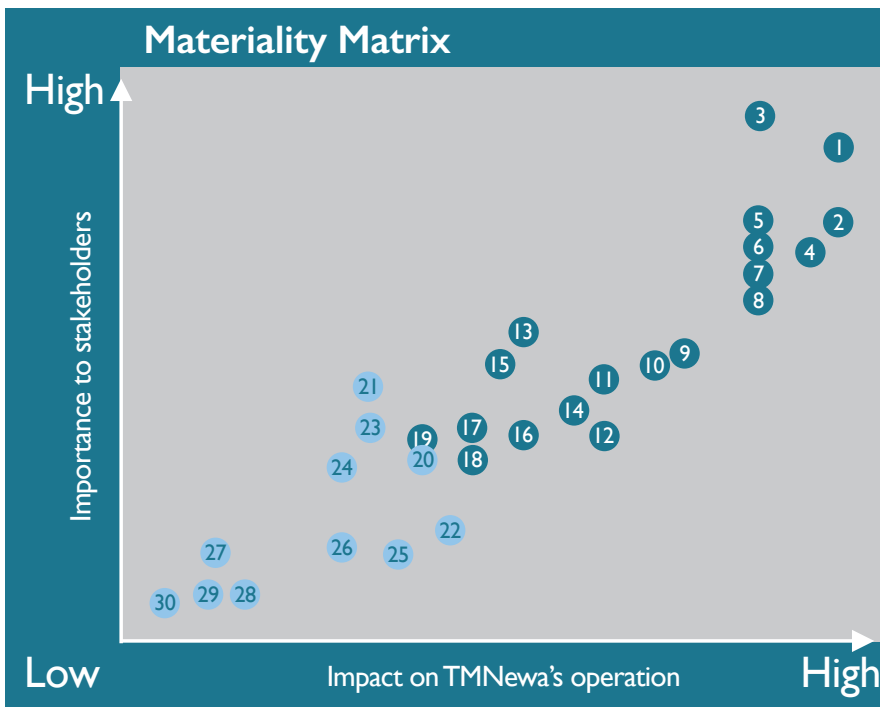
TMNEWA will continue to strengthen management and disclose relevant information in the Sustainability Report based on the material topics identified, responding chapters and boundary analysis. This is TMNEWA's 8th Sustainability Report. In the future, review of whether adjustment of material topics is needed will be conducted annually.

2021 Prioritization of Material Topics

- | | | | | |
|--|--------------------------------------|---------------------------|--------------------------------------|------------------------------------|
| 1 Compliance | 2 Integrity Management | 3 Information Security | 4 Risk Management | 5 Economic Performance |
| 6 Treating Customer Fairly and Customer Experience | 7 Talent Attraction & Retention | 8 Corporate Governance | 9 Talent Cultivation and Development | 10 Digital Finance and Innovation |
| 11 Labor-management Relations | 12 Climate-related Financial Impacts | 13 Information Disclosure | 14 A Friendly and Safe Workplace | 15 Diversity and Equal Opportunity |
| 16 Financial Friendliness | 17 Sustainable Products and Services | 18 Public Welfare | 19 Responsible Investment | |

2021 Prioritization of Secondary Topics

- | | | | | |
|---|---|------------------------|---------------|----------------------------|
| 20 Public Health Trends and Demographic Changes | 21 Environmental Compliance | 22 Human Rights | 23 Tax Policy | 24 Community Communication |
| 25 Energy Efficiency and Low Carbon | 26 Freedom of Association and Collective Bargaining | 27 Supplier Management | 28 Waste | 29 Green Procurement |
| 30 Water Management | | | | |



Boundary determination of major sustainability topics in 2021

Material Sustainability Topic	GRI standards and corresponding custom topics	Boundary of value chain							Chapters for management approach (MA) disclosure
		The Company	Clients	Channel partners	Suppliers	Shareholders	Employees	General public	
Compliance	Socioeconomic Compliance	●		●	●				1.4 Material Sustainability Goals and Assessment
	Financial System Stability*	●	●	●		●			1.5.1 Management Approach to Compliance
Integrity Management	Integrity Management*	●	●	●		●			1.4 Material Sustainability Goals and Assessment
	Anti-corruption	●	●	●					1.5.2 Management Approach to Integrity Management
Information Security	Customer Privacy	●	●	●					1.4 Material Sustainability Goals and Assessment
	Information Security	●	●	●			●		1.5.3 Management Approach to Information Security
Risk Management	Risk Management*	●	●	●	●				1.4 Material Sustainability Goals and Assessment 1.5.4 Management Approach to Risk Management
Economic Performance	Economic Performance	●				●			1.4 Material Sustainability Goals and Assessment 1.5.5 Management Approach to Economic Performance
Treating Customer Fairly and Customer Experience	Customer Communication*	●	●						1.4 Material Sustainability Goals and Assessment
	Treating Customer Fairly*	●	●						1.5.6 Management Approach to Treating Customer Fairly and Customer Experience
	Customer Health and Safety	●	●						
	Marketing and Labeling	●	●	●					

Boundary determination of major sustainability topics in 2021

Material Sustainability Topic	GRI standards and corresponding custom topics	Boundary of value chain							Chapters for management approach (MA) disclosure
		The Company	Clients	Channel partners	Suppliers	Shareholders	Employees	General public	
Care for Employee and Friendly Working Environment	Labor-Management Relations	●					●		1.4 Material Sustainability Goals and Assessment
	Talent Attraction & Retention (Market Presence, Employment)	●					●		1.5.7 Management Approach to Care for Employee and Friendly Working Environment
	Diversity and Equal Opportunity	●					●		
	A Friendly and Safe Workplace (Occupational Safety and Health, Non-discrimination)	●					●		
Corporate Governance	Corporate Governance*	●	●	●		●			1.4 Material Sustainability Goals and Assessment 1.5.8 Management Approach to Corporate Governance
Talent Cultivation and Development	Human Capital Development*	●							1.4 Material Sustainability Goals and Assessment
	Training and Education	●	●	●			●		1.5.9 Management Approach to Talent Cultivation and Development
Digital Finance and Innovation	Digital Finance and Innovation*	●	●	●					1.4 Material Sustainability Goals and Assessment 1.5.10 Management Approach to Digital Finance and Innovation
Climate-related Financial Impacts	Climate-related Financial Impacts*	●	●	●	●			●	1.4 Material Sustainability Goals and Assessment 1.5.11 Management Approach to Climate-related Financial Impacts

Boundary determination of major sustainability topics in 2021

Material Sustainability Topic	GRI standards and corresponding custom topics	Boundary of value chain							Chapters for management approach (MA) disclosure
		The Company	Clients	Channel partners	Suppliers	Shareholders	Employees	General public	
Information Disclosure	Information Disclosure*	●	●			●			1.4 Material Sustainability Goals and Assessment 1.5.12 Management Approach to Information Disclosure
Financial Friendliness	Financial Channels*	●	●						1.4 Material Sustainability Goals and Assessment 1.5.13 Management Approach to Financial Friendliness
Green Finance	Responsible Investment*	●				●		●	1.4 Material Sustainability Goals and Assessment
	Sustainable Products and Services* (Product Portfolio)	●	●	●					1.5.14 Management Approach to Green Finance
Public Welfare	Indirect Economic Impact	●						▲	1.4 Material Sustainability Goals and Assessment 1.5.15 Management Approach to Public Welfare

Note: ● Direct impact, ● Impact of business conduct, ▲ Contributing impact

Explanation of the difference in the 2021 topics of concern compared to the previous year

2021 topics of concern	Difference	Explanation
Compliance	Increased importance	The importance increased.
Risk Management	Newly added topic	Newly added New material sustainability topic for 2021: Risk Management.
Customer Communication Treating Customer Fairly Customer Health and Safety Marketing and Labelin	Consolidation of topics and adjustment of the title	Two new topics, "Customer Communication" and "Treating Customer Fairly" are two new topics added to the original material sustainability topic, "Service Quality and Customer Experience", and the title of the topic is adjusted to "Treating Customer Fairly and Customer Experience".
Talent Attraction & Retention Labor-management Relations A Friendly and Safe Workplace Diversity and Equal Opportunity	Consolidation of topics	The topic of "Diversity and Equal Opportunity" is added to the original material sustainability topic "Employee Care and Friendly Working Environment".
Human Capital Development Training and Education	Adjustment of the title	The original material sustainability topic of "Human Capital Development" is adjusted to "Talent Cultivation and Development".
Digital Finance and Innovation	Newly added topic	Digital Finance and Innovation "Digital Finance and Innovation" is a newly added material sustainability topic for 2021.
Climate-related Financial Impacts	Newly added topic	"Climate-related Financial Impacts" is a newly added material sustainability topic for 2021.
Financial Friendliness	Newly added topic	"Financial Friendliness" is a newly added material sustainability topic for 2021.
Product Portfolio Sustainable Products and Services Responsible Investment	Consolidation of topics	The two topics of "Product Portfolio" and "Sustainable Products and Services" are consolidated to the material sustainability topic of "Green Finance".

I.4 Material Sustainability Goals and Assessment

Material topic	GRI standards and custom topic correspondence	2021 Goals	2021 Goal Achievement Status	2022 Goals	Medium- and Long-term Goals
Compliance	<ul style="list-style-type: none"> • Socioeconomic Compliance • Financial System Stability 	Continue to cooperate with the policies of competent authorities, promote compliance related affairs, organize related education and training for all staff, and construct a compliance culture for the Company.	<ul style="list-style-type: none"> • Completed compliance training for all staff, including Money Laundering Control Act, Personal Data Protection Act, principles of treating customer fairly, and laws and regulations for insurance solicitors, with a total of 1,293 participants. • Organized compliance meetings and education and training for compliance supervisors of the units, with a total of 15 hours. • Publicity of penalty cases in the same trade of insurance industry; 82 cases in total. • In response to legal changes, relevant corresponding measures and publicity were conducted; a total of 125 cases. • The financial auditing scope for the Audit Office included the management of premium collection, control of cashier fund, appropriateness of financial statements, asset equality assessment, handling situations of treating customer fairly, and tracking of unpaid balances. 	<ul style="list-style-type: none"> • Organize cases of treating customer fairly and conduct case sharing in the internal control exchange meeting. • Continue to cooperate with the policies of competent authorities while taking into account the interests and rights of investors and stakeholders when promoting regulatory compliance affairs. • To implement the compliance plans for 2022 and continue to organize employee education and training as well as publicity of punishment cases so as to strengthen the employees' awareness of compliance. 	To lower various compliance risks generated from the operations of the Company through effective internal control and internal audit.
Integrity Management	<ul style="list-style-type: none"> • Integrity Management • Anti-corruption 	<ul style="list-style-type: none"> • Related party transactions are fully compliant with the Transfer Pricing norms and the Arm's Length Principle of the relevant national tax laws and regulations. • Train tax talents and continue to improve their professionalism and provide them with at least 6 hours of courses on taxation provided by accounting firms or the Accounting Research and Development Foundation. • Regularly organize education and training on integrity management to deepen the integrity management culture. • Continue to analyze the risk assessment mechanism for dishonest behavior and implement relevant audit plans based on the results of the risk assessment. 	<ul style="list-style-type: none"> • Completed the 2020 transfer pricing report, and Deloitte & Touche assisted with the review of the 2021 transfer pricing report. • 2 employees in the Finance Department received a total of 12 hours of tax training. • Conducted the education and training of integrity management for all staff (including directors and senior executives), and a total of 1,789 people completed the integrity management course online. • The Audit Office referred to the assessment results of dishonest behavior risks and set up the audit plans for 2021 and incorporated it into the focuses of audit (reference factors). 	<ul style="list-style-type: none"> • Related party transactions are fully compliant with the Transfer Pricing norms and the Arm's Length Principle of the relevant national tax laws and regulations. • Train 2 tax professionals and provide them with at least 12 hours of courses on taxation provided by accounting firms or the Accounting Research and Development Foundation. • Implement the 2022 audit plans based on the assessment results of dishonest behavior risks. • Revise the relevant measures and policies for integrity management to align with the treating customer fairly principle. 	To improve and strengthen the integrity management and tax related systems to cope with the changes in laws and regulations as well as international trends.

I.4 Material Sustainability Goals and Assessment

Material topic	GRI standards and custom topic correspondence	2021 Goals	2021 Goal Achievement Status	2022 Goals	Medium- and Long-term Goals
Information Security	<ul style="list-style-type: none"> • Customer Privacy • Information Security 	<ul style="list-style-type: none"> • To cooperate with the personal data protection and the installation of the management system for the improvement of customer data security, reducing legal risks and protecting customer privacy rights. • Continue to receive and pass external evaluation and ensure the effectiveness of ISO 27001 Information Security • Management Certification. Introduce ISO 27701 Personal Data Privacy Management System certification to provide customers with more secure protection of customer data. • Gradually promote and complete requirements for financial security action plans and continue to improve information security defense capabilities. • Outsourced the establishment and maintenance of Managed Detection and Response (MDR)/ Security Operation Center (SOC) for 24-7 real-time monitoring of information security & alarm service and information security incident response mechanism. • Complete the drills of DDoS attacks, personal information leakage, social emails and so on to strengthen the employees' corresponding capabilities. • Continue to conduct the Company's App information security detection and management of information security threats and keep improving system security and strengthening equipment protection capabilities. • Carry out the 4-in-1 operation of personal data inventory, risk assessment, risk treatment, and review legality of personal data, organize self-assessment review meeting for the personal data management system, and conduct effective review and system correction for the operations of the personal data protection and management systems. 	<ul style="list-style-type: none"> • Obtained ISO 27001 Information Security Management System verification and the ISO 27701 Privacy Information Management System verification. • Completed the establishment of the Security Operation Center (SOC). • Cooperated with F-ISAC and completed the assessment of maturity of information security governance. • Completed the drills of offsite backups and incorporated them into actual business process operation verification. • Completed the establishment of Managed Detection and Response (MDR) and Security Operation Center (SOC). • Conducted the social email drills and DDoS attack drills every quarter to continue the strengthening of our associates 'awareness of information security and corresponding capabilities. • Strengthened the security of the "Claims Image Files Management System" App and completed the prohibitions of uploading and downloading and executing it on the mobile phone simulators by users. • Completed the outsourcing security testing of the App to improve system security and strengthen equipment protection capabilities. • Completed the 4-in-1 operation of personal data inventory, risk assessment, risk treatment, and review legality of personal data. 	<ul style="list-style-type: none"> • Strengthen the defense capabilities of firewalls and the defense-in-depth of the network, track the handling status of information security threats, and continue to improve website system security and equipment protection capabilities. • Gradually promote and complete requirements for financial security action plans, improve information security defense capabilities, and reinforce the management of outsourced manufacturers while improving the resilience of the information system. • Continue the implementation of the drills of various scenarios such as DDoS attacks, personal information leakage, social emails, and Ransomware intrusion to strengthen the employees' awareness of information security and corresponding capabilities. • Maintain the effectiveness of the ISO 27001 Information Security Management System verification and the ISO 27701 Privacy Information Management System. • Strengthen the resilience of operational continuity to ensure uninterrupted services of the Company; to receive and pass ISO 22301 certification for operational continuity management. 	<ul style="list-style-type: none"> • Plan and organize the maturity of information security governance and establish a long-term information security governance planning and monitoring mechanism. • Strengthen the defense-in-depth mechanism to keep up with the times, and continue to review the control mechanisms, such as the resource access of the network internally and externally and the network segmentation, to ensure complete network security protection measures.

I.4 Material Sustainability Goals and Assessment

Material topic	GRI standards and custom topic correspondence	2021 Goals	2021 Goal Achievement Status	2022 Goals	Medium- and Long-term Goals
Risk Management	Risk Management	Newly added material topic of the year.	<ul style="list-style-type: none"> Completed the setting of 2022 risk appetite and major risk limits and submitted the information to the Risk Management Committee. Completed the ICS trial calculation and submitted the results, comparative analysis and related assessment to the Risk Management Committee. Actively promoted the technologization and internationalization of Risk Management to strengthen the resilience of continuous operation and was therefore honored with the Award for Risk Management Excellence. 	<ul style="list-style-type: none"> Ensure the Company's capital adequacy and solvency, implement the balance of risk reward to stably achieve business goals: Adopt qualitative and quantitative (economic capital model) risk identification and measurement, set risk appetite and related limits, and conduct risk monitoring and regular reporting. Ensure successful alignment with international systems and reflect business risks more reasonably: Regularly access RBC and P/B ratio, cooperate with competent agencies for ICS parallel testing, evaluate the impact on and opportunity for the Company operations and make regular reports. Strengthen the resilience of operation continuity to ensure uninterrupted service of the Company: Implement the 8 major steps of operation continuity and accept and pass the ISO 22301 certification of operation continuity management. Strengthen the management of the Company's natural disaster risk: Evaluate the risk factors that increase IOD risk exposure and deepen the technical application of natural disaster risk early warning and loss prevention. Promote climate change risk management: Establish related risk management strategies and target indicators in accordance with risk identification RR and prioritization of materiality. 	Since 2021, the ICS has been gradually introduced and integrated in the 5-year testing period to successfully align with the international systems to ensure the capital adequacy and solvency of the Company.
Economic Performance	Economic Performance	<ul style="list-style-type: none"> Pursue long-term stable economic performance through business structure adjustment. Adopt qualitative and quantitative (economic capital model) risk identification and measurement, set risk appetite targets and related limits to ensure that RBC meets certain requirements. Cooperate with the ICS preparation requirements of the competent authority, continue to implement ICS trial calculation plan and evaluate the impact on and opportunity for the Company's operation, and make regular reports to the Risk Management Committee. Comply with the TCFD guidelines to make identification and evaluation of climate change risks and opportunities and disclose the relevant information. 	<ul style="list-style-type: none"> The premium income amounted to NT\$ 15.55 billion, and the written premium totaled NT\$ 14.98 billion, an increase of 7.3% compared with 2020. Through active promotion of "non-motor personal lines" and "Insurance for Small & Medium Enterprises" with high retention ratio, and the retained premium reached NT\$ 12.14 billion, a growth of 8.8%; the retention ratio reached 78.1%, up by 1.2% compared with 2020. 	<ul style="list-style-type: none"> To continue the promotion of the "non-motor personal lines" and "Insurance for Small & Medium Enterprises" with stable long-term capital loss and high retention ratio through the adjustment of the business structure for the retention ratio to grow stably, pursuing long-term and stable economic performance. To increase the business volume of insurance products of major enterprises through the of in-depth and cooperative channel relationships to reach the goal of diversified product management. 	<ul style="list-style-type: none"> Promote digital transformation, develop new services and improve operation process to improve operational efficiency. Continue to control the business quality to maintain stable profitability.

I.4 Material Sustainability Goals and Assessment

Material topic	GRI standards and custom topic correspondence	2021 Goals	2021 Goal Achievement Status	2022 Goals	Medium- and Long-term Goals
Treating Customer Fairly and Customer Experience	<ul style="list-style-type: none"> Customer Communication Treating Customer Fairly Customer Health and Safety Marketing and Labeling 	<ul style="list-style-type: none"> Continue to track the improvement of Voice of Customers (VOC) for the implementation of treating customer fairly. Optimize customer service process and improve the likability of customer experience. Implement the Auto Insurance Claim Procedure In-Time Informing Service so that our clients can grasp the claim process progress. To expand the scope of online insurance service and the automated enrollment process to cope with the reduced contact with clients and the needs of paper-less service. Added the second office for the E-Commerce Dept. to provide uninterrupted service to our customers. 	<ul style="list-style-type: none"> Set up improvement measures for the review of 29 customer opinions and continue the tracking of the effectiveness of the case handling through COV. Awarded the 2nd place by FSC in 2021 for the assessment competition of the Differentiation Supervision Mechanism for Compulsory Automotive Liability Insurance. There were no cases of people with disabilities being refused to insure due to their disability status in 2021. Revised the renewal notice to improve readability. Launched the online Motor Insurance Claim Procedure In-Time Informing Service for our personnel and customers to grasp the progress of the claim process. Launched the online claim acceptance system for Credit Card Travel Inconvenience Insurance, and our clients can key in information online and submit the claim application. 	<ul style="list-style-type: none"> Continue the VOC for the feedback from customers to improve and track the effectiveness. Shorten the time responding to customer complaint letters. Strengthen the retention of underwriting evaluation records of persons with disabilities and strengthen the underwriting process for them. Promote the improvement plan for the e-insurance network and mobile insurance platform to improve efficiency and quality of operations. Improve the claim notification process with the "cross-area vehicle examination", develop the Auto Insurance Claims Verification Police Data Tracking and Control Mechanism and added service notification nodes to help customers fully grasp the claim progress. Optimize the quotation interface of the mobile insurance application platform and expand insurance types serviced (travel insurance). Connect with the existing systems of Online Claims for Motor Insurance" and "Online Claims for Injury Insurance" to enable policyholders to apply for claims online and understand the progress of the claims. Continue to improve the professional capabilities of our employees and assist our policyholders with risk planning. 	<ul style="list-style-type: none"> Construct an instant communication platform and the AI chatbot to provide real-time and diverse channels to interact with our customers and provide consultation and services Create a friendly financial service environment and build a barrier-free environment. To ensure that a fair, mutually beneficial and equal interaction with our customers can be maintained during the claim settlement and customer complaint handling process. Maintain long-term partnership with our customers.
Care for Employee and Friendly Working Environment	<ul style="list-style-type: none"> Labor-management Relations Talent Attraction & Retention Diversity and Equal Opportunity A Friendly and Safe Workplace 	<ul style="list-style-type: none"> Adjust the overall reward system of the Company based on the salary survey results to enhance the competitiveness of talents. Attach importance to employee opinions and to keep smooth two-way communication between labor and management. Promote the establishment of sports clubs and strengthen the sports atmosphere of the company. For our associates with higher risk of health index, they should attend at least one individual consultation or medical lecture every year. Promote the weight loss and health care competition among employees. 	<ul style="list-style-type: none"> The Employee Forum "KM Discussion Area" is open for employees to anonymously express their opinions at any time. In 2021, the 2 opinions collected were handled and responded by the supervisor in charge and were properly resolved. Organized a health consultation lecture entitled "Ergonomics +Maternal Health Protection, with a total of 8 participants. Provided on-site, phone or email consultation for employees with higher health risk index in 2020, and 14 people participated in total. Organized a weight loss competition, and 34 teams signed up for the competition, and 14 people participated in the weight loss submission. In addition, the team competition reports are revealed every quarter; and by the end of December, the team winning the first place lost 47.8 kg overall. 	<ul style="list-style-type: none"> Adjust the overall compensation system based on the salary survey results and implement the new system to enhance the competitiveness of talents. Review, adjust, and revise the environment of the current workplace, the seating planning, and the facility configuration. Continue to pay attention to the messages in the KM discussion area to ensure smooth communication between the employees and the employers. 	<ul style="list-style-type: none"> Implement two-way communication and coordination between labor and management to maintain good labor-management relations. Combine the treating customer fairly services and a friendly workplace to establish and maintain a consistent standard for the environment and facilities of the workplace, providing a safe and comfortable working environment and to continuously maintain the physical and mental health of the employees.

I.4 Material Sustainability Goals and Assessment

Material topic	GRI standards and custom topic correspondence	2021 Goals	2021 Goal Achievement Status	2022 Goals	Medium- and Long-term Goals
Corporate Governance	Corporate Governance	<ul style="list-style-type: none"> Encourage the directors and senior managers to participate in the continuing education of corporate governance-related topics. Continue to hold corporate governance and corporate sustainability related lectures and education & training. Continue to study TCFD and corporate sustainable development related topics. 	<ul style="list-style-type: none"> To organize professional development courses for directors and senior executives, inviting professional lecturers to teach courses on IFRS 17, information security governance, treating customers fairly, risk management, integrity management, and money laundering prevention. Officially participated in TCFD initiative. The board of directors approved the establishment of the Sustainable Development Committee to be in charge of the promotion of sustainability related issues, setting up work objectives, and implementing ESG strategies, which reports to the board of directors. 	<ul style="list-style-type: none"> Set up policy guidelines for the board diversity. Strengthen the board of directors' supervision of the Company's information security system. Make regular reports to the board of directors, the Risk Management Committee, and the Sustainable Development Committee concerning the climate related risk management status to ensure the effectiveness of climate related risk management. 	<ul style="list-style-type: none"> To align with the international trends and deepen corporate governance and corporate sustainability culture. To work in line with the corporate development needs and the corporate governance trends, it is proposed to establish other functional committees.
Talent Cultivation and Development	<ul style="list-style-type: none"> Human Capital Development Training and Education 	<ul style="list-style-type: none"> To adjust and strengthen the functional training framework in accordance with the functional model. To strengthen the employees' professional capabilities of non-auto insurance that is in line with the organizational development goals. 	<ul style="list-style-type: none"> Organized the Preparation Course- Continuous Improvement, and a total of 17 people participated. Organized the Preparation Course- Innovation Capabilities, and a total of 14 people participated. Organized the supervisor courses for group leaders or higher position holders: Challenge to an Organization for Digital Transformation, with a total of 32 participants; AI and Operational Optimization, with a total of 33 participants. Organized the course on strengthening non-auto insurance products for sales personnel, with a total of 179 participants. 	<ul style="list-style-type: none"> Adjust the overall compensation system based on the salary survey results and implement the new system to enhance the competitiveness of talents. Organized the course for the Succession Plan (Level 3) in accordance with the function model and the annual training plans as scheduled to strengthen the management functions. Cooperated with the organizational development goals and organized the course on strengthening non-auto insurance products for sales personnel to strengthen their non-auto insurance capabilities. 	<ul style="list-style-type: none"> Promote strategic and systematic supervisor cultivation project to develop talent pools at different levels. Provide resources to encourage continuing education of employees to actively foster Fintech talents.

I.4 Material Sustainability Goals and Assessment

Material topic	GRI standards and custom topic correspondence	2021 Goals	2021 Goal Achievement Status	2022 Goals	Medium- and Long-term Goals
Digital Finance and Innovation	Digital Finance and Innovation	Newly added material topic of the year.	<ul style="list-style-type: none"> Launched the Tokio Marine Nawa Insurance online customer service platform on Sep. 1 and QR-Code link is provided for customers to browse and experience the platform. As of the end of 2021, it attracted 7,489 customers to experience the service. 	<ul style="list-style-type: none"> Tokio Marine Nawa Insurance online customer service platform 2.0 version was launched to increase customer experience satisfaction. Developed the Digital Complaint System to improve service process and operational efficiency. Started the exclusive online application form for accident scene handling service to improve customers' digital experience. Collect insurance and market data and predict consumer risks and market trends through data analysis to remind policyholders of gaps of protection and recommend suitable product for protection. Promote business intelligence assistance product. Through customer-oriented data integration and data analysis and combined with external public information and machine learning, possible business opportunities can be found. 	<ul style="list-style-type: none"> Provide instant, automated and differentiated digital insurance service by using digital technology, AI, and data integration. Made good use of digital tools and cooperate with the medium- and long-term operational strategies to promote solutions for the improvement of operational efficiency and productivity.
Climate-related Financial Impacts	Climate-related Financial Impacts	Comply with the TCFD guidelines to make identification and evaluation of climate change risks and opportunities and disclose the relevant information.	<ul style="list-style-type: none"> Participated in TCFD initiative in July. Started the GHG inventory operation in September. Completed the natural disaster risk assessment of ORSA, RBC, and ICS. Completed the climate change impact scenario analysis of 2019-2022 investment aspect. Completed the climate change scenario stress testing. Initiated the identification and assessment of climate change risks and opportunities in November and submitted a report to the Risk Management Committee. 	<ul style="list-style-type: none"> Completed the Company's 2021 GHG inventory, passed the ISO 14064-1 certification, and evaluated the future reduction targets. Strengthen the resilience of climate-related risk management. Conduct the TCFD and regular reports based on the four major aspects of governance, strategy, risk management, and indicators and goals, and evaluate the SASB disclosure operations to grasp the risks and opportunities to the Company brought by climate change. 	<ul style="list-style-type: none"> Continue to monitor climate-related risk exposures and review as well as adjust the climate-related risk management policy based on the results to ensure the effectiveness of climate-related risk management. Reduce carbon emissions every year in response to the net zero carbon emissions target.

I.4 Material Sustainability Goals and Assessment

Material topic	GRI standards and custom topic correspondence	2021 Goals	2021 Goal Achievement Status	2022 Goals	Medium- and Long-term Goals
Information Disclosure	Information Disclosure	<ul style="list-style-type: none"> Plan the adjustment schedules of company policy in response to IFRS 17, the operating procedure and internal control, complete the adjustment or establishment of information collection related systems, and continue the education and training. Integrate the information on the Insurance Market Observation Post System and the Public Information Section on the official website. Improve the quality of non-financial information disclosure in terms of corporate sustainability and corporate governance. 	<ul style="list-style-type: none"> Completed the adjustment schedules of company policy in response to IFRS 17, the operating procedure and internal control, and also the adjustment or establishment of information collection related systems. Continue to receive education and training of the associations, the Taiwan Insurance Institute, and the Accounting Research and Development Foundation. Cooperate with the revision of the Company's official website and integrate the information on the official website and the Insurance Market Observation Post System. The disclosed information in the Sustainability Report has been fully discussed by the Committee and is also reported to the board of directors on a regular basis. 	<ul style="list-style-type: none"> Disclose the TCFD implementation status in the Sustainability Report published in 2022. Improve the friendly reading environment for the disabled on the Company's official website. Issue the English version of Sustainability Report. 	<ul style="list-style-type: none"> Continue to strengthen information transparency and the stakeholder communication. Implement IFRS 17.
Financial Friendliness	Financial Friendliness	Newly added material topic of the year:	Newly added material topic of the year:	<ul style="list-style-type: none"> The growth rate of the total number of cases of people with disabilities received is not less than that of the overall personal injury insurance, and the underwriting rate remained at 90% and above. Continue to organize education and training as well as briefing sessions to promote finance friendliness/people with disabilities. The pass rate of finance friendliness training among new employees and salespeople working in the Company within 3 months reached 100%. Launched the Tokio Marine Newa Insurance online customer service platform 2.0 version and provide services to hearing-impaired customers. Establish Sign Language Video Remote Interpretation Service to improve the convenience for hearing and verbally impaired people to apply for insurance or conduct claim process, and at the same time protect their personal privacy. Continue to improve the friendly finance network, and provide the "color interaction function", "guided voice function" on the official website to strengthen the accessible insurance services to visually impaired and even for the senior citizens. 	<ul style="list-style-type: none"> Expand from the Company employee to the collaborative channels to jointly improve the fairness and convenience for persons with disabilities and disadvantaged groups to obtain insurance services. Based on the "Customer Always Comes First" service concept, we build a diverse and comprehensive protective net to create a more empathetic, inclusive and friendlier insurance service environment.

I.4 Material Sustainability Goals and Assessment

Material topic	GRI standards and custom topic correspondence	2021 Goals	2021 Goal Achievement Status	2022 Goals	Medium- and Long-term Goals
Green Finance	<ul style="list-style-type: none"> Responsible Investment Sustainable Products and Services Product Portfolio 	<ul style="list-style-type: none"> To properly adjust the underwriting policy restrictions in response to the changes in the social environment, and develop offshore wind power related insurance, information security insurance, and commercial fire insurance for solar energy equipment, assisting our customers to make risk planning to facilitate the sustainable development of green energy. Continue to implement the six major principle of the Stewardship Principles for Institutional Investors and established the policy for attending shareholders' meetings and voting policy of the Company. For sensitive cases, after careful evaluation, those suspected of violating human rights or a friendly environment will be restricted or prohibited from investing. If it is found that the investee violates the ESG positive development principle in the post-investment management, and when the objection is invalid, such investee shall be removed within a time limit. Positively participated in ESG related seminars. Combined with technology to enable faster and more convenient way for customers to read policy terms, we continue to promote electronic policies, and also plan QR Code terms on paper policies. Customers can link to our official website to download or read the policy terms by scanning the QR Code on the paper policy. Through data analysis and statistical data, consumer risks and product demands are predicted for the recommendation of suitable personalized product portfolio for consumers. Introduce digital technology and developed the Online Service Platform for Auto Insurance Claims Application web page service to provide customers with a faster and more convenient claim settlement tool. Develop the Online Customer Service Platform Web Page Service to provide customers with more intuitive and convenient services. Continue to promote new type of personalized insurance product to meet consumers' insurance needs in the face of new type of risks. 	<ul style="list-style-type: none"> Offshore wind power related insurance: In 2021, a new wind farm case- Chong Neng Offshore Wind Farm was newly underwritten. Information security insurance: <ol style="list-style-type: none"> Complete the product development of wrongful act insurance for the electronic system. Had exchanges with information security reinsurer, Delta Insurance Singapore, and shared the experience of information security insurance abroad. Organize "Seminars Introducing the Information Security Insurance Market Status and Types of Insurance." Responsible investment: <ol style="list-style-type: none"> Established the Policy for Attending Shareholders' Meetings in 2021 Investment Policy Report. The attendance rate at shareholders' meetings of the invested listed companies reached 100% in 2021. The statement of Institutional Investor Due Diligence and 2020 Due Diligence Report have been released on the official website. The total investment balance in 2021 in Taiwan Sustainability Index constituent stocks or those meeting any of the 3 items (inclusive) from Item 2 to Item 5 of the verification items combined with the investment in ESG-related or corporate governance ETF issued in NTD shall not be less than 30% of the total consolidated investment in domestic listed/ OTC stocks, funds, and ETFs. The target has been reached. The total investment balance in 2021 in listed or OTC stocks whose Bloomberg ESG scores are larger than or equal to the median or average of the same trade combined with the investment amount in ESG-related or corporate governance ETF issued in foreign currency shall not be less than 20% of the total consolidated investment in domestic listed/OTC stocks, funds, and ETFs. The target has been reached. Assigned personnel to participate in 6 sessions of ESG and Green Insurance Seminars. 	<ul style="list-style-type: none"> Assess the feasibility of undertaking different "emerging risk" insurances. Continue to participate in offshore power wind insurance, information security insurance, solar energy equipment-related insurance and so on, assisting our customers to make risk planning to facilitate the sustainable development of green energy. Promote insurance education and training and related lectures and promote relevant insurance products and knowledge. Passed the responsible investment policy project. Continue to incorporate the inspection of the ESG of the investment target into the investment evaluation process and set the percentage of the total assets based on the ESG score levels. There should be more than 35% of domestic stock investment composed of the targets of the Company's ESG asset pool. Implement the shareholder activism. 	<ul style="list-style-type: none"> To properly adjust the underwriting policy restrictions in response to the changes in the social environment, and continue to provide emerging risk products to align with international development trend. Continue to optimize the investment evaluation process for the ESG evaluation investment targets. By 2035, there should be more than 80% of domestic stock investment composed of the targets of the Company's ESG asset pool.

I.4 Material Sustainability Goals and Assessment

Material topic	GRI standards and custom topic correspondence	2021 Goals	2021 Goal Achievement Status	2022 Goals	Medium- and Long-term Goals
Public Welfare	Indirect Economic Impact	<ul style="list-style-type: none"> Continue to focus on 5 major public welfare aspects, including road safety, schoolchildren education, care for the disadvantaged, product protection, and healthy environment. We also combined it with the insurance profession, providing a comprehensive public welfare program. Nurture international financial and insurance talents. Provide scholarships for students from low-income families and disadvantaged families and organize educational courses to promote finance and insurance. Combine with the risk prevention concept of loss prevention and work with public welfare groups in counseling and caring for schoolchildren in remote areas for the balanced development of education in remote areas. Continue to promote micro-insurance and provide life insurance protection for socially disadvantaged groups. 	<ul style="list-style-type: none"> The annual public welfare donation exceeds NT\$ 9 million. Produced 4 road safety related public welfare animations targeting at drivers, young motorcyclists, senior citizens and primary schoolchildren, and the animations were uploaded to YouTube, reaching nearly 400,000 people. Participated in the selection of microfilm on the theme of compulsory auto liability insurance held by the Non-Life Insurance Association of the Republic of China and promoted the important information about compulsory insurance and strengthened road safety publicity in our daily life. We cooperate with Boyo Social Welfare Foundation and support the tutoring project in remote areas. We also support social workers to regularly care for and track the life and family conditions of disadvantaged schoolchildren. Donated micro-insurance to the tutoring classes in remote areas, benefiting 2,209 people. 	<ul style="list-style-type: none"> Continue to focus on 5 major public welfare aspects, including road safety, schoolchildren education, care for the disadvantaged, product protection, and healthy environment. We also combined it with the core functions and insurance profession, providing a comprehensive public welfare program. Consider the aging of population and the changes in social structure and strengthen the development of friendly financial and insurance services to persons with disabilities, the elderly, and the disadvantaged groups. Continue to promote micro-insurance to provide socially disadvantaged groups with life insurance. Continue to support tutoring and care program for schoolchildren in remote areas. 	In response to social changes, we continue to pay attention to social issues, focus on the promotion of road safety and care for the disadvantaged, and link our policyholders and the public together to create a safe living environment in the society.

1.5 Management Approaches of Material Sustainability Topics

1.5.1 Management Approach to Compliance

Related Material Topics

Socioeconomic Compliance, Financial System Stability

Significance and Purpose of Management

The finance and insurance sector is an industry highly supervised by the competent authority, and the laws and regulations change frequently while the supervision requirements are becoming more stringent. Proper compliance with the regulatory system helps establish a good corporate governance and risk control mechanism for the creation of a business environment for sustainable development.

Management Policy

The board of directors approved the establishment of the Company's Internal Control System, Internal Audit System, Compliance System, and Annual Compliance Plan for implementation.

Responsible Unit

- The Compliance Department is in charge of regulatory compliance related affairs.
- The Auditing Department is in charge of the audit business, inspections, and evaluation of whether the internal control system is working effectively.

Management and Grievance System

- The board of director approved the assignment of a chief compliance officer for the headquarters to supervise the compliance affairs of the whole Company and report to the board of directors every 6 months.
- Each unit assigns a unit compliance supervisor to supervise the promotion of compliance affairs of each department.
- The board of directors approves the compliance plans and internal audit plans every year.
- When there are changes of external regulations, the Compliance Department will instruct relevant units to initiate the review of whether to make adjustments or revise the internal system and internal regulations in accordance with laws and regulations.
- Conduct an annual compliance course for all the employees.

Effective Evaluation Mechanism

- Each unit conducts self-inspection and self-evaluation of the compliance every 6 months, and the results will also serve as a basis for performance evaluation of each department.
- The Audit Office conducts various audit operations in accordance with the annual audit plans and evaluates the effectiveness of the internal control system based on the internal audit results, the self-inspection results, and the review of the improvements of the items found in internal and external audits. Relevant personnel shall submit the statement of the internal control system to the competent authority after approved by the board of directors.

1.5.2 Management Approach to Integrity Management

Related Material Topics

Integrity Management, Anti-corruption

Significance and Purpose of Management

Actively prevent dishonest behavior through the whistleblowing system of dishonest behavior and fraud prevention measures to establish a good mechanism for integrity management and tax management.

Management Policy

- Establishment of the Integrity Management Policy, Ethical Corporate Management Best Practice Principles, and Procedures for Ethical Management and Guidelines for Conduct to prohibit the personnel of the Company from requesting or accepting any improper gain or engaging in unlawful conduct.
- Establish the Principle of Taxation to manage the tax application and tax risks of the Company so as to comply with the spirit of robust management and strengthen compliance with and commitment to tax laws and regulations.

Responsible Unit

- Corporate Planning Department serves as the designated unit responsible for integrity management.
- Finance Department serves as the tax management unit, which is in charge of the supervision of relevant tax operations and tax risk management and reporting relevant tax implementation status to the president.

Management and Grievance System

- It is specified in the Work Rules for employees that all shall not take advantage of the convenience of position (duty) to benefit others or accept unreasonable gifts from customers or contractors. Violators are subject to punishment.
- All directors and senior executives have signed the Compliance Statement of Integrity Management Policy.
- Advocacy briefings and education & training of integrity management for internal and external personnel are conducted annually.
- Set up the whistleblowing mailbox and hotline for dishonest behavior as a channel to report dishonest behavior for internal and external personnel, and protect the whistleblower as well as the content of the grievance are protected from leakage.

Effective Evaluation Mechanism

- Report to the board of directors the implementation status of integrity management on a yearly basis.
- Relevant units conduct risk assessment of dishonest behavior on a regular basis, and the Auditing Department establishes as well as implements relevant audit plans in accordance with the assessment results.

1.5.3 Management Approach to Information Security

Related Material Topics

Customer Privacy, Information Security

Significance and Purpose of Management

Strengthen information security and improve the service quality of information related operations to ensure the confidentiality, integrity, and availability of customer information. The access, processing, and the transmission of customer information as well as the security of personnel and equipment are included in the control system so as to ensure the security of customer data.

Management Policy

To respond to the regulations of the competent authority and the Information Security Management System (ISMS), the management measures based on Plan-Do-Check-Act (PDCA) are established to continue the pursuit of the goal of information security and the implementation of customer information protection.

Responsible Unit

- The Information Department I, Information Department II, and the Department of Risk Management are in charge of the planning, monitoring, and implementing information security management and personal data and privacy protection operations.
- Set up a Personal Data Protection and Management Representative served by the Chief Risk Officer.

Management and Grievance System

- Introduce the ISO 27001 Information Security Management System Standards, and the re-evaluation is continued every year by the professional organization to maintain the effectiveness of the certification.
- Review the 4-in-1 operation of personal data inventory, risk assessment, risk treatment, and review legality of personal data conducted in each unit every year and report personal data incidents in accordance with the personal data incident notification and response flow chart.

Effective Evaluation Mechanism

- Carry out the 4-in-1 operation of personal data inventory, risk assessment, risk treatment, and review legality of personal data every year, and scores are given after the review. The results of the scores are linked with the performance of the departments to encourage the departments that implement the operations.
- Convene a self-assessment review meeting of the personal data management system every year to have discussions on the effectiveness of various operations of personal data protection and the management system, and system review or revision is made if necessary.

1.5.4 Management Approach to Risk Management

Related Material Topics

Risk Management

Significance and Purpose of Management

To ensure the Company's capital adequacy and solvency, implement the balance of risk-reward to stably achieve business goals.

Management Policy

- The Risk Management Policy specifies that the Company shall establish appropriate risk management strategies in accordance with the business objectives while putting business growth, risks, and rewards into consideration.
- Set up the risk appetite and pre-determine the acceptable risk range.
- Set the main risk limits in accordance with the risk characteristics and the risk appetite of the Company and monitor as well as implement the handling of excess limits on a regular basis.
- When making evaluation of business performance, the relationship of rewards and assumption of risk shall be considered at the same time.

Responsible Unit

- The board of directors is in charge of the ultimate responsibility for overall risk management and ensuring the effectiveness of risk management.
- There sets a Risk Management Committee under the board of directors to be in charge of the setting of risk management policies, structure, and organizational functions to establish the standards for qualitative and quantitative management and submitting reports to the board of directors on a regular basis.
- Establish the Risk Management Department to be in charge of the execution of monitoring, assessment, and evaluation of the Company's daily risks.

Management and Grievance System

Construct a sustained risk management structure in accordance with the Risk Management Policy and adopt the management system for three major risks and implement the PDCA Cycle Management. When there are important items or special situations, the risk handling proposal shall be immediately reported to the Risk Management Committee for resolution and tracking of the handling and reporting shall be implemented.

Effective Evaluation Mechanism

- To conduct assessment of various risks with appropriate qualitative and quantitative measures.
- Regularly report the risk management status to the Risk Management Committee and the board of directors to ensure the effectiveness of risk management.

1.5.5 Management Approach to Economic Performance

Related Material Topics

Economic Performance

Significance and Purpose of Management

Corporate shall create economic value for the society, and the trust as well as support from the stakeholders shall be obtained with stable profits and sound management.

Management Policy

The board of directors approves the annual business plan to determine the business strategies and guidelines so as to ensure the achievement of the business objectives.

Responsible Unit

The board of directors serves as the highest governance unit, and the president leads the management team to implement the resolutions of the board of directors and manage the Company's business.

Management and Grievance System

Convene the shareholders' meeting and board meeting on a regular basis to review various financial performance and the attentive status of the objectives.

Effective Evaluation Mechanism

The board of directors regularly reviews the financial objectives, management decision and operating plans on a regular basis and supervise the handling of the risks the Company is facing. Relevant financial information is verified by the CPAs and the results will be announced and disclosed in the Annual Report.

1.5.6 Management Approach to Treating Customer Fairly and Customer Experience

Related Material Topics

Customer Communication, Treating Customer Fairly, Customer Health and Safety, Marketing and Labeling

Significance and Purpose of Management

Through the collection of customer grievance, complaints, suggestions and opinions via various channels, the service we provide can be improved, providing the service quality of treating customers as families.

Management Policy

The board of directors approves the Policy of Treating Customer Fairly Principle and the Strategy for Treating Customer Fairly Principle to realize the goals of the Treating Customer Fairly Principle.

Responsible Unit

- The Customer Service Center and the Customer Relationship Department are in charge of the handling of customer complaints.
- The Compliance Department is in charge of the assessment of the Treating Customer Fairly operations.
- Set up the Treating Customer Fairly Committee to promote the implementation of the Treating Customer Fairly Principles, deepening the corporate culture of Treating Customer Fairly.

Management and Grievance System

- The Company has established terms and underwriting standards for the insurance products, and the Customer Service Center is in charge of the accepting, tracking, managing, and gathering statistics of disputes in accordance with the Handling Procedures for Customer Service Center Complaint and the Handling System of Consumer Disputes. Dedicated personnel are assigned to handle cases of consumer disputes and grievance.
- A discussion meeting is convened for the grievance case to develop proper handling plans.
- Establish the Post-event Evaluation and Management Mechanism for On-site Processing to ensure the quality of on-site processing services.
- Work in line with the regulations of FSC (Financial Supervisory Commission) and regularly initiate the Evaluation of the Treating Customer Fairly Principle. Through the Treating Customer Fairly inspection mechanism, the Company can improve the compliance of treating customer fairly and implement the protection of financial customers.

Effective Evaluation Mechanism

Regularly conduct reviews for improvement through the customer satisfaction survey and hold the Treating Customer Fairly Improvement Committee meetings on a regular basis.

1.5.7 Management Approach to Care for Employee and Friendly Working Environment

Related Material Topics

Labor-Management Relations, Talent Attraction & Retention, Diversity and Equal Opportunity, A Friendly and Safe Workplace.

Significance and Purpose of Management

The enterprise has the responsibility to provide a friendly and safe working environment to assist its employees to maintain physical and mental health, enjoy work, and thereby improve the overall operational performance.

Management Policy

- Cultivate professional, enthusiastic and trustworthy employees who enjoy working through the construction of a complete and friendly management system, bringing the Company growth momentum.
- Create a healthy and safe working environment with a complete employee care policy and promote various occupational safety plans to become an employee-friendly company.

Responsible Unit

- The Human Resources Department is responsible for the talent recruitment, employment development, compensation and benefits, labor-management relations, and the setting of employee grievance channels.
- The Administration Department is in charge of occupational safety and health.
- The Employee Welfare Committee promotes various employee welfare activities.
- The Occupational Safety and Health Management Committee promotes various workplace safety policies.

Management and Grievance System

- In addition to the employee work rules, other regulations have also been established, including the Recruitment Management Measures, Position Management Measures, Performance Appraisal and Remuneration Standards, Year-end Bonus and Performance Appraisal and Salary Adjustment Measures, Performance Management and Development Measures, Promotion Management Measures, Regular Job Orientation Measures, Incentive Measures for Obtaining Underwriting and Claim Certificate, and Retirement Management Measures.
- We have set the Employee Grievance Mechanism and the employee opinion mailbox (idea@tmnewa.com.tw), the mailbox for sexual harassment complaints (talk2us@tmnewa.com.tw), and the workplace violence incident report and grievance mailbox (Stop.violence@tmnewa.com.tw).
- Set up the Safety and Health Work Rules and plans for occupational safety and health management, prevention of abnormal workload-induced disease, prevention of unlawful abuse when performing duties, anthropogenic hazards, and maternal health protection in accordance with the Occupational Safety and Health Act. In addition, there are also regulations for office management, use, environment maintenance in the workplace, seating and facilities configuration standards and others to abide by.

Effective Evaluation Mechanism

- Establish the Personnel Review Committee for relevant reviews in a fair and impartial manner.
- Convene labor-management meetings and establish the Labor Pension Supervision Committee and the Sexual Harassment Complaint Handling Committee to safeguard labor rights and interests and ensure smooth communication for labor-management communication.
- Establish the Occupational Safety and Health Management Committee as prescribed by law to be in charge of the formulating and revising relevant measures and management measures for occupational safety and health. Meetings are held on a quarterly basis for the discussion on occupational safety, health, and health education issues while the tracking of the effectiveness is also implemented.

1.5.8 Management Approach to Corporate Governance

Related Material Topics

Corporate Governance

Significance and Purpose of Management

Through the strengthening of the board functions, the operation of functional committees, and the transparency and correctness of information, the effectiveness of the corporate governance can be ensured, the shareholders' rights and interests are protected, and the operational performance is improved.

Management Policy

- Establish an effective corporate governance system and structure and strengthen the functions of the board of directors.
- Maintain the solvency and enhance information transparency.
- Strictly comply with the laws and regulations, establish three defense lines for internal control, namely the self-inspection system, compliance system, and risk management mechanism and internal audit system to maintain proper operation of internal control.

Responsible Unit

The Corporate Governance Section of Corporate Planning Department serves as the responsible unit for corporate governance, promotes corporate governance related affairs and assists with the normal operations of the shareholders' meeting, the board of directors, and the functional committees.

Management and Grievance System

- The Company has established the Corporate Governance Best Practice Principles, auditing system, internal control system, compliance system, Rules of Procedure for Board of Directors Meetings, and Audit Committee Charter to ensure the normal operation of corporate governance.
- The board of directors approved to appoint a managerial officer of the company to serve as the chief corporate governance officer and the establishment of the "independent directors' mailbox".

Effective Evaluation Mechanism

Regularly conduct the performance evaluation of the board of directors in accordance with the Self-Evaluation or Peer Evaluation of the Board of Directors and entrust an external institution to handle the evaluation mechanism of the corporate governance system of the Company to review the operational efficiency of the corporate governance on a regular basis.

1.5.9 Management Approach to Talent Cultivation and Development

Related Material Topics

Human Capital Development, Training and Education

Significance and Purpose of Management

Enhance the Company's operational performance to ensure the long-term competitiveness of the Company.

Management Policy

To construct a sound and complete work system, provide competitive compensation, transparent and institutionalized performance appraisal and promotion, and professional and complete training system to ensure the attraction of excellent talent for the growth momentum of the Company.

Responsible Unit

The Human Resources Department is in charge of the talent recruitment, education and training policy and related personnel system, the planning of employee training projects, remuneration and benefits, labor-management relations and performance evaluation operations.

Management and Grievance System

- Establish Work Rules, Recruitment Management Measures, Position Management Measures, Performance Appraisal and Remuneration Standards, Year-end Bonus and Performance Appraisal and Salary Adjustment Measures, Performance Management and Development Measures, Promotion Management Measures, Regular Job Orientation Measures, Education and Training Measures, Incentive Measures for Obtaining Underwriting and Claim Certificate, Further Education of Talents at Supervisor Level, Incentive Measures for Self-Improvement, Internal Lecturers Selection and Teaching Measures, and Retirement Measures for management.
- Align with the changes in the operating environment to adjust the Performance Management and Development Measures and Promotion Management Measure occasionally and provide the employees with indicators of their work performance to reach the overall goals of the Company and promote excellent talents to enhance the morale.
- Introduce the Talent Quality-management System (TTQS) of the Ministry of Labor, establish the E-Learning Platform and video equipment to comprehensively promote digital learning to strengthen the effectiveness of training.

Effective Evaluation Mechanism

To assist employees to achieve their work targets and improve the overall operational performance of the Company through a complete performance management system.

1.5.10 Management Approach to Digital Finance and Innovation

Related Material Topics

Digital Finance and Innovation

Significance and Purpose of Management

Through continuous collection of insurance market data, possible consumer risks and market dynamics are predicted by data analysis to regularly remind the policyholders of the protection gap so as to recommend suitable protection. In addition, emergency products or innovative insurance models are launched to assist customers to cope with emerging market risks and lower the insurance thresholds to create the value of digital finance and innovation.

Management Policy

Make use of data and risk evaluation model to provide recommended insurance portfolios; continue to develop emerging products and innovative insurance models to enhance customer service experience.

Responsible Unit

Customer Service Center; Digital Development Center; Customer Relationship Department.

Management and Grievance System

- Properly disclose and collect the notice and consent of the consumers' digital footprint on the webpage to comply with the Company's privacy policy and personal data protection related regulations; the online insurance application process provides customers with significant customer service hotline and grievance channels.
- By integrating data with AI, real-time and automated processing and smart scene applications can be provided. Design user-oriented and differentiated digital services. Align with the direction for medium- and long-term operational strategies of each business unit and promote solutions to improve productivity and work efficiency.

Effective Evaluation Mechanism

- Launch emerging products or innovative insurance models online.
- Gather statistics of the clicks on the Tokio Marine Nawa Insurance online customer service platform to check the favorability of customer experience.
- Control the service quality through the customer satisfaction survey and make regular review for improvement.

1.5.11 Management Approach to Climate-related Financial Impacts

Related Material Topics

Climate-related Financial Impacts

Significance and Purpose of Management

To grasp the risks and opportunities brought by climate change to the Company and strengthen the management and resilience of climate-related risks.

Management Policy

Establish appropriate climate-related risk management and opportunity mechanisms, including governance, strategies, risk management, indicators and targets in accordance with the risk management policy.

Responsible Unit

- The board of directors is in charge of the ultimate responsibility for climate-related risk management and ensuring the effectiveness of climate-related risk management.
- The Risk Management Committee, Risk Management Department, and various business units perform their duties in accordance with the Risk Management Policy.
- TCFD Working Group is established under the Sustainable Development Committee to help the Company develop climate-related adaptation strategies.

Management and Grievance System

The risk management process is based on the Risk Management Policy and Climate-related Risk Management Measures for the identification, measurement, response, monitoring, information communication and documentation to keep the Company's possible losses caused by the exposure to climate-related risks within an acceptable range. In case of important event or special situation, the risk handling plan should be immediately reported to the Risk Management Committee for resolution and the tracking of the handling and reporting is conducted.

Effective Evaluation Mechanism

- To conduct assessment of climate-related risks with appropriate qualitative and quantitative measures.
- Regularly report the risk management status to the Risk Management Committee and the board of directors to ensure the effectiveness of climate-related risk management.
- The risk management overview should be regularly disclosed in the Sustainability Report.

1.5.12 Management Approach to Information Disclosure

Related Material Topics

Information Disclosure

Significance and Purpose of Management

Reinforcement of information transparency can enhance the credibility and competitiveness of the Company and stakeholders' confidence in business operations.

Management Policy

Regular disclosure of public information in accordance with the Regulations Governing Public Disclosure of Information by Non-life Insurance Enterprises and relevant laws and regulations required by FSC to improve information transparency and ensure the accuracy of the content.

Responsible Unit

- The Corporate Planning Department is in charge of disclosing public information and ensuring the effectiveness and timeliness of information disclosure.
- The IFRS17 Working Team is in charge of the planning and preparation for the aligning with IRFS 17.

Management and Grievance System

- Regularly hold the shareholders' meeting and board meetings every year; compile the annual reports and sustainability reports, and provide board members and shareholders with relevant financial information.
- Regularly disclose the financial and non-financial information of the Company in accordance with legal regulations and the Website and Public Information Management Measures of the Company to ensure the correctness and timeliness of information.

Effective Evaluation Mechanism

- Relevant financial information is regularly verified by the CPAs and the results will be announced and disclosed on the official website and in the Annual Report of the Company.
- Prepare and compile the sustainability report every year to disclose non-financial information that passes external verification.

1.5.13 Management Approach to Financial Friendliness

Related Material Topics

Financial Friendliness

Significance and Purpose of Management

To meet the needs of the disadvantaged groups such as people with disabilities and the senior citizens, the fairness and convenience of access to insurance services is improved and diversified financial-friendly services targeting at different financial consumers are launched.

Management Policy

- The insurance applications from people with disabilities shall be reviewed in a fair manner in accordance with the underwriting criteria, and the detailed underwriting evaluation records shall be kept for follow-up management.
- Disadvantaged financial consumers such as people with disabilities shall fully enjoy basic, equal, reasonable, and convenient insurance services.

Responsible Unit

The A&H Insurance Department (Commodities), Administration Department (Environmental Facilities), Integrated Marketing Communication Center (Official website), Customer Service Center (Customer service hotline and APP), Human Resources Department and Business Development Department (Personnel training)

Management and Grievance System

- Organize financial friendliness courses and publicity for the employees.
- The underwriting criteria and relevant operating methods specify the principles and process for handling cases of people with disabilities, and the detailed underwriting evaluation records shall be kept for follow-up management. The solicitors shall provide customers with disabilities with consultation services in accordance with the Publicity of the Treating Customer Fairly (TCF) Principle for the Insurance Underwriting of People with Disadvantages to facilitate the smooth completion of insurance application.
- Establish accessible webpages and provide sign language interpretation services.

Effective Evaluation Mechanism

- The total number of cases accepted and the underwriting rate of the people with disabilities.
- Make performance statistics report for business exchanges to facilitate tracking management.

1.5.14 Management Approach to Green Finance

Related Material Topics

Responsible Investment, Sustainable Products and Services, Product Portfolio

Significance and Purpose of Management

- From the possible issues of stakeholders' concern and the degree of possible impact on operations, the Company agrees that the ESG responsible investment issues have increasing impacts on investment performance and risk exposure of the insurance industry.
- To effectively identify and control investment risk and increase investment performance to gradually implement responsible investment principles. The ultimate goal is to use the Company's investment influence and through the engagement with the investees to guide the investees to implement environmental protection, corporate governance, and fulfill their corporate social responsibility.

Management Policy

- Establish the Underwriting Criteria, Design Procedures for Insurance Products, Preparation and Sales Procedures for Insurance Products, and Review Procedures for Insurance Products, and design insurance products in combination with the digitalization trend to ensure that the products are compliant with both the legal requirements and the content of insurance contracts in terms of products design, sales, and service process so as to meet the legal regulations and customer expectations.
- The board of directors approved the Responsible Investment Policy.
- Sign the compliance statement of Stewardship Principles for Institutional Investors and comply with the six major principles of responsible investment.

Responsible Unit

Various departments of insurance (commodities), Personal Claims Department (claim services), Customer Service Center (customer service hotline), and Investment Department (responsible investment)

Management and Grievance System

- Include the item of whether the investee company fulfills environmental protection, corporate honesty and social responsibility into the evaluation.
- Develop the Fintech of B2B communication and implement paperless operation process.
- Actively arrange business personnel to participate in seminars organized by relevant units to enhance the professional knowledge of the underwriting personnel.
- The Risk Management Department regularly monitors various investment risks and report relevant risks to the Risk Management Committee. In addition, the Audit Office also makes regular inspections.

Effective Evaluation Mechanism

- The Insurance Product Design Procedures are developed in accordance with the Operating Standards for Pre-sales Procedures for Insurance Products. It is stipulated that when designing a product, the suitability and legality of the terms of the insurance products and the protection of customer rights and interests should be paid attention to, and the adequacy, rationality, and fairness of the rates should be taken into account in the pricing of insurance products.
- Through customer satisfaction survey, the service quality can be controlled, and regular review can be made for improvement.
- Regularly submit the risk management report of asset utilization to the Risk Management Committee, conduct regular monitoring management, and issue reports on financial asset positions and the asset utilization risk management.

I.5.15 Management Approach to Public Welfare

Related Material Topics

Indirect Economic Impact

Significance and Purpose of Management

Extend the spirit of standing together in insurance and transform the support from our stakeholders into public welfare to inject energy of happiness into the society, creating a sustainable value of common good in the society with love and dedication.

Management Policy

The Company has set the Sustainable Development Policy and Sustainable Development Principles, and we participate in community development and relevant activities of public welfare groups or government agencies through commercial activities, charitable donations and volunteer services to achieve the goal of deep cultivation of sustainable management of communities.

Responsible Unit

The Integrated Marketing Communication Center and the Corporate Planning Department are responsible for the promoting different social welfare issues respectively.

Management and Grievance System

- The board of directors approved the Internal Operating Regulations for Donating Behavior as the basis for external donation work.
- Promote the concept of road safety: Implement the no drunk driving internally and adopt diversified publicity methods externally and arouse the public's attention to the prevention of drunk driving and establish correct concept of traffic safety through the promotion online and physically activities.
- Support education in remote areas: Continue to improve the education and after-school care of schoolchildren in remote areas through the establishment and operation of after-school tutoring programs in elementary schools.
- Care for the disadvantaged groups: Visit groups that are in need of assistance and provide assistance to the groups after on-site evaluation to realize the idea of promoting public welfare.

Effective Evaluation Mechanism

- To gather the statistics of participants and reach of the road safety ads and promotion activities for the evaluation of the effectiveness.
- To understand the learning situation of schoolchildren through term reports and regular on-site visits to the tutoring classes in the elementary schools in remote areas on a regular basis.

2.1 Board Operation

Election for and Composition of Board of Directors

The board of directors serves as the highest governance unit, and under which there set three functional committees, including the Risk Management Committee, the Audit Committee, and the Remuneration Committee. The board of directors is composed of 15 directors, and the term of office of the director is 3 years. There are 12 seats of directors and 3 seats of independent directors, and among them, 5 are natural person directors with professional qualifications in insurance, and 5 are Japanese directors.

TMNEWA has set up the Procedures for Election of Directors, and it is stipulated that directors or shareholders can provide a list of recommended candidates for directors, and such list shall meet relevant regulations as a reference for the selection of directors. The candidate nomination system is adopted for the election of independent directors, and the shareholders elect independent directors from the list of candidates for independent directors. In 2021, there is 1 seat of female director, and the chairperson does not hold other positions in the Company. All the board members have abundant professional and industrial experience in the fields of insurance, finance, or business management, meeting the requirements of diversity and professionalism. The age distribution of directors in 2021 is as follows. There are 6 directors aged between 45-65 years and 9 aged above 56 years.

Calling Board Meetings and Avoidance of Conflict of Interest

The board of directors of the Company shall meet at least once every quarter, and the meeting materials shall be provided to all directors 7 days prior to the meeting day so that the board members can have full discussion and exchange ideas on various proposals in the board meetings. In 2021, there were 6 board meetings in total, and the average attendance rate of all directors was 94%.

The Company has established the Rules of Procedure for Board of Directors Meetings, stipulating that when any director or a juristic person represented by a director is an interested party with respect to any agenda item, or when the interested party relationship is likely to prejudice the interest of the Company, the director shall uphold a high degree of self-discipline and ask for recusal, and important content of the interested party relationship as well as the status of avoidance of conflict of interest shall be specified in the meeting minute. In 2021, there were directors who were the interested party with respect to 2 agenda items and asked for recusal in the board meetings.

Functions of Board of Directors

To ensure the operational efficiency of the board and the decision-making capabilities of the directors, the Company arranges continuing education courses from time to time to enhance the professional functions of the board members. In accordance with the Corporate Governance Best Practice Principles for Insurance Company, board members shall receive at least 7 hours of corporate governance related courses every year. All the board members of the Company achieved the goal, with a total of 225.74 training hours in 2021.

Every year, the self-evaluation and peer evaluation of the board performance is carried on a regular basis in accordance with the Self-Evaluation or Peer Evaluation of the Board of Directors. Directors having served for more than 6 months shall carry out self-evaluation and the evaluation of the overall performance of the board to ensure that the board of directors fulfill their duties in terms of corporate governance and all aspects of company operations. In 2021, performance evaluation of the board of directors averaged scored 95.86 points in “self-management” and 96.06 points in “peer evaluation”. In addition, for directors concurrently holding other positions in the Company or in invested companies, their performance in such position(s) is also evaluated as an important reference to decide whether the director should continue holding the positions concurrently, reduce the concurrent positions, or continue serving as the director. The evaluation results are all reported to the board of directors.

In view of the increasing risks and responsibilities of business operators, to enable directors and managers to perform their business with peace of mind and provide operation protection guarantee. Since 2017, the directors and managers have been insured Directors and Officers Liability Insurance covering directors and officers for claims made against them in accordance with law for performing duties during their term of office.

2.2 Remuneration Policy for Directors and Officers

It is approved by the board of directors of the TMNeva Company to establish the Remuneration System for Directors and Performance Evaluation Standards and Emolument Standards for Managers as the basis for the distribution of remuneration to directors and managers. In addition, the Company also established the Remuneration Committee whose members are all professionally qualified and independent, with the independent director serving as the convener and being in charge of reviewing and evaluating the performance and remuneration of directors and managers. There is also a mechanism for avoidance of conflict of interest to ensure the independence and impartiality of the Committee. The remuneration of directors and managers are reviewed by the Remuneration Committee by referring to individual performance and the business performance of the Company and will be submitted to the board of directors.

Performance Evaluation Standards and Emolument Standards for Managers

To effectively evaluate the managers' contribution and to work with the long-term profits and shareholders' interest, the performance evaluation of the president is based on the achievement of the annual operating objectives of the Company while that of other managers is based on the personal yearly goals within the scope of responsibilities as the standard for the performance evaluation.

The methods applied for the evaluation and remuneration measures related to managers should be reasonably connected with the achievement status of work performance goals of managers, yet unexpected risks and other items should be included when considering risks to avoid the Company from suffering from inappropriate situations after paying remuneration. The remuneration incentive program of the Company should not lead the managers to engage in behavior that exceed the Company's risk appetite for pursuing remuneration, and regular review is conducted for the remuneration incentive system and performance depending on the situation to ensure that it meets the Company's risk appetite.

Decision Process of the Remuneration of Managers

The remuneration of managers is based on the rationality of the financial status of the Company, personal performance, the Company's business performance, and the future risks. The general remuneration provided in the same trade is referred to, and the results of personal performance evaluation, the time invested, the responsibilities undertaken, the achievement status of personal goals, the performance of other positions, and the remuneration given to the same position holders in recent years are also taken into consideration. In addition, the achievement status of the Company's short-term and long-term business objectives, and the Company's financial status are also considered when it comes to the remuneration of managers.

2.3 Integrity Management and Anti-Corruption

Integrity
Management
Policy



The Company has established an independent Audit Office under the board of directors to be in charge of general audit operations for financial, business, information, and other management units at least once a year; and follow-up inspections of the deficiencies of the internal control and tracking of the improvement status are conducted and reported to the Audit Committee and board of directors every year; which will also be included in the reward and punishment as well as the performance appraisal system.

To maintain effective operation of the internal control system, the Company has established three defense lines for internal control, namely the self-inspection system, compliance system, and risk management mechanism and internal audit system for their perspective functions, and the roles and functions of each line of defense in the risk management and the control framework are coordinated to help all functions to fulfill their responsibilities in a more effective way.

The Company has incorporated integrity management and moral value into the business strategies of the Company, and the Integrity Management Policy serves as the highest guiding principle of integrity management, and the Corporate Planning Department serves as the responsible unit for integrity management. All the directors and senior executives holding the position of vice president or higher have signed the Compliance Statement of Integrity Management Policy. In addition, the Company has also set up the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct to prohibit the personnel of the Company from requesting or accepting any improper gain or engaging in other acts violating integrity or wrongful behavior or a breach of fiduciary duty to establish a corporate culture of integrity management.

To strengthen the management of the whistleblowing system, the grievance case is accepted by personnel or unit empowered to exercise independence, and anonymous reporting is allowed. Relevant personnel handling the grievance case shall sign a confidentiality statement to protect the identity of the whistleblower and the content reported from being leaked. If the report involves the directors or senior executive holding the position of assistant manager or above, the investigation report shall be submitted to the independent directors. Currently the unit in charge of acceptance and investigation is the Compliance Department, and the supervisor of the Compliance Department serves as the manager of the whistleblowing mailbox and hotline. There were no cases of dishonest behavior accepted in 2021 (Whistleblowing mailbox: whistleblower@tmnewa.com.tw; the hotline for dishonest behavior: 070-1010-7701).

In terms of the supplier management, suppliers reaching a certain amount of procurement should sign the Letter of Commitment for Supplier CSR and Integrity management in accordance with the Regulations Governing Supplier Corporate Social Responsibility and promise to comply with the Integrity Management Policy and related regulations of the Company. The suppliers should also expressly refuse to offer, promise, request, or accept any improper benefits in any form or name.

Anti-Corruption and Dishonest Risk Assessment

The Company established a dishonest behavior risk assessment mechanism in accordance with the Procedures for Ethical Management and Guidelines for Conduct to regularly analyze and evaluate business activities with higher risk of dishonest behavior within the business scope to strengthen corporate governance. Since the end of 2019, different evaluation frameworks have been set up and evaluations of different dishonest risks have been made in accordance with the work items in different departments. In addition, the mitigating measures and quantitative indicators of residual risks have been taken in the discussion of the assessed inherent risks. In 2021, the assessment results of the residual risk after the mitigating measures all showed low risks, and the risk response strategy was to accept the risk.

In addition, at the beginning of every year, the risk assessment of the frequency of the occurrence of each risk factor (5-point scale for frequency level) and the level of impact (5-point scale for severity) was performed. The fraud risks under the operational risk include “the Intermediaries deceive customers for improper benefits, causing unanticipated mistakes and expenses”, “fraud and misconduct from the employees”, “third-party fraud”, and “embezzlement from the director or the employee” and the login operation of risk evaluation was conducted. In 2021, assessment results of the residual risk after the mitigating measures showed medium risks, within the acceptable risk range, and the risk response strategy was to accept the risk. In 2021, there was no incident of receiving kickbacks or bribes among internal company employees.

Anti-Money Laundering and Countering the Financing of Terrorism

To implement the Anti-Money Laundering and Countering the Financing of Terrorism, the Company has established the Risk-based Approach (RBA) and screens the sanction list through names or the nationality, insurance coverage, and so on when doing transaction, and the transaction is prohibited, and relevant notification measures will be taken when the system assesses that the object belongs to high risk. In addition, in the preliminary name check of those who do not belong to the above-mentioned list or nationality, 4 risk items are further used for comprehensive evaluation, including policyholder, product, region, and channel, to effectively grasp the potential money laundering and financing terrorism concerns of every transaction. Considering the overall operation and business involved, an overall risk assessment and control measures are taken, and the Guidelines on Prevention of and Combating Money Laundering and Financing of Terrorism are established to serve as the basis to abide by for the prevention of money laundering and combating the financing of terrorism. Every employee has to receive at least 2 hours of money laundering prevention and anti-terrorism education and training on a yearly basis.

2.4 Tax Management

Tokio Marine Newa Insurance adopts the following principles of taxation and risk management to comply with the spirit of robust management, enhance shareholder value, strengthen compliance with tax laws, and commitments to implement corporate sustainable development.

Principle of Taxation

- Fully understand and comply with local tax regulations, legislative intentions and disclosure requirement, declare and pay taxes within the time limit as prescribed, and fulfill the social responsibility as a taxpayer.
- Disclose tax information to stakeholders via public channels as required and ensure the transparency of information.
- Communicate with the local tax authorities in an honest and professional manner and maintain good relationship with them.
- The tax planning should be legal, and the transactions should be conducted not merely for the purpose of tax avoidance, and profits are not transferred to the non-cooperative blacklist and tax heaven countries (low tax countries) defined by the Organization for Economic Cooperation and Development (OECD) or the European Commission, and in the meantime, the business operation, the social responsibility and reputation, risk control as well as sustainable value of the Group in various countries should also be put into consideration.
- The influence of taxation should be put into consideration for all important decisions.
- Improve the quality of tax professionalism and continue the training of talents.
- Related party transactions are fully compliant with the Transfer Pricing norms and the Arm's Length Principle of the relevant national tax laws and regulations.

Tax Governance and Risk Management

The Finance and Accounting Department of the Company is the responsible unit for taxation, and the vice president of the Logistics System is in charge of supervising the tax operation and tax risk management and reporting the tax implementation status to the president to ensure the effective operation of the tax management mechanism. The subsidiaries should notify the Department of Finance and Accounting Department of the Company of items with regarding to the major tax risks. When facing tax risks, the Company will properly handle the risks to lower the impact and conduct proper and necessary communication and explanation with the competent tax collection authority depending on the situation to lower the uncertainty of tax risks.

Tax Planning and Risk Acceptance

The Company does not conduct transactions aimed only at avoiding tax, our business operations, the social responsibility and reputation, risk control, and sustainable value of the Company and its subsidiaries in various countries are also put into consideration, and the influence of taxation is considered for all important decisions. The scale of operation and the complexity of tax regulations and compliance obligations bring the uncertainty tax risks, the level of tax risk acceptable for the Company and its subsidiaries is low. When facing significant and uncertain tax risks with high complexity, we will consult external professional consultants and obtain advice about tax in a timely manner while avoiding unnecessary tax disputes at the same time.

The Company is gradually improving the quality of tax professionalism and continue the training of talents to ensure that relevant employees are capable of handling tax operations to reduce operational risks concerning tax. When facing unfamiliar tax affairs, the Company will entrust external professional consultants to handle relevant tax affairs as appropriate to ensure proper compliance with tax regulations and reporting obligations. We handle tax risks in a positive manner, and tax information is also properly disclosed in the financial statements.

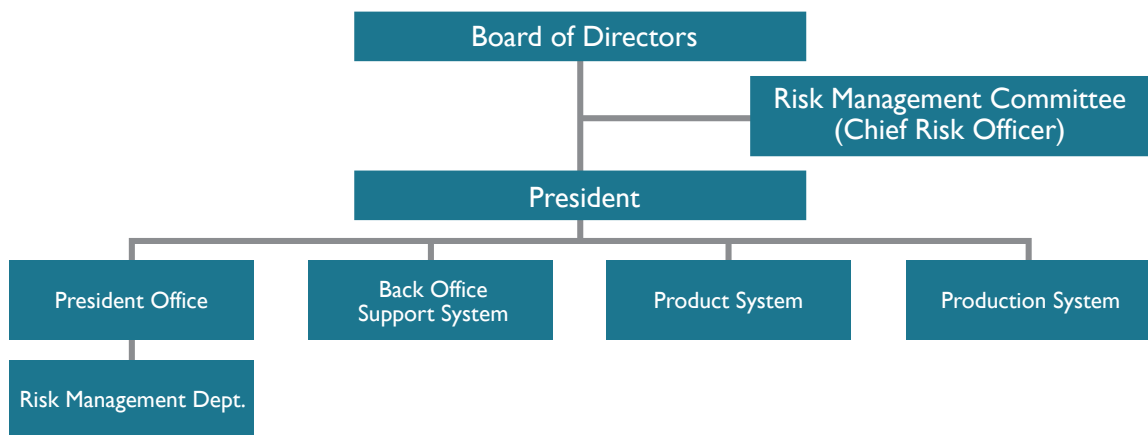
Attitude toward Tax Collection Authorities

The Company communicate tax risk matters and interpret tax laws and regulations with the local tax collection authorities in an honest and professional manner and maintain good relationship with them. The Company and its subsidiaries declare and pay taxes within the time limit, and answer questions from tax collection authorities as well as provide required tax information in accordance with the local tax regulations and requirements for disclosure.

2.5 Risk Management

Principle of Taxation

The Report incorporates the concept of Principles for Sustainable Insurance (PSI), showing that TMNEWA is not only an insurance company, but also a core role of Risk Management and Asset Management. The Company combines the ESG (Environment, Social and Governance) issues with the risk management and evaluation, demonstrating the value of sustainable development TMNEWA has created.



Purpose of Risk Management

The Risk Management Policy approved by the board of directors is to ensure the effectiveness of risk management and to assume the ultimate responsibility for the overall risk management. The purpose of the Risk Management Policy is "to ensure the Company's capital adequacy and solvency, implement the balance of risk reward to stably achieve business goals". In 2021, the risk management system has been implemented and relevant procedures have also been completed. The overall Risk-Adjusted Return on Capital (RAROC) has also reached the annual target and showed stable growth.

Own Risk and Solvency Assessment (ORSA)

To implement the capital adequacy assessment in the practice of risk management and strengthen capital management, the Company carries out the Own Risk and Solvency Assessment (ORSA), and the assessment results will be provided to the board of directors and the management level to serve as a reference for the decision-making and management concerning own risk and solvency. In addition, risk measurement and estimation are also implemented via stress testing, internal model method, and standard method while the setting of the risk appetite and risk limit are also assessed to evaluate the appropriateness and stability of the Company's capital adequacy.

Enterprise Risk Management

Enterprise Risk Management (ERM) is a risk-based strategy management model that has been increasingly attached importance to internationally. TMNeva Company uses three major frameworks, namely the "Individual Risk Management", "Emergency Response System", and "Integrated Risk Management" for the identification, measurement, and control of risks. In response to the frequent occurrence of various major disasters in recent years, the Company has established a real-time relevant notification mechanism to strengthen the horizontal communication among various departments that can rapidly integrate information and reduce errors in decision making, enabling policyholders to obtain more complete and faster services.

Risk Management Procedures

The risk management procedures of Tokio Marine Nawa Insurance include risk identification, measurement, response, monitoring and information, communication, and documentation. The scope of risk includes but is not limited to underwriting risk, asset utilization risk (including market risk, investment-related credit risk), credit risk, liquidity risk, operational risk, and other risks. Considerations of other risks include climate change risk, reputation risk, strategic risk, policyholder behavior risk, and political and economic risk.

Identification and Assessment of Emerging Risks

The description and definition of risk incidents of TMNEWA is based on the Global Risks Report and Tokio Marine Group's description of emerging risks for further evaluation of the amount of loss and the probability of occurrence. The emergency risks identified this time include risk of improper compliance, risk of outbreak of infectious diseases, and risk of hacking and cyberattacks. The methodologies for assessment and the assessment results are discussed item by item in the risk login operation meeting.

Crisis Handling Mechanism- Effective Response

To avoid the occurrence of major incident that would affect the Company's reputation and endanger the normal operation and financial order, the Company has established the "Response Measures for Operational Crisis". If signs for an incident involving operational crisis are found, relevant units will be immediately notified for rapid handling to avoid the incident from deteriorating, and emergency remedial measures are taken. After the incident, the president will set up a task force handling operational risks and monitoring the development of the incident so as to take faster and more effective response actions.

Business Continuity Management

Business Continuity Management (BCM) makes use of the combination of preventive and recovery control measures to minimize the organizational impact and reduce the impact of risks to an acceptable level. In the planning process, it is necessary to understand the possibility and impact of risks faced by the organization, identify the important businesses that will have crucial influence on the success or failure of the organization, and maintain as well as operate the assets required for these important businesses. The identified results serve as the basis for the evaluation of development of business continuity strategy to determine the overall approach for business continuity. The Company has established a response and notification plan in response to various emergencies and carries out various response drills every year to strengthen the awareness of risks in the face of emergencies and to ensure the maintenance of good operating conditions of the Company. In 2021, a total of four business continuity drills were carried out, including the off-site backup drill to restore the basic operation of important businesses, the emergency response drill for earthquake during the COVID-19 epidemic and so on.

Response Measures for COVID-19 Epidemic

TMNEWA has developed a long-term operation continuity plan to ensure that the Company is equipped with an emergency response mechanism in the event of threatening events and a post-disaster recovery mechanism that can maintain the most basic operation services after operation interruption. The drills are implemented every year to improve the response and recovery procedures to strengthen the resilience of the Company.

The Company implements the business continuity management operations and plans to reduce the impact and risk of business interruption brought by the epidemic. After the outbreak of the COVID-19 epidemic, the Epidemic Response Team was established by the top management level, and a liaison network was established among the top managers of independent offices such as the Head and Branch offices for the implementation of an emergency response plan. The diverted office operation was rapidly completed, which included working from home and working in a second office, and the diverted commuting was also carried out to reduce the risk of infection of our employees during commuting. In 2021, there were a total of 4 confirmed cases of the Company. The Company completed the disinfection of the office on the same day after being notified of the confirm case to reduce the risk of spreading the infection, and the cross-unit support mechanism was implemented in accordance with the business continuity plan to ensure the customer services and the rights as well as the interests of the customers would not be affected to reach the goal of uninterrupted operation.

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2.6 Compliance

2021 Compliance Overview

Environmental laws and regulations	Labor Standards Act and human rights related regulations	Social law	Product and service regulations
<ul style="list-style-type: none"> No violation of environmental laws and regulations 	<ul style="list-style-type: none"> No use of child labor No discrimination and sexual harassment No violation of freedom of association and collective bargaining No infringement of indigenous rights 	<ul style="list-style-type: none"> No anti-competitive behavior No antitrust violations No violation of Anti-Monopoly Law 	<ul style="list-style-type: none"> No prohibited products No violations of health and safety regulations No violations of product and service information and labeling

Note: Child labor refers to employed workers aged over 15 years but under the age of 16.

Description of the management system in the face of strict financial scrutiny

The board of directors of TMNEWA has approved the Compliance System and the annual compliance plans, and the chief compliance officer for the headquarters regularly summarizes the compliance status and reports to the board of directors. In addition, an annual company-wide compliance meeting is held, and the following measures are implemented to enhance the employees' awareness of compliance.

Item	Control measures
Publicity of penalty cases in the same trade and the inspection and control measures	<ul style="list-style-type: none"> When a penalty incident happens in the same trade, relevant departments will review the actual operation of the control measures or implementation methods of the Company to avoid similar situations from happening. When the Audit Office conducts general audits, the operational review of deficiencies found and punished in the same trade is conducted and included in the annual audit plan.
Management of legal changes	<ul style="list-style-type: none"> When there are legal changes, the business management unit will review and adjust the internal control regulations to ensure that the internal operations are compliant with the latest legal regulations.
Compliance training	<ul style="list-style-type: none"> All employees are required to receive compliance education and training online every year, and the content of the courses include the required publicity of laws and regulations by the competent authority, self-discipline norms formulated by the Non-life Insurance Association of the ROC, and important laws and regulations related to insurance business.
Self-assessment of compliance	<ul style="list-style-type: none"> Each department makes self-assessment of the compliance implementation status every 6 months.
Review procedures for insurance commodities	<ul style="list-style-type: none"> The personnel submitting the products for review shall confirm information needed in accordance with the Operating Standards for Pre-sales Procedures for Insurance Products and the internal measures, and another person will review the information one more time when the product is submitted for review, for information disclosure and before filing to ensure the correctness of the information. The commodity terms and rates are drawn up by the responsible personnel of the commodities in each insurance department and the actuarial personnel for the setting of the terms and rates in accordance with the relevant regulations, and the signatories of each commodity review the part they are responsible for to ensure the correctness, reasonability, and legality of the terms and rates.

No major incident occurred in 2021, but there were 3 penalties imposed by the competent authority. The description of the cases is as follows.

2021 cases with penalties and improvement measures

Date	Reason for penalty	Improvement measures
2021.01.12	An employee of the Company made a simple description document for the insurance products without approval, violating Article 4 Paragraph 1 Subparagraph 3 of the Self-Regulation of Insurance Business Solicitation and Advertising. It did not affect the rights and interests of customers, and the corrective action was required in writing.	<ul style="list-style-type: none"> • The Company has asked the employee to withdraw the disputed document and requested not to show such document again. • Strengthened compliance training to implement the spirit of protecting financial consumers.
2021.05.28	It was found in the employee attendance schedule and payroll list that some overtime wages were not paid, and therefore was fined NT\$40,000 in accordance with Article 24 and Article 30 Paragraph 6 of the Labor Standards Act.	<ul style="list-style-type: none"> • It was clarified that the overtime attendance of the employees was not due to official business or actual overtime, and the relevant form system was adjusted and opened for use in April, 2021. • Publicity was made to employees in January, 2022 that the actual attendance time should be recorded, and the supervisor of the unit should also remind the employees when signing the attendance form.
2021.06.09	<ul style="list-style-type: none"> • The management of the e-commerce system violated relevant stipulations of the Insurance Act and was fined NT\$1.2 million in accordance with Article 171-1 paragraph 4, and 2 corrections were required. • Please refer to the Insurance Market Observation Post System for details: https://ins-info.ib.gov.tw/customer/Info6-1-1.aspx?UID=16834703&SerNo=3362245 	<ul style="list-style-type: none"> • Revised the responsibilities of the information security unit and implement information security protection operations including network architecture security design, firewall rule setting review, management of important system and monitoring operations. • Completed the establishment of the Measures for Maintenance and Operation of E-commerce Business Cloud and implement relevant control mechanism of the cloud operating system based on the inspection opinions. • It is stipulated in the outsourcing contract that the maintenance services will be carried out in the form of on-site services, and it is also required in the contract that the entrusting company shall comply with the Information Security related regulations. • The Emergency Response Operation Standards for Outsourcing Network System of the Injury and Health Insurance Department was established. When an emergency occurs for the outsourced manufacturers, operating standards and processing procedures should be followed to lower the risk of service interruption. • Outsourced inspections have been implemented for the entrusted manufacturers, and according to the recommendations in the financial inspection, some inspection items, including "whether personal data storage is encrypted, and access track is retained", "independence of resources used by other tenants", and "appropriateness of account permissions" were added. After on-site inspection, the entrusted manufacturers have been compliant with the items mentioned above.

2021 Performance of Sustainable Service Delivery

The overall satisfaction of online insurance application reached **95.8%**.

Obtained dual certifications of **ISO 27001 Information Security Management System** and **ISO 27701 Privacy Information Management System**

The number of e-insurance policies reached **771,205**.

The On-the-Scene Service cumulatively provided services to over **390,000** people.

3.1 Design Evaluation and Sales of Insurance Products

Principles for Sustainable Insurance- Products and Services Development

Policies covering relevant risks and designed from the perspectives of ESG include the followings. For example, the insurance products related to climate are Motor Insurance- Automobile Physical Damage Insurance Endorsement covering typhoon, earthquake, tsunami, hail, flood, pounding rainwater after rain; Residential Fire Insurance- Additional Insurance Endorsement of Excess Typhoon and Flood Insurance; Environment Liability Risk- Environmental Pollution Liability Insurance, Information Disclosure Risk- Cybersecurity Liability Insurance and Data Protection Liability Insurance. Moreover, the insurance industry can also promote various financial literacy and education programs for beneficiaries to develop or support knowledge education of risk, insurance and ESG issues.

The design, review, and sales procedures of the insurance products of Tokio Marine Nawa Insurance are all compliant with laws and regulations. All the terms of the insurance products are disclosed on the Company's official website for consumers to inquire and refer to. In addition, when doing business solicitation, the solicitors are obligated to make explanation and disclosure, and the Know Your Customer (KYC) should also be filled in to ensure that customers fully understand the important contents of insured products for the sake of safeguarding the consumer rights.

Product Design Evaluation

The Insurance Product Design Procedures are developed in accordance with the Operating Standards for Pre-sales Procedures for Insurance Products. It is stipulated that when designing a product, the suitability and legality of the terms of the insurance products and the protection of customer rights and interests should be paid attention to, and the adequacy, rationality, and fairness of the rates should be taken into account in the pricing of insurance products to ensure the design of insurance products is compliant with relevant laws and regulations. In addition, in the product review process, the compliance review is conducted in accordance with the Preparation and Sales Procedures for Insurance Products, Self-Regulation of Insurance Products Design, and Review Procedures for Insurance Products to ensure the products are compliant with insurance and regulatory norms.

Product Merchandising

As prescribed in the Precautionary Matters on Property Insurance Product Review and the Precautionary Matters on Reviews for Insurance of the Person, the Company makes full statement of the Product Number and Date, Major Insurance Benefit Items, Toll-free Grievance Hotline, Methods of inquiring publicly disclosed information of the insurance industry, and Warnings on the front page of the policy, in the policy terms, product description and insurance application form. In addition, what to include and what not to include in the insurance application form is compliant with the provisions of the Content and Scope of the Review Procedures for Exempting Insurance Products from the Insurance Product Requirements of the Property Insurance. Moreover, the Operating Procedures for the Promotion and Distribution of Publicity Materials for Ads, Business Solicitation, and Business Promotion Activities have been established to regulate matters related to marketing and promotion of insurance products.

Underwriting Evaluation of Products

The content of product terms and the underwriting operating standards of all insurance products of the Company should follow the risk assessment and screening process established in accordance with the underwriting operating guidelines during the customer insurance process. In addition, before the establishment of the insurance contract, the solicitors should fully understand policyholders' data and the KYC is also reviewed, which is carried out by the underwriters when implementing underwriting evaluation when the solicitors solicit business or when customers apply for insurance.

Insurance products corresponding to Environmental Sustainability



Green energy development related insurance

Provide comprehensive insurance for installation project and comprehensive insurance for electronic equipment, underwriting wind turbines, solar power generation equipment manufacturing and power generator sets, hydropower generators and so on for the protection against damage caused by fires, typhoons, floods, earthquakes, and other dangerous accidents.



Environmental pollution liability insurance

The purpose of this product is to assist enterprises with the management of environmental risks and to provide a compensation and recovery mechanism for personal, property, and even natural resources damage caused by environmental pollution.



Fishing vessel insurance

When underwriting the fishing vessel insurance, the environmental risk factors are carefully put into consideration, and the evaluation of the background of the vessel owner and the fishing methods are also made. If the fishing vessel is found to operate in an illegal manner or has been caught by the competent authority for illegal fishing, strict review will be conducted, or the underwriting will even be unaccepted. Old fishing vessels (over 15 years old) have higher probability of oil leakage and damage during sailing than new vessels, leading to increased probability of environmental pollution, so their underwriting fees may also be increased depending on status of each individual vessel itself.



Public bike liability insurance

We launched the public bike liability insurance in response to the government's policy to encourage the public to use carbon-free transportation.



Electric bicycle insurance

The Electronic bicycle insurance is designed to provide comprehensive insurance protection for policyholders who use e-bicycle as a means of transportation for the purpose of environment protection and those who enjoy outdoor activities.



Nuclear energy insurance (co-insurance)

Nuclear energy insurance mainly covers property damage and third-party liability. Under the supervision of the government, the Nuclear Energy Insurance Association Pod of the Republic of China coordinates the handling of the insurance. Domestic property and casualty insurance companies jointly underwrite nuclear energy insurance in accordance with the amount they can undertake.

Featured products corresponding to the Social Sustainability Responsibility



Group accident microinsurance

To respond to the government's policy of taking care of the disadvantaged groups by launching the group accident micro-insurance with low sum assured and low premium to reduce the economic damage of sudden accidents to economically vulnerable families.



Designated driver liability insurance

To respond to the government's policy of promoting the designated driver services, the designated driver liability insurance is launched in a hope to reduce the occurrence of drunk driving.



Product recall liability insurance

Assist enterprises to bear the costs generated for product call and hope that enterprises can actively implement the recall procedures when they have doubts about product safety to protect the rights and interests of the consumers.



Data protection liability insurance

This product helps enterprises face losses caused by personal data issues and encourages enterprises to make more active communication with their customers and take appropriate measures when facing incidents of personal data leakage.



Information Security insurance

The Company has launched information security insurance for enterprises to cover legal compensation liabilities caused by information security incidents, cover various expenses corresponding to the incident, and business interruption when the risk of personal information leakage, information system and media behavior occur.



Personal Accident and Health (Health Protection+) Insurance

This featured product is designed for accidents, major diseases, infectious diseases, cancers, and other diseases, providing reasonable protection for people aged from 0 to 70 and strengthening the social safety net.



Vaccination package insurance

Vaccination is one of the important anti-epidemic measures to reduce the chance of severe conditions and hospitalization. The Company launched the Vaccination package insurance to provide reasonable protection for related expenses caused by adverse reactions to vaccines.



Household comprehensive insurance

The feature of this product is that when there is an event of fire, the insured amount of movable property and immovable property can be flexibly shared, and the property damage claim in movable property will not be deducted for depreciation, and the first loss basis is applied. If the fire unfortunately spreads to the neighbors' homes, the high protection of the third-party liability insurance can also cover as well as disperse the risks of third-party claims.



Rental residence insurance

To assist the small and medium-sized enterprises described in the Rental Housing Market Development and Regulation Act to transfer risks and the Minister of Interior to extend the circular use of the residential resources, the Company has launched the Rental residence comprehensive insurance and the Rental residence rent loss insurance, underwriting the rental property repairs, third-party liability, property safety compensation, rental loss, and liability of the drop of house prices due to specific accidents.



Damage to or Theft and rental loss to a rental car liability insurance (car-sharing insurance)

To cope with the trend of the times, we launched the first domestic micro-insurance specially designated for car-sharing groups to purchase timeshare micro-insurance, and more complete protection is provided for the deductible and business losses caused by collision and theft of the vehicle when driving a shared car.

3.2 Honoring Customers

Principles for Sustainable Insurance (PSI)- Sales and Marketing

In terms of distribution, the insurance industry should cooperate with other channel distributors for effective reach of customers who are exposed to risks. In terms of sales, product education as well as complete risk planning and follow-up security services should also be provided to policyholders.

Principles for Sustainable Insurance (PSI)- Claims Management

In terms of processing of claims, damage compensation should be carried out rapidly and comprehensively, and fair claim settlement solutions to disputes should be established. In addition, the insurance industry should also integrate the ESG issues of resources recovery into repair, replacement, and other claim settlement services to reduce the pollution of mercury, wires, other metals, gasoline, crude oil, and battery acid in car wreckage to soil and rivers.

Promote Insurance in Life Through Cross-Platform Cooperation

TMNEWA continues the strategic cooperation with e-commerce platforms such as Yahoo, Rakuten Ichiba, PChome, momo and so on. Through more article reports, videos, Podcast and other media, we provide more diverse and easy-to-understand insurance knowledge to enable consumers to understand the timing and context of using insurance products the way they do for their livelihood consumption. In addition, through the convenient and rapid online insurance application services, the established impression that insurance is complex and troublesome can be eased, and the impression that insurance is close to our daily life and meets the need of life can be enhanced.

Diversified Communication Channels with Customers

The Company provides diversified channels for full communication with customers to continue the improvement of service quality. The channels used include the established Customer Service Center, Customer Service Hotline, Customer Service Message Board, Letters, Emails, Service Counters, Fax, Line@, Tokio Marine Newa Insurance Online Customer Service Platform, Customer Feedback Mailbox, and FB Fan page.

We make regular customer service satisfaction surveys, and actively make improvement of the main service gap, "At case closing stage- the reported results and explanation details were not sufficient". This insufficiency was mentioned 150 times in the first customer satisfaction survey in 2019Q4, and the number reduced year by year. In 2021, this item was reduced to 32 times averagely, with an overall satisfaction score of 8.93 points, showing effective improvement of customer satisfaction.

Moreover, the online satisfaction survey is also conducted on a regularly basis to provide a direction for continuous improvement. In 2021, the overall customer satisfaction of online insurance application was 95.8%, and a third-party professional market research firm was entrusted to conduct the overall satisfaction survey, and the average score was 8.93 points.

Enterprise Loss Prevention Services

Fire insurance loss prevention personnel are the first-line personnel on-site. They not only serve as the consultation window but also have to go to the insured premises for investigation to assess the daily risks faced by the enterprise from an objective perspective and propose a loss prevention proposal report to provide specific improvement measures for individual cases and plan better fire prevention areas. To enable enterprises to further recognize risks, loss prevention education and training will be held for enterprises from time to time, and it is hoped that through the strengthening the awareness of risk management, accidents can be prevented before it happens, or damage can be controlled and avoided to go from bad to worse when accident happens, serving as a reference for the enterprise to set up emergency response and disaster recovery plans. In 2021, there were a total of 85 cases of enterprise loss prevention services, decreased from the 119 cases in 2021 mainly because of the impact of the COVID-19 epidemic, resulting in the decrease of service cases.



First in the Industry to Provide On-the -Scene Service

Upon the establishment of the Company, we have launched the first On-the-Scene Service in the industry. To deepen the customer relationships, ensure service quality, and implement treating customers fairly, we have established the Post-event Evaluation and Management Mechanism for On-site Processing since April, 2020. When the service personnel complete the processing of the accident scene and accept the claim, the system will actively send a text message to inform the policyholders, and they can also conduct the service satisfaction rating by linking to the webpage through the text message. For the items with poor scores, the claim settlement unit will immediately provide customer care to understand customer needs so as to ensure the quality of on-site service and reduce the occurrence of customer complaints. In 2021, a total of 2,200 customers rated the on-site service, and as high as 95% of customers gave full marks.

Major Disaster Emergency Service Team

In view of the fact that major disasters often bring serious casualties or property losses, the Company would immediately set up a Major Disaster Emergency Service Team when a major disaster occurs to assist our customers to obtain claims within a short period of time.

Obtain the casualty list promptly, take the initiative in contacting and caring for the customers, and go to the local medical institutions to offer condolences to the injured policyholder or the families of the victims, followed by assistance with subsequent claim settlements.

Activate the mechanism of emergency service and dispatch personnel to the disaster scene to care for the affected people.

Dispatch personnel to assist policyholders with subsequent claim settlements.

Provide customer service hotline and contact information of the supervisors of relevant departments to make it convenient for policyholders to make consultation.

Line@ Service Platform

We have established a self-service on-site evidence collection APP which is integrated with the Line@ service platform. When there is a traffic accident, our customers can transmit photos of the accident scene and contact information via the Line@ service platform. When we receive the information transmitted by the customer, the claim is immediately accepted and the evidence of the accident is obtained immediately, which will greatly improve the efficiency of the claim settlement. In addition, to ensure the service quality of the auto insurance claims and improve the efficiency of claims, the To-Do-List Management Information System for Claims has been introduced for the auto insurance claims service personnel to ensure smooth processes of contacting customers, conducting accident investigation and verification, and checking and verifying the losses and so on.

Friendly Financial Services

To respond to the government's Inclusive Financing Policy, TMNewa Company provides friendly financial services in accordance with the Principle for Friendly Financial Services in the Insurance Industry. In terms of the arrangement of a friendly environment, the service bells and accessible facilities are set up at our business offices. Magnifying glasses and reading glasses are also provided at our service bases, and personal services are also provided depending on policyholders' individual needs. The application documents for insurance products are all reviewed in a fair, objective, and non-discriminatory manner. Moreover, there are also service personnel in business offices to explain products and services related information, and assistance is also provided for customers to fill in relevant application forms. Information of all products and services is also disclosed on our official website for the public to refer to. There are also text message notification services to enable our policyholders to obtain the real-time information of insurance.

Furthermore, to enable more efficient and faster process for protection, the Company continues to optimize the online insurance application process and provides multiple payment methods. In addition, the Responsive Web Design (RWD) is applied for the optimized interface for all mobile devices so that customers without a computer can also complete the insurance application through cell phones and tablets.

In addition to the insurance products meeting the trends and good insurance application experience, there are also online text customer service and the AI chatbot communication platform designed for those who may find it inconvenient to call customer service or those with vision and hearing impairment to obtain more complete services and consultation through written texts. In response to the policy of green energy and environmental protection, we continue to promote digital insurance renewal notification, electronic insurance policies, and mandatory use of e-insurance cards during the online insurance application process, which will help reduce the usage of paper and reach the purpose of energy conservation and carbon reduction.

Implementation of the Treating Customer Fairly Principle

To promote the “Treating Customers Fairly” principle as the core of the corporate culture in financial institutions, the FSC issued the Principle for Financial Service Industries to Treat Clients Fairly in December, 2015, and the Evaluation Mechanism for Principle for Financial Service Industries to Treat Customer Fairly has been implemented since 2019 to understand the implementation situation of financial institutions in hopes of enhancing financial customers' trust in financial service industries. The board of directors of the Company approved and follows the Policy of Treating Customer Fairly Principle and the Strategy for Treating Customer Fairly Principle Note, and in 2020, the board of directors approved the establishment of the Treating Customer Fairly Improvement Committee to function as the organization to promote the treating customers fairly principle, and this Committee is convened every quarter and the independent directors are also invited to attend and guide in the quarterly meeting. The implementation results are reported to the Insurance Bureau.

Note: For the content of the Strategy for Treating Customers Fairly, please check the website at <http://www.tmnwa.com/customize/ClientsFairly>.

2021 Education and Training of Treating Customer Fairly

Item	Male	Female	Subtotal	Subtotal
Managerial position	172	63	235	99.57%
Non-managerial position	545	593	1,138	97.02%
Total	717	656	1,373	97.44%

Note: The training ratio did not reach 100% because some employees reported for duty after the training period.

3.3 Customer Privacy Protection

Customer Privacy Protection

To implement consumer protection, TMNEWA enhances the employees' professional knowledge and abilities of personal data protection through educational training, personal data inventory operation, and scenario-based drill of personal data leakage. In 2021, except for the three customers inquiring about suspected personal information leakage, no other information leakage was found. The suspected cases were handled in accordance with TMNEWA's "Security and maintenance plan for the protection of personal data files and a guideline on disposing personal data following a business termination" and the "Confidentiality and security control of classified data of customers and company" to report the incident and keep relevant records, and relevant improvement measures taken are described as follows.

2021 Explanation of negligence cases and improvement measures

Date	Description	Improvement measures
2021/08/05 2021/08/13	A customer actively asked us to send documents, but the handling personnel accidentally enclosed information of a non-party.	We immediately recovered and destroyed the mis-sent document, and it was confirmed that the scope of influence was only within one case. The understanding of the customer was obtained. There has been no actual violation of customer privacy in the case.
2021/08/24	The progress of the auto insurance claim was sent to the wrong person by e-mail.	After investigation, it was found that the content of the push notification did not involve any personal information with accessible link, and the correction was immediately made and reported to the customer for understanding. This incident happened because the source of the extraction of the email address was not complete, and the adjustment was made on the next day after the discovery. The source information has been adjusted to the information provided by individual customers for underwriting when applying for insurance instead of the basic customer information file. Currently, there has been no similar case.

Customer Personal Data Security Maintenance Management

Tokio Marine Newa Insurance abides by the provisions of the Personal Data Protection Act for the collection, processing, and utilization of customer information. Various personal information management and control measures have also been established, such as data de-identification, storage access control and management, and implementation of regular personal data inventory and risk assessment to ensure the protection of customer privacy. In addition, through daily publicity, the concept of personal data protection is deeply rooted for every single employee. As for the outsourced vendor of personal information operations, the regular checklist will be filled in and evaluation report will be conducted on a yearly basis to confirm the internal control and operation implementation status of the vendor. The Administration Department also arranges designated personnel to the printing factory to inspect the printing process and data processing status to ensure that there is no risk of personal information leakage.

Passed ISO 27001 and ISO 27701 Dual Verification of Information Security

The security objectives are clearly specified in the Main Points of Information Security Management. To be compliant with relevant regulations on information security and improve the information security protection capabilities, the Company has set three major policy directions for security safety promotion, including “strengthening the overall information security management capabilities”, “providing reliable information services”, and “continuously strengthening and improving the overall information security environment” by referring to the current domestic development conditions of cybersecurity and relevant analysis. Every quarter, the measurement operation for the information security and privacy management target is conducted through 6 cyber-security indicators to ensure the compliance of the 4 policy objectives of “security of system development and maintenance”, “protection of the confidentiality, integrity, and availability of the Company’s information”, “maintaining continuous operation of the information system”, and “avoiding intrusion and damage from hackers and viruses and avoiding human negligence and accidents”. Under the collective efforts of all employees, the Company obtained the dual verification, the ISO 270001 Information Security Management System, and ISO 27701 Privacy Information Management System at the end of 2021, making TMNEWA one of the very few domestic insurance companies that have dual verification of information security management and personal data protection. There were no major ^{Note} information security incidents throughout the year.

Note: The determination of major information security incidents is based on the preliminary reference table for Notification of Major Contingencies in Insurance Industries. In 2021, there were no major information security incidents that led to the number of cases of personal data leakage or the affected amount exceeding the limit.

Email Social Engineering Drills

To strengthen the information security awareness of the employees and avoid computer viruses and backdoor programs from being implanted due to browsing malicious emails that further cause the theft of accounts or leakage of sensitive information, the Company conducts the email social engineering drill on a quarterly basis to make the employees understand the existence of social engineering email attacks. Employees are reminded not to randomly click on malicious email links or open attachments. Employees failing the drill will be given education and training, followed by tests, to strengthen their information security awareness. In response to the increasing trend of hacking incidents in the international community, the Company decided to strengthen the intensity of the social engineering drills. Since the beginning of 2021, the drill has been adjusted to selecting one of the three email samples every quarter. The realistic themes that are highly relevant to the businesses of the company (such as New Measures for Claim Care) are used for our employees to effectively respond to external hacking situations during the drills. The passing rate of the social engineering drill increased from 91.6% in 2021Q1 to 96.5% in 2021Q4.

4 Safety- Promotion of A Sustainable Workplace

Sustainable Workplace Promotion Performance rates in the past decade in 2021

The employment rate in the past three years was greater than the turnover rates, and the turnover rate was less than **10%**.

In 2021, the retention rate of employees working for more than one year after reinstatement was **100%**.

The average salary adjustment rate for employees was **2.5%**.

The average number of hours of education and training (including physical and online training courses) per employee was more than **37 hours**.

Established **37** clubs in total.

4.1 Overview of Human Resources

2021 TMNEWA Staff Composition

Unit: person

Item/Gender		Female						Male					
Nationality	Employment Type	Permanent			Temporary			Permanent			Temporary		
	Age	Under 30	31-50	51 and above	Under 30	31-50	51 and above	Under 30	31-50	51 and above	Under 30	31-50	51 and above
Taiwan	Full time	158	431	80	6	5	0	134	412	190	1	1	3
Japan		0	2	0	0	0	0	0	0	2	0	0	0
Subtotal		158	433	80	6	5	0	134	412	192	1	1	3
Total		671			11			738			5		

Distribution of foreign employees, indigenous employees and employees with disabilities

Age distribution of foreign employees, indigenous employees and employees with disabilities

Unit: person

Year	2019						2020						2021					
	Male			Female			Male			Female			Male			Female		
Age	Foreign	Indigenous	Employees with disabilities	Foreign	Indigenous	Employees with disabilities	Foreign	Indigenous	Employees with disabilities	Foreign	Indigenous	Employees with disabilities	Foreign	Indigenous	Employees with disabilities	Foreign	Indigenous	Employees with disabilities
Under 30	0	0	1	0	1	1	0	0	1	0	1	1	0	0	2	0	1	1
31-50	2	2	3	1	4	2	2	1	2	3	2	2	2	1	2	2	3	2
51 and above	1	1	3	1	1	0	1	1	3	1	1	1	1	1	3	0	1	1
Total	3	3	7	2	6	3	3	2	6	4	4	4	3	2	7	2	5	4

Employee employment rate and turnover rate

Employment rate in the past three years (Permanent employees)

Year	2019				2020				2021			
	Male		Female		Male		Female		Male		Female	
	No.	rate (%)	No.	rate (%)	No.	rate (%)	No.	rate (%)	No.	rate (%)	No.	rate (%)
Under 30	48	39.02	51	33.77	45	34.62	52	31.33	60	44.78	51	32.28
31-50	32	7.64	27	6.74	21	4.98	17	4.11	41	9.95	33	7.62
51 and above	1	0.61	0	0	3	1.76	2	3.13	1	0.52	0	0
Subtotal	81	11.49	78	12.5	69	9.56	71	11.02	102	13.82	84	12.52
Total number of new employees	159				140				186			
Total number of employees	1,329				1,366				1,409			
Total employment rate (%)	11.96				10.25				13.2			

Turnover rate in the past three years (Permanent employees)

Year	2019				2020				2021			
	Male		Female		Male		Female		Male		Female	
	No.	rate (%)	No.	rate (%)	No.	rate (%)	No.	rate (%)	No.	rate (%)	No.	rate (%)
Under 30	23	18.7	20	13.25	22	16.92	24	14.46	24	17.91	27	17.09
31-50	34	8.11	23	5.52	24	5.69	24	5.8	44	10.68	29	6.7
51 and above	7	4.29	2	3.57	7	4.12	3	4.69	10	5.21	2	2.5
Subtotal	64	9.08	45	7.21	53	7.34	51	7.92	78	10.57	58	8.64
Total number of retired/resigned employees	109				104				136			
Total number of employees	1,329				1,366				1,409			
Total turnover rate (%)	8.2				7.61				9.65			

4.2 A Friendly Workplace

Human Rights Protection

TMNEWA adheres to the concept of employee diversity and equality. We do not discriminate against employees based on their race, gender, age, country, language, religion, sexual orientation, physical and mental disabilities. In 2021, there was no incident of discrimination against employees, employment of child labor and harm to the interests of employees, nor were there related cases of violation of their right to work and human rights.

In May 2021, the Kaohsiung branch underwent a labor inspection. It was found that wages for extended working hours were not paid according to the employee attendance sheet and payroll list, which was imposed a fine of NT\$40,000. For employees with overtime attendance, it was clarified that the overtime was not due to official business or actual overtime. The relevant form system was adjusted and open for use in April 2021. In addition, publicity was made to inform the employees that the actual attendance time must be recorded, and the supervisor of the unit should also remind the employees when signing their attendance forms.

The Company has established Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace, and a Sexual Harassment Complaint Committee with equal proportions of men and women is set up to deal with sexual harassment incidents. The member list and contact information of the committee will be announced to the employees so that they can get appropriate assistance if they encounter sexual harassment at the workplace.

In 2021, a total of 1,372 employees ^{Note} participated in the education and training for Sexual Harassment Prevention Act, with a total of 68.6 training hours. All employees completed the training. To protect employees from physical or mental infringement in the course of performing their duties, it is clearly stated that "Workplace Violence is Prohibited". In addition, a Prevention Program of Unlawful Infringement in the Performance of Duties has been formulated in accordance with the law. Workplace violence complaints and reporting channels are also set up in hopes of establishing a workplace culture of safety, dignity, non-discrimination, mutual respect and tolerance and ensure the physical and mental health of employees.

Note: New employees recruited in Q4 would be trained in the next training course.

Implementation of parental leave in the past three years

Year	2019			2020			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Actual number of unpaid parental leave application of the year (A)	0	4	4	0	7	7	2	4	6
Number of employees expected to be reinstated of the year (B)	0	2	2	0	5	5	0	0	0
Actual reinstated number of employees of the year (C)	0	2	2	0	5	5	0	0	0
Actual reinstated number of employees in the previous year (D)	1	3	4	0	2	2	0	5	5
Number of employees who were reinstated- one year after unpaid parental leave in the previous year (E)	1	3	4	0	1	1	0	5	5
Reinstatement rate of the year % (C/B)	-	100%	100%	-	100%	100%	-	-	-
Retention rate% (E/D)	100%	100%	100%	-	50%	50%	-	100%	100%

Notice Period for Operational Changes

The Company complies with laws and regulations such as the Labor Standards Act. Employees will be notified in advance of any major operational changes that may seriously affect the rights of employees in accordance with the laws and regulations.

Employee Health Promotion

To provide a safe and healthy working environment and take care of the physical and mental health of employees, the headquarters has set up a health room, a breast milk collection room, and professional nursing staff. In addition, AEDs are installed and regular CPR+AED first-aid courses are also arranged, providing employees with health consultation and education.

In 2021, a total of 4 on-site physician consultation services (including office environment inspection and hazard assessment of maternal health protection workplace and operation) were arranged, with a total of 33 participants. In addition, the Company regularly organizes employee health examinations. The health examination was originally scheduled to be held in April, 2022, but due to the epidemic, it was temporarily postponed. The rescheduled health examination would depend on the trend of the epidemic in the future. There were no cases of occupational disease in 2021.

Occupational Safety and Health

In 2017, the Company set up the Safety and Health Work Rules and also established the Occupational Safety and Health Management Committee, which holds quarterly meetings to review, coordinate and recommend safety and health-related business; the content of the Safety and Health Work Rules includes Human-induced Hazards Prevention Program, Prevention Program of Unlawful Infringement in the Performance of Duties, Prevention Program for Diseases Caused by Abnormal Workload and Maternal Health Protection Program. Since 2018, 3 hours of online education and training on general occupational safety and health has been provided to new employees. In addition, health education, fire drills and first aid training are also conducted for employees on a yearly basis to strengthen employees' awareness of work safety and ability to prevent disasters.

To effectively implement the safety of the working environment, regular inspections are carried out every quarter in accordance with the office environmental facilities checklist. The Company's workers include permanent and temporary employees. However, the cleaning and security personnel of the building management committee and the salespeople who signed the contract are not included in the Company's occupational safety management system. The headquarters holds fire drills, health education and first aid training every year. In 2021, a total of 343 people participated in fire drills and 60 people in fire training courses.

Every year, the Company carries out risk identification procedures with on-site physicians based on the environmental facility checklist and puts forward suggestions for improving facilities. There were no major risks as to the risk identification in 2021. No major occupational injury related cases have occurred so far.

In response to the COVID-19 epidemic, TMNEWA has adopted regular environmental disinfection, set up acrylic partitions and provided ethanol alcohol at the service counters as the epidemic prevention measures. In addition, real-name system and temperature measurement are adopted when the visitors enter the building. The seats used by the public have been set up with partitions and separated at a distance to maintain proper social distancing. The toilets are provided with ethanol alcohol for disinfecting toilet seat covers to prevent the risk of infection.

Occupational safety performance in the past three years

Category	Item	2019	2020	2021
Total working hours	Female	1,170,000.0000	1,207,500.0000	1,258,125.0000
	Male	1,321,875.0000	1,353,750.0000	1,383,750.0000
	Total working hours	2,491,875.0000	2,561,250.0000	2,641,875.0000
Occupational injury fatalities	Female	0.0000	0.0000	0.0000
	Male	0.0000	0.0000	0.0000
	Total number of deaths	0.0000	0.0000	0.0000
Occupational injury death rate	Female	0.0000	0.0000	0.0000
	Male	0.0000	0.0000	0.0000
	Total occupational injury death rate	0.0000	0.0000	0.0000
Severe occupational injuries(excluding fatalities)	Female	0.0000	0.0000	0.0000
	Male	0.0000	0.0000	0.0000
	Total number of severe occupational injuries	0.0000	0.0000	0.0000
Rate of severe occupational injuries (excluding fatalities)	Female	0.0000	0.0000	0.0000
	Male	0.0000	0.0000	0.0000
	Rate of total severe occupational injuries	0.0000	0.0000	0.0000
Recordable occupational injuries (including fatalities and serious occupational injuries)	Female	1.0000	1.0000	0.0000
	Male	2.0000	0.0000	5.0000
	Total number of occupational injuries	3.0000	1.0000	5.0000
Rate of recordable occupational injuries (including fatalities and serious occupational injuries)	Female	0.8547	0.8282	0.0000
	Male	1.5130	0.0000	3.6134
	Rate of total occupational injuries	1.2039	0.3904	1.8926
Please describe each occupational injury	(Female) Concussion and contusion (Male) Multiple bruises and contusions on the body (Male) Broken Toe	(Female) Fracture	(Male) right hand and foot bruise, close fracture on the right first toe (Male) right proximal humerus fracture (Male) Forehead laceration, multiple bruises on the body (Male) Multiple bruises and contusions on the left side (Male) left chest and shoulder contusion, right upper arm contusion, right ring finger proximal interphalangeal joint dislocation	

Occupational safety performance in the past three years

Note:

1. Since part-time personnel were not introduced into the system, they were not included in the statistics.
2. In 2021, the number of injuries for non-employee workers who worked in the Company's workplace was 0 and the injury rate was 0%.
3. There were 5 work-related injuries for male employees in 2021. Among them, four were injured in a car accident on the move for business and the other one was injured by the opposite party while appearing in court for work duties. The occupational injury rate was higher than last year.
4. Rate of occupational injury fatalities = Number of occupational injury fatalities/working hours *1,000,000.
5. Rate of serious occupational injuries = Number of serious occupational injuries (excluding fatalities)/working hours*1,000,000.
6. Rate of recordable occupational injuries = rate of recordable occupational injuries (including fatalities and serious occupational injuries)/working hours*1,000,000.
7. A serious occupational injury is defined as occupational injury that results in death, or makes it impossible for the worker to return to his pre-injury state of health within six months.

4.3 Selection, Development, Employment and Retention

Talent Training Program

The Company establishes the concept and willingness of employees to continuously learn through the establishment of the employee training system, performance system and promotion system. In addition, it has provided various incentives, rotation, performance appraisal and promotion measures to improve employees' willingness to learn and motivate employees to continuously improve themselves and transform knowledge into abilities to improve business performance.

Total training hours by job category and gender in 2021

Job category /Gender		Total number of trainees (B) (unit: persons)	Total training hours (A) (unit: hours)	Total average training hours (C) (unit: training hours)
Managerial position	Male	173	8,852	51.17
	Female	63	3,002	47.65
Non-managerial position	Male	568	25,404	44.72
	Female	605	22,417	37.05

Promoting the Succession Plan

To promote a strategic, systematic and long-term supervisor training program to develop the management associates training program at different levels, the Company has started to promote the Succession Plan since 2015. When there are job vacancies in the organization or there is a demand for supervisors in line with the expansion of the organization, it can provide its own talent pool to select appropriate supervisors immediately in the shortest possible time so as to achieve seamless integration of organizational operations. In terms of the effect of the Succession Plan, 68% of the talents came from the management associates training program when there was demand for supervisors in the past three years.

Performance Appraisal

The Company's performance appraisal includes initial work target setting and discussion of capacity development projects, mid-term work target achievement follow-up and final performance appraisal. At each stage, supervisors need to conduct one-on-one interviews with employees to understand the working conditions of them and timely provide guidance and feedback. Employees will be assisted to achieve annual work goals through a comprehensive performance management system. 100% of the qualified employees^{Note} in the past three years were assessed.

Note: Those who had worked for less than 6 months (inclusive) in the current year would not participate in the annual performance appraisal.

4.4 Compensation and Benefits System

Employee Compensation Policy

The starting salary of the new employees of the Company is higher than the statutory minimum wage. Every year, the annual salary adjustment and employee compensation and bonus distribution are carried out according to the Company's operating performance and personal performance. In 2021, the ratio of the starting salary of grassroots personnel (Clerical grade 1) to the statutory minimum wage (NT\$24,000) was 1.1:1, and the average salary adjustment rate of employees was about 2.5%. In 2021, the number of full-time non-managerial employees of the Company was 1,385, and the average salary was NT\$1,111,730.

Salary of full-time non-managerial employees			Unit: NTD
Item	2020	2021	
a. Number of full-time non-managerial employees (persons)	1,341	1,385	
b. Total salary of full-time non-managerial employees	1,429,589,249	1,539,745,599	
c. Average salary of full-time non-managerial employees	1,066,062	1,111,730	
d. Median salary of full-time non-managerial employees	712,149	729,118	

Note:

1. Salary is calculated based on the annual salary, including basic salary plus seniority allowances, bonuses, benefits, overtime pay, time off and other allowances.

2. Calculation formula: 2021 annual salary = 2021 withholding income + 2021 tax-exempt income.

3. Non-managerial positions refer to the exclusion of appointed managers and part-time employees.

4. The average and median figures in 2021 were higher than those in 2020 due to the annual salary adjustment.

Compensation ratio for male and female employees

Year	2020		2021	
	Male	Female	Male	Female
Annual salary estimate				
Managerial position or above	105.12%	100%	102.68%	100%
Non-managerial positions	117.67%	100%	114.26%	100%

Note:

1. Salary is calculated based on the annual salary, including basic salary plus seniority allowances, bonuses, benefits, overtime pay, time off and other allowances.

2. Calculation formula: 2021 annual salary = 2021 withholding income + 2021 tax-exempt income.

3. Managerial positions: managers and above; non-managerial positions: employees at supervisors of the sections and below.

Compensation and Salary Adjustment Ratio

For the compensation structure of employees, TMNEWA has always adhered to the principle of taking into account internal balance and external fairness for the overall planning. In terms of internal balance, in addition to salaries based on job grades, the position of the employee, the regional price index and other aspects are considered for the planning of living allowance. In terms of external fairness, the competitiveness of salary is optimized based on the results of salary surveys and the importance and particularity of the market will also be taken into consideration. In addition, the salary structure and personal performance are reviewed every year and annual salary adjustments are made. Year-end bonuses are distributed according to the Company's overall profit performance (including financial and non-financial indicators), unit performance and individual performance evaluation to share profits with employees. In 2021, the ratio of the Company's highest personal annual income to other employees' median annual income was 13:1.

Compensation and Salary Adjustment Ratio

Unit: NTD

Year	2020	2021
The ratio of the highest personal income to the median income of other employees (highest personal income: employee)	12.51 : 1	13.98 : 1
The salary adjustment ratio of the highest personal income to the median income of other employees (highest personal income: employee)	1 : 1.02	1 : 1.02

Note:

1. Salary is calculated based on the annual salary, including basic salary plus seniority allowances, bonuses, benefits, overtime pay, time off and other allowances.

2. Calculation formula: 2021 annual salary = 2021 withholding income + 2021 tax-exempt income

Retirement System

The Company appropriates pensions for each employee in accordance with the law. The participation rate of the retirement program is 100%. In accordance with the Labor Standards Act and the Labor Pension Act, employees who entered the Company before June 30, 2005, were entitled to the old pension system. Only after the employees freely choose the new pension system can they be entitled to it. For the old pension system, 4% of the monthly salary of each pensioner with the old system shall be appropriated as pension reserve funds on a monthly basis. For the new pension system, the Company appropriates 6% of the monthly salary into the employee's personal designated account based on the table of monthly contribution wage classification. In addition to the Company's fixed contribution, the employees may, according to his/her willingness, contribute the pension to personal designated account within 6% of the salary. In addition, the Company also regularly provides pension reports made by an actuary to confirm that there is full contribution every year and protect the rights and interests of employees for pensions in the future.

Employee Welfare Committee

TMNeva established the Employee Welfare Committee in accordance with Employee Welfare Fund Act. The main tasks of the committee include review, promotion and supervision of employee welfare undertakings, planning, custody and application of employee welfare funds and allocation, audit and income and expenditure reports of employee welfare funds. Employees of the Company can also set up various clubs in accordance with Regulations regarding Club Establishment and Subsidy, which helps promote employees' emotions and improve work efficiency. The Employee Welfare Committee will provide club subsidies. In 2021, 37 clubs were established. The total number of employees participating in the clubs was 1,038, accounting for 73.7% of the total number of employees.

Various subsidies and insurance coverage

To take care of employees, we provide subsidies for marriage, maternity, medical care, emergency assistance, funerals, education and childcare, and domestic and foreign trips. In addition, bonuses on three festivals are distributed. Various activities are held from time to time, including employee travel and family days. In addition to statutory labor insurance and national health insurance, the Company provides employee group insurance, comprehensive insurance and other necessary insurances. Employee group insurance includes term life insurance, term accident insurance, term critical illness insurance and term hospital/surgery health insurance for employees, as well as term hospital/surgery health insurance and term cancer insurance for employees' dependents (spouse and children). All insurance costs are covered by the Company.

A Friendly workplace

The Company cares about the workplace health of female employees. Therefore, it has cooperated with a legitimate day care centers to provide employees with childcare assistance in accordance with the Act of Gender Equality in Employment. To provide working mothers with a worry-free working environment, a breast milk collection room is set up at the headquarters, providing a comfortable space for female employees. In addition, a refrigerator and other appliances are considerably prepared, which is widely acclaimed. In response to COVID-19 epidemic, in addition to the regular disinfection of the office every year, since the beginning of 2020, ethanol alcohol, masks and forehead thermometers have been available in all workplaces for employees and visitors to ensure their health and prevent the spread of the epidemic.

2021 Performance of Sustainable Social Contribution

A cumulative of **92** manufacturers have signed the Letter of Commitment for Supplier CSR and Integrity. Recruited employees to serve as the traffic guidance volunteers in Taipei Municipal Zhong Zheng Elementary School for **16** consecutive years.

Having underwritten the Employers Compensation Liability Insurance for temporary workers of the Department of Environmental Protection, Taipei City Government for **23** consecutive years.

Reached remote primary schools for the promotion of after-school tutoring classes for **13** consecutive years, benefiting a cumulative of **1,909** schoolchildren.

5.1 Co-prosperity of the Supply Chain

The selection of suppliers of the Company is compliant with the Procurement Regulations and based on the compliance and risk management policies. In 2021, 100% of the suppliers having business relations with TMNEWA were legally established domestic companies.

Type of Contract (Based on company classification)	2019		2020		2021	
	Number of suppliers	Proportion of purchase amount (%)	Number of suppliers	Proportion of purchase amount (%)	Number of suppliers	Proportion of purchase amount (%)
Service (Maintenance and printing)	87	37.61%	102	43.33%	100	42.80%
Property (Capital equipment)	50	61.59%	68	41.76%	77	47.37%
Construction Work (House maintenance)	6	0.81%	5	14.91%	4	9.83%
Total	143	100%	175	100%	181	100%

Note:

1. Capital equipment refers to official vehicles, various office equipment and others.

2. Maintenance and printing include general consumables.

Supplier Management

The Company has established the Regulations Governing Supplier Corporate Social Responsibility, requiring suppliers with a certain amount of procurement should sign the Letter of Commitment for Supplier CSR and Integrity. Protection of labor rights is clearly stipulated in the Letter of Commitment, such as the prohibition of child labor and forced labor; the respect for freedom of association and other matters to protect human rights. It is hoped that the major suppliers we work with can jointly implement the responsibilities of labor rights, labor health and safety, environmental protection, and integrity management. 100% of the current suppliers meeting the requirements have completed the signing of the Letter of Commitment.

In addition, for suppliers who have signed the sales and purchase contract specifying the Letter of Commitment for Supplier CSR and Integrity, the General Affairs Department will conduct annual supplier evaluation within the duration of contract, and those not reaching the standard score on the evaluation form are asked to improve within a certain time limit; those failing to improve within the time limit or those scoring under 60 points will be listed as dishonored. For outsourced manufacturers for personal information, on-site inspection will be conducted annually to ensure the outsourced data processing is secure and safe. Every year, during the regular evaluation period, the procurement personnel will promote the integrity policy of the Company via emails to the manufacturers they are in charge of, and the whistleblowing mailbox will be provided while the Company's corporate governance concept is reiterated, hoping to jointly create an environment for sustainable management.

For new suppliers whose single procurement amount is over NT\$ 300,000 or over NT\$ 1 million for annual procurement in the contract, they need to fill out a self-assessment questionnaire with items covering social aspects (such as the equality policy for employment, whether the company uses child labor; social workplace safety, etc.) and environmental aspect (degree of compliance with environmental regulations), and the General Affairs Department will confirm whether the suppliers are qualified by filling in the supplier evaluation form, and based on the principle of mutual benefit, we strive to jointly implement corporate sustainable development with our suppliers. In 2021, additional 17 manufacturers completed the signing of the Letter of Commitment, and all of them filled in self-assessment form and provided it to the General Affairs Department for evaluation. Therefore, 100% of new suppliers selected met the standard evaluation in environmental and social aspects. As of the end of 2021, a cumulative of 92 manufacturers have signed the Letter of Commitment for Supplier CSR and Integrity and become the qualified cooperative manufacturers of the Company. In 2021, a total of 54 new and old manufacturers with continuous cooperation underwent the evaluation, and the pass rate was 100%. In addition, it is stipulated in the Procurement Regulations that "for procurement project exceeding the amount of NT\$ 100,000, quotations from two (inclusive) suppliers should be provided to avoid benefiting specific manufacturers".

5.2 Social Participation

Participation in Associations

Description	Improvement measures
The Non-Life Insurance Association of the Republic of China (NLIA)	Committee member
The Non-Life Underwriters Society of the Republic of China (NLUS)	Director
Nuclear Energy Insurance Pool of the Republic of China (NEIPROC)	Company representatives
Insurance Society of the Republic of China (IS)	Company representatives
Taiwan Residential Earthquake Insurance Fund (TREIF)	Committee representative of the Residential Earthquake Insurance Co-Insurance Working Group Meeting
Taiwan Against Drunk Driving (TADD)	Executive director
Institute of Financial Law and Crime Prevention (IFLCP)	Member representative
The Actuarial Institute of Chinese Taipei (AICT)	
Risk Management Society of Taiwan (rmst)	
Chinese Insurance Service Association (CISA)	
The Institute of Internal Auditors-Chinese Taiwan (IIA)	
International Union of Marine Insurance	Group member
Taiwan International Logistics & Supply Chain Association	
Japanese Association in Taiwan	
Insurance Crime Prevention Foundation Center	
Taiwan Insurance Law Association (TILA)	
TiEA-Taiwan Internet and E-Commerce Association	

Promotion of Road Traffic Safety

Eradicating Drunk Driving- Taiwan Against Drunk Driving Joint Declaration

Tokio Marine Newa Insurance strives to promote the prevention of drunk driving and has signed the Taiwan Against Drunk Driving (TADD) Joint Declaration to jointly work together with TADD to start the bus advertising of anti-drunk driving from January, 2021, targeting at Taoyuan City, Taitung City and Hualien County where there are more cases of drunk driving. Through the bus advertising, we jointly urge all to cherish their lives and never drive after drinking.



Safeguarding the traffic safety of schoolchildren in Zhong Zheng Elementary School

Since 2005, we have engaged in the community guidance services, with the headquarters staff serving as the traffic guidance volunteers to safeguard the schoolchildren in Taipei Municipal Zhong Zheng Elementary School. The total service hours have reached 4,550 so far.

Safeguarding road users- responding to Traffic Safety Month with practical actions

To arouse the public's attention to road traffic safety, the Ministry of Transportation and Communication (MOTC) organized the Traffic Safety Month for the first time in 2021. The Company responded to the concept of "No One Less on the Safe Way Home" to call on the public to pay attention to road traffic safety for the creation of a friendly traffic environment.



Prevention of accidents even when facing epidemic- the launch of public welfare video on road safety

To realize the vision of "No One Less on the Safe Way Home", 4 self-produced road safety themed promotional animation videos have been made and publicized by working with non-profit organizations to expand the promotional effectiveness, and it has successfully reached approximately 400,000 people.

Responding to the Little Yellow Hat Traffic Safety Education Fund Raising Campaign of Jing Chuan Child Safety Foundation

We continue to sponsor the Little Yellow Hat Traffic Safety Education Fund Raising Campaign of Jing Chuan Child Safety Foundation in the promotion of the concept of Rooting Down Road Safety Education. We responded to the 2021 online experience activity of "Five Actions for Children's Safety" to expand the publicity of traffic safety for children. As of January 5, 2022, the number of visitors to the themed webpage reached 427,117, of which there were 17,396 entries for the Five Actions for Children Safety Monopoly Game.

Lectures on Traffic Safety Promotion

We held 58 sessions of lectures on traffic accident handling instructions, motor insurance claim case sharing, safe defensive driving, accident liability research and judgement, legal compensation liability for traffic accidents, and traffic safety for our insurance channel partners and customers, with about 2,049 participants in total.



5.3 Public Welfare

Reaching to the Remote Areas

Since 2008, the Company has cooperated with local public welfare groups in Nantou and Hualien and started the after-school tutoring classes in remote areas. The tutoring classes were adjusted to online teaching during the COVID-19 epidemic to ensure uninterrupted learning. In addition to maintaining communication with the personnel in charge of the after-class tutoring classes to keep abreast of the learning situations of the schoolchildren, we also arrange regular visits by senior supervisors every year to have an in-depth understanding of the implementation status and living environment of the schoolchildren.



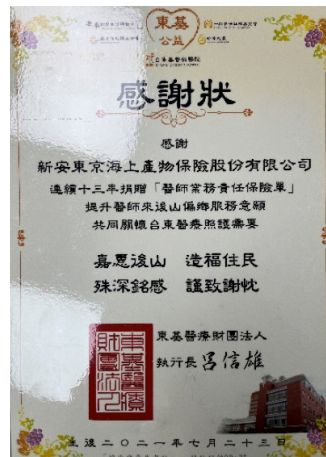
As of 2021, the after-class tutoring classes have been provided to a cumulative of 1,909 students. In recent years, some previously participating students successfully attended college and join the project to teach as part-time teachers in the tutoring classes to pass on the love. To realize the whole-person support for schoolchildren in remote areas, the Social Worker Care and Counseling Project launched in 2020 provides guidance and care for "potentially high-risk" schoolchildren from full-time social workers of social welfare groups, hoping that children can learn in a healthy family environment to shorten the learning gap caused by uneven resources distribution, and further to assist disadvantaged families to escape from poverty and prevent crime for the purpose of "damage prevention". Moreover, the Company has continuously made donations to micro-insurance since 2016. In 2021, we have assisted 2,209 students in remote areas to obtain basic personal insurance. We hope that by supporting the after-class tutoring classes, Social Worker Guidance and Care Projects, and the micro-insurance, the children's confidence in their future life can be established, giving them a stage for fair development of their talents.

Charitable Donations and Public Welfare Sponsorship

The Company continues to engage in related public welfare activities and donation projects. In 2021, the total amount of public welfare donation was NT\$9,007,902 for prevention of drunk driving, road safety maintenance, education development, school-children care and so on. In the future, TMNEWA will continue to uphold the concept of “taking from society, giving back to society” and pay attention to various aspects of public welfare.

Protecting the Medical Staff during the COVID-19 Epidemic- Expanding Donations to Taitung Christian Hospital

Tokio Marine Newa Insurance upholds the public welfare concept of “deep cultivation of the community and caring for society” and has long-term care for the disadvantaged groups, which coincides with the concept of the social assistance of Taitung Christian Hospital. We have started our long-term donations and subsidies to Taitung Christian Hospital since 2007. In view of the outbreak of local epidemic of COVID-19, we expanded our donations to Taitung Christian Hospital for the purpose to protect the medical staff and increased the donation amount from the original NT\$1.3 million to NT\$ 1.5 million, and the additional NT\$200,000 was designated for the purchase of additional epidemic prevention materials to protect the health of the medical personnel, enabling the hospital to go all out for the protection of local and disadvantaged people and provide better medical services to local people.



Sponsoring the Characteristics Development Program for Arts and Humanities of Zhong Zheng Elementary School

Since 2014, we have actively sponsored the Characteristics Development Program for Arts and Humanities of Zhong Zheng Elementary School from 4 aspects, including the curriculum, environment, activities, and student learning. Supported the school renewal, strengthened the artistic and cultural characteristics of the school, and incorporated with the publicity of traffic safety to facilitate sound development of the community.

Sponsoring the Epidemic-Prevention Funds for Rakuten Monkeys to construct a multi-layered protective net for sports

In order to build a safe and healthy sports environment for the public during the epidemic, we started from the risk prevention in advance and worked with the Rakuten Monkeys for the Theme Day of “Tokio Marine Newa Insurance” to sponsor the team’s epidemic prevention fund that could be used for the vaccine insurance & anti-epidemic insurance and other epidemic prevention measures to enable the players, team staff and fans to feel at ease when participating in sports events.



Provided scholarship for disadvantaged students in Department of Risk Management and Insurance of Ming Chuan University

To encourage students from low-income families to turn their life around. Promoting academic research of the development of domestic insurance and finance and nurturing excellent talents in insurance, we donated NT\$60,000 as the scholarship for students from low-income household in the Department of Risk Management and Insurance of Ming Chuan University to provide subsidies and incentives for the students as a reward or as subsidies for license examinations.

Responding to the E. SUN Volunteer & Social Welfare Foundation's "Caring for Schoolchildren" Project

The public welfare concept of the Company's "deep cultivation of the community and caring for society" is consistent with the social responsibility concept of E. SUN Volunteer & Social Welfare Foundation, so TMNEWA actively responds to the "Caring for Schoolchildren" Project. By taking practical actions, we provide financial assistance to the disadvantaged schoolchildren.

Signed the MOU with Tan-Mei Elementary School for TMES FLY Project

In view of the challenges of transformation for Tan-Mei Elementary School in Taipei City after its relocation, TMNEWA signed a 4-year memorandum of cooperation (MOU) with Tan-Mei Elementary School based on the public welfare concept of "deep cultivation of the community and caring for society", supporting the school to construct diverse international education and courses and featured activities to lay a solid foundation for Tan-Mei Elementary School to move toward its development into an elementary school with international and multiple features.



Donation of 400 sets of customized fluorescent yellow two-piece reflective raincoats

To strengthen the safety of temporary workers of Department of Environmental Protection of Taipei City Government when they perform their duties on rainy days, as a non-life insurance company attaching great importance to risk control and whose professionalism is damage prevention, the Company has donated 1,200 sets of LED reflective vests since 2017. In 2021, the Company donated 400 sets of customized fluorescent yellow two-piece reflective raincoats for the second consecutive year to provide protection to temporary workers when they are on duty on the street.



6.1 The Effects of Green Finance

Principles for Sustainable Insurance (PSI) - Investment Management

The investment management of the insurance industry should adopt the Principles for Responsible Investment (PRI), which is designed to enable institutional investors to take environmental, social, and corporate governance (ESG) into consideration when making investment decisions.

With the rapid growth of global sustainable investment, ESG investment means taking the risks and performance of the enterprise in the three dimensions of environment, society, and corporate governance into consideration. It has been confirmed in many studies that investors who value ESG can get better returns. According to an analysis of 2,200 case studies revealed by the Asset Management Unit of Deutsche Bank AG and the University of Hamburg, it was shown that corporate ESG sustainability indicators had significant positive correlation with their financial performance. ESG investment seems to have replaced pure financial and technical analysis and become the new manifestation of the investment.

For the Company's investment in domestic and international publicly listed or OTC traded stocks, corporate bonds, and financial bonds, in addition to evaluating and analyzing the financial risks and credit conditions of the target before investing, it will also be checked whether the investee company fulfills environmental protection, corporate integrity and social responsibility as one of the evaluation items for the investment projects. The Company has signed the compliance statement for the Taiwan Stewardship Principles for Institutional Investors and issued a stewardship governance report for institutional investors. Investment is made in accordance with the six major principles. Compared with 2020, the completion rate of inspection items decreased because some of the investment targets were government-owned banks or licensed businesses whose functions and powers at the shareholders' meeting and the candidates for directors and supervisors were not applicable to the relevant provisions the Company Act.

For foreign stock and bond investment projects in 2021, the ratio of ESG score of the evaluated target being higher than the average median or average of the same industry reached 65.22%; ESG score above 40 points accounted for 47.83%, 48% in 2020, and 20% in 2019.

ESG distribution of foreign stock and bond investment assessment projects

ESG score	2020	2021
Not rated	4.00%	4.00%
$0 \leq \text{ESG} < 10$	0.00%	0.00%
$10 \leq \text{ESG} < 20$	32.00%	26.09%
$20 \leq \text{ESG} < 30$	0.00%	4.35%
$30 \leq \text{ESG} < 40$	16.00%	17.39%
$40 \leq \text{ESG} < 50$	16.00%	21.74%
$50 \leq \text{ESG} < 60$	28.00%	8.70%
$60 \leq \text{ESG} < 70$	4.00%	17.39%

Note

1: ESG score refers to the percentage disclosed with ESG data column on the Bloomberg system. The higher the score, the more complete the disclosure. The score ranges from 0-100, which is applicable to more than 11,000 companies in more than 100 countries.

2: The ESG Score is an overview of the target company's performance on the environment, society, and corporate governance. Industry-specific measures can be analyzed, including emission intensity, resource consumption, workforce diversity, incidence rate, board independence and management compensation to identify ESG issues that may affect potential investments.

3: The 2021 data adopted Responsible Investment Checklist for Invested Targets revised in February 2021.

Investment in Green Energy Industry and Environmental Protection

In terms of investment projects, in addition to the traditional principles of safety, liquidity and profitability, the Company carefully selects investment projects and invests in green energy industry. In recent years, the scale of investment in related renewable energy businesses has become increasingly large, beyond the investment expertise of small and medium-sized insurance companies. Therefore, it has continued to contribute to environmental protection through private equity funds specializing in renewable energy business investment since 2018. As of 2021, the cumulative amount of the investment in energy reached NT\$315 million in total.

To accelerate the penetration rate of sewerage, the Committee for the Promotion of Private Participation in Infrastructure Projects, Executive Yuan approved sewage sewer as the priority category of projects to promote private participation in infrastructure in 2003. It incorporated private resources by promoting participation. In addition, it introduced abundant funds, efficiency, and vitality from the private sectors with sufficient manpower and technical cooperation to actively promote participation. In 2016, the Company also applied for the project to invest in the domestic sewer improvement business to the competent authority, and the project has been approved. The investment in environmental protection in 2021 amounted to NT\$150 million.

In 2014, the Company worked with AUO Corporation and several insurance peers and jointly established Star River Energy Corporation, whose subsidiary, Sungen Power Corp., is not only the largest rooftop solar PV power plant project in Taiwan, but also the first large-scale power plant project which overcame the difficulty of construction and was completed on a precision

plant. Rooftop power generation can utilize the existing building area, saving additional land costs and enabling the power plant to create greater economic benefits. Based on the parallel capacity of power generation of Star River Energy's solar PV power plants and calculated with the Company's shareholding ratio of 15%, the output of renewable energy in 2021 reached 10,661,091 kWh, equivalent to the reduction of greenhouse gas emissions by about 5,352 tons of CO₂e.

The Company has invested in Cathay Sustainable Private Equity Fund since 2018 with an amount of NT\$300 million. This fund mainly invests in key industries for sustainable development in Taiwan, including circular economy (such as sewage treatment, waste treatment and reuse), renewable energy (such as solar energy, geothermal energy, water resources and energy storage) as well as 5+2 innovative industries promoted by the government (such as IoT, smart machinery, long-term care, and new agriculture). In addition, it has also underwritten offshore wind power since 2019, and all of the engineering projects are co-insurance cases with the co-insurance underwriting ratio of up to 15%. The underwriting performance in 2021 was NT\$167,876,765.

Green Products and Services

In terms of insurance products corresponding to the sustainable environment, the Company has successively launched Environmental pollution liability insurance, Public bike liability insurance, and Electric bicycle insurance in recent years. In response to the rise of the sharing economy, Car-sharing insurance: Damage to or Theft and rental loss to a rental car liability insurance was launched in February, 2021. With the concept of car sharing or renting cars, those who seldom drive no longer have to buy cars, which indirectly reduces car exhaust emissions and pollution requiring treatment of related equipment.

In recent years, the Company has been dedicated to the development of FinTech. From insurance applications to claims settlement and even to customer service can all be done via the online service system, which not only allows customers to enjoy convenient communication channels, but also reduces paper consumption for environmental protection. In terms of auto insurance services, when a customer encounters a traffic accident and calls the customer service center, it will quickly file a case through the automatic case division system and immediately send a message to the customer for the notification that the case has been accepted. Our customers can also use the LINE@ service to take photos of the accident scene as evidence and immediately upload the photos to the image system for auto insurance claims settlement operations. In addition, the customer can use the Remote Video Survey and Assessment System to report the damage status of the vehicle to the operator in real time, which not only speeds up the claim settlement, but also saves the fuel consumption required for travel.

To ensure that the customers' rights and interests will not be affected by the COVID-19 outbreak, the "Green Channel" for claims services was established first in 2020, enabling policyholders who were diagnosed with COVID-19 or in home isolation could apply for claims through the toll-free customer service hotline or the exclusive claims service mailbox, providing customers with "contactless" services while at the same time reducing the consumption of paper and fuel required during the claim application process.

6.2 Energy Conservation and Carbon Reduction

Energy Consumption

The main energy used by the Company includes electricity and gasoline for official vehicles. The energy consumption is shown in the following table. In 2021, the total energy consumption of all business offices nationwide was 10,589GJ.

Energy Consumption and Energy Intensity		
Quantitative indicators	Unit/Year	2021
Electricity consumption	kWh	2,471,455
Electricity consumption	GJ	8,897
Gasoline consumption	L	51,834
Gasoline consumption	GJ	1,692
Organization-Specific measure	Total number of full-time employees	1,409
Total energy consumption (GJ)		10,589
Energy intensity (GJ)/ total number of full-time employees		7.52

Note

1: The calorie conversion factor for electricity is 1 kWh=3,600 KJ and the calorie conversion factor for gasoline refers to EPA's GHG Emission Coefficient Management Table v. 6.0.4.
2: The consumption of gasoline is limited to the statistics of the headquarters and branch offices, and that of the electricity includes the operating bases across the country.

GHG Emissions

The Company passed the BSI ISO 14064-1 GHG Emission Verification for the first time in 2022. The GHG emission intensity of the Company's domestic bases in 2021 was 0.81 (tons of CO₂e/total number of full-time employees).

GHG Emissions and GHG Emission Intensity in the past three years		Unit: tons of CO ₂ e
Item	2021	
Scope 1: Direct GHG emission	198.20	
Scope 2: Indirect GHG emission	945.73	
Total emissions = Category 1 + Category 2	1,143.93	
GHG emission intensity (tons of CO ₂ e÷ total number of full-time employees)	0.81	

Note

1. The GHG emission factor refers to EPA's GHG Emission Coefficient Management Table v.6.0.4.
2. The GWP value referred to that from the IPCC Fourth Assessment Report.
3. GHG inventory operations were conducted by the operation control method and the base year for GHG emissions has not yet been set.
4. The GHG emission coefficient of purchased electricity referred to the electricity carbon emission factor announced by the Bureau of Energy, Ministry of Economic Affairs. 2019: 0.509kg CO₂e; 2020: 0.502kg CO₂e; 2021: 0.502kg CO₂e (the electricity carbon emission factor in 2020 was used because that in 2021 has not been announced).
5. The GHG disclosure items included purchased electricity and gasoline used for official vehicles. The total GHG emissions included CO₂, N₂O and CH₄.
6. The 2020 value was revised in 2021 due to revision of the calculation basis.
7. The emissions in Category 1-2 have been verified by BSI.
8. The organizational boundaries covered the headquarters and 6 branch offices (excluding its subordinate sites).

2021 GHG (Category 3-5) Emissions

Unit: tons of CO₂e

Item	GHG Emissions
Category 3: Indirect GHG Emissions – Employee Commuting	667,641.79
Category 3: Indirect GHG Emissions - Business Travel	4,209.96
Category 4: Indirect GHG Emissions – Purchased Goods	343.86
Category 5: Indirect GHG Emissions - Investment	5,299.86
Category 5: Indirect GHG Emissions - Downstream Leases Assets	116.68

Note

1: Emissions from purchased goods and employee commuting have been verified by BSI.

2: The organizational boundaries covered the headquarters and 6 branch offices (excluding its subordinate sites).

Water Use

According to the Aqueduct Water Risk Atlas (<https://reurl.cc/41a4LX>) of the World Resources Institute, the water stress in the region where the Company is located belongs to "Low - Medium risk (1-2)". 100% of TMNEWA's water source comes from the Taiwan Water Corporation, and there is no groundwater or other water source supply. The water in all offices across the country is only used by employees and some consumers. Sewage is discharged into the sewage treatment plant through sewerage, leaving no significant impact on the water source.

Water consumption was 11.27 million liters (11,272m³) in 2020 and 11.12 million liters (11,115m³) in 2021; water intensity was 0.0083 (million liters/total number of full-time employees) in 2020 and 0.0079 (million liters/total number of full-time employees) in 2021, a decrease of 4.4% compared with 2020. This was because some employees worked from home during the outbreak of COVID-19 epidemic.

Water intake in the past two years

Year	2020	2021
Tap water (million liters)	11.27	11.21
Total number of full-time employees	1,366	1,409
Water intensity (million liters/total number of full-time employees)	0.0083	0.0079
Comparison with the previous year	-	A decrease of 4.4%

Energy Conservation Measures



Photocopy paper recycling areas

The photocopy paper recycling areas are set up in photocopying rooms on each floor of the headquarters to encourage employees to reuse waste paper that does not contain personal information to reduce paper consumption.



Collection bin for documents to be destroyed

To reduce the risk of personal information leakage during the destruction of confidential documents, a "collection bin for documents to be destroyed" is set up, and confidential documents and paper with personal information are regularly entrusted to qualified manufacturers for high-speed destruction or for pulping procedure for recycling and reuse.



Energy saving meeting

For internal meetings, mobile devices are used to replace paper materials. In addition, a remote video conference and teleconferencing system has been established so that employees at various operating locations can have discussions via video or telephone, reducing carbon emissions from traveling to and from the meetings.



Energy saving in computer facilities

The Company has built an energy-saving computer facilities with high-density cabinets, separated power lines and information lines with a slot-line frame, replaced with UPS with high conversion rate, introduced a digital environmental monitoring system and built a backup mechanism for cold and hot aisles and air-conditioning equipment. After the improvement of the computer facilities, the average electricity bill dropped from an average of NT\$100,381/month in 2013 to an average of NT\$77,091/month in 2021. In addition, the average Power Usage Effectiveness (PUE) Note from the establishment of the computer facilities to 2021 was 1.435.

(Note: The numerator of PUE is the total energy consumption of the computer facilities while the denominator is the energy consumption of information equipment. The lower the PUE value, the better, meaning that the energy consumption of "non-information equipment" such as air conditioning systems, lighting and power conversion losses in the computer facilities is relatively low.)



Remote Video Survey and Assessment

For auto insurance claims cases, the maintenance workshops we work with can instantly report the damage status of the vehicle to the operator via the remote video survey and assessment system, saving considerable fuel consumption for vehicle survey travel. As of 2021, there were more than 194 cooperative workshops and the number of vehicles undergoing video survey in the whole year was 34,947. The Remote Video Survey and Assessment Service can be completed in about 8 minutes and the repair be provided immediately. In 2021, it saved the surveyor an average of 1,397,880 minutes and the on-site surveyor 69,894 liters of gasoline, equivalent to saving 2,281,005GJ (GHG Emission Coefficient Management Table v.6.0.4, 7,800 kcal per liter of gasoline).



Paperless underwriting

In order to protect the environment and improve policy integration efficiency through digitalization, the documents of Mobile Device Insurance have been fully digitized to replace traditional paper operations, saving a lot of paper documents every day and staying in line with the concept of environmental sustainability. From January to December, 2021, the number of electronic insurance policies of Mobile Device Insurance was 395,706.



Electronic claims settlement

Since 2008, the Company has implemented the electronic policy of auto insurance business and established the Automobile Insurance Claims Electronic Image Management and Electronic Signature System. The internal operations of auto insurance claims that use a large amount of paper are fully electronicized, effectively reducing the amount of paper used.



Electronic insurance policy

To cope with the trend of digitalization, the Company has continued to promote and encourage customers to use electronic insurance policies. In 2021, the number of electronic insurance policies reached 771,205.

Appendix I : GRI Sustainability Reporting Standards Content Index (Including GRI G4 Indicators of Financial Service Sector)

The following content has been verified by British Standards Institution (BSI), an impartial third-party, and the results of the verification are shown in Appendix IV Independent Opinion Assurance Statement.

(*) for material topic, and (•) for externally assured

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
1. Organizational profile						
GRI102 : General Disclosures 2016 (Core)	102-1	Name of the organization	•	Editing Principles of this Report	01	
	102-2	Activities, brands, products, and services	•	Company Profile 2.6 Compliance	05 55	
	102-3	Location of headquarters	•	Company Profile	05	
	102-4	Location of operations	•	Company Profile	05	
	102-5	Ownership and legal form	•	Company Profile	05	
	102-6	Markets served	•	Company Profile	05	
	102-7	Scale of the organization	•	Company Profile	05	
	102-8	Information on employees and other workers	•	4.1 Overview of Human Resources	66	
	102-9	Supply chain	•	5.1 Co-prosperity of the Supply Chain	76	
	102-10	Significant changes to the organization and its supply chain	•	Editing Principles of this Report	01	
	102-11	Precautionary Principle or approach	•	Corresponding SDGs 2.3 Integrity Management and Anti-Corruption 2.5 Risk Management	11 49 52	
	102-12	External initiatives	•	Remarkable Growth Corresponding SDGs	07 11	
	102-13	Membership of associations	•	5.2 Social Participation	78	
2. Strategy						
GRI102 : General Disclosures 2016 (Core)	102-14	Statement from senior decision-maker	•	Message from Top Management	03	
GRI102 : General Disclosures 2016	102-15	Key impacts, risks, and opportunities	•	Message from Top Management 2.5 Risk Management	03 52	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
3. Ethics and integrity						
GRI 102 : General Disclosures 2016 (Core)	102-16	Values, principles, standards, and norms of behavior	●	1.1 Sustainable Development Operation	13	
				1.2 Embracing Stakeholders	14	
				2.3 Integrity Management and Anti-Corruption	49	
				3.2 Honoring Customers	60	
GRI 102 : General Disclosures 2016	102-17	Mechanisms for advice and concerns about ethics	●	2.3 Integrity Management and Anti-Corruption	49	
4. Governance						
GRI 102 : General Disclosures 2016 (Core)	102-18	Governance structure	●	Company Profile 2.1 Board Operation	05 47	
	102-19	Location of operations	●	1.1 Sustainable Development Operation	13	
	102-20	Executive-level responsibility for economic, environmental, and social topics	●	1.1 Sustainable Development Operation 2.1 Board Operation	13 47	
	102-22	Composition of the highest governance body and its committees	●	2.1 Board Operation	47	
	102-23	Chair of the highest governance body	●	2.1 Board Operation	47	
	102-24	Nominating and selecting the highest governance body	●	2.1 Board Operation	47	
	102-25	Conflicts of interest	●	2.1 Board Operation	47	
	102-26	Role of highest governance body in setting purpose, values, and strategy	●	1.1 Sustainable Development Operation	13	
	102-27	Collective knowledge of highest governance body	●	Corresponding SDGs 2.1 Board Operation	11 47	
	102-28	Evaluating the highest governance body's performance	●	2.1 Board Operation	47	
	102-30	Effectiveness of risk management processes	●	2.5 Risk Management	52	
	102-32	Highest governance body's role in sustainability reporting	●	Editing Principles of this Report	01	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
	102-33	Communicating critical concerns	●	1.1 Sustainable Development Operation	13	
	102-34	Nature and total number of critical concerns	●	2.6 Compliance	55	
	102-35	Remuneration policies	●	2.2 Remuneration Policy for Directors and Officers	48	
	102-36	Process for determining remuneration	●	2.2 Remuneration Policy for Directors and Officers	48	
	102-38	Annual total compensation ratio	●	4.4 Compensation and Benefits System	73	
	102-39	Percentage increase in annual total compensation ratio	●	4.4 Compensation and Benefits System	73	

5. Stakeholder engagement

GRI 102 : General Disclosures 2016 (Core)	102-40	List of stakeholder groups	●	1.2 Embracing Stakeholders	14	
	102-41	Collective bargaining agreements	●			There is no union, and the collective bargaining agreements are conducted through labor-management meetings.
	102-42	Identifying and selecting stakeholders	●	1.2 Embracing Stakeholders	14	
	102-43	Approach to stakeholder engagement	●	1.2 Embracing Stakeholders	14	
	102-44	Key topics and concerns raised	●	1.2 Embracing Stakeholders	14	
				3.2 Honoring Customers	60	
			●	5.1 Co-prosperity of the Supply Chain	76	

6. Reporting practice

GRI 102 : General Disclosures 2016 (Core)	102-45	Entities included in the consolidated financial statements	●	Company Profile	05	
	102-46	Defining report content and topic Boundaries	●	Editing Principles of this Report	01	
				1.3 Identification of Material Topics	16	
102-47	List of material topics	●	1.3 Identification of Material Topics	16		

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
	102-48	Restatements of information	●	Editing Principles of this Report	01	
	102-49	Changes in reporting	●	1.3 Identification of Material Topics	16	
	102-50	Reporting period	●	Editing Principles of this Report	01	
	102-51	Date of most recent report	●	Editing Principles of this Report	01	
	102-52	Reporting cycle	●	Editing Principles of this Report	01	
	102-53	Contact point for questions regarding the report	●	Editing Principles of this Report	01	
	102-54	Claims of reporting in accordance with the GRI Standards	●	Editing Principles of this Report	01	
	102-55	GRI content index	●	Editing Principles of this Report Appendix I	01 89	
	102-56	External assurance	●	Editing Principles of this Report	01	

Topic-specific Standards : GRI 200: Economic

* Economic Performance

GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics 1.5.5 Management Approach to Economic Performance	16 36	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment 1.5.5 Management Approach to Economic Performance	23 36	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment 1.5.5 Management Approach to Economic Performance	23 36	
GRI 201 : Economic Performance 2016	201-1	Direct economic value generated and distributed	●	Financial Performance	09	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
	201-3	Defined benefit plan obligations and other retirement plans	●	4.4 Compensation and Benefits System	73	
	201-4	Financial assistance received from government	●	Financial Performance	09	

* Market Presence

GRI 103 : Management Approach 2016

103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16
			1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38
103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23
			1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23
			1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38

GRI 202 : Market Presence 2016

202-1	Ratios of standard entry level wage by gender compared to local minimum wage	●	Corresponding SDGs 4.4 Compensation and Benefits System	11 73
202-2	Proportion of senior management hired from the local community	●	4.1 Overview of Human Resources	66

* Indirect Economic Impacts

GRI 103 : Management Approach 2016

103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16
			1.5.15 Management Approach to Public Welfare	46
103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23
			1.5.15 Management Approach to Public Welfare	46

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
	103-3	Evaluation of the management approach	●	I.4 Material Sustainability Goals and Assessment I.5.15 Management Approach to Public Welfare	23 46	
GRI 203 : Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	●	Corresponding SDGs 5.2 Social Participation 5.3 Public Welfare	11 78 80	
Procurement Practices						
GRI 204 : Procurement Practices 2016	204-1	Proportion of spending on local suppliers	●	5.1 Co-prosperity of the Supply Chain	76	
* Anti-corruption						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics 1.5.2 Management Approach to Integrity Management	16 33	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment 1.5.2 Management Approach to Integrity Management	23 33	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment 1.5.2 Management Approach to Integrity Management	23 33	
GRI 205 : Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	●	2.3 Integrity Management and Anti-Corruption	49	
	205-2	Communication and training about anti-corruption policies and procedures	●	Corresponding SDGs 2.3 Integrity Management and Anti-Corruption	11 49	
Anti-competitive Behavior						
GRI 206 : Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	●	2.6 Compliance	55	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
Tax						
GRI 207 : Tax 2019	207-1	Approach to tax	●	2.4 Tax Management	51	
	207-2	Tax governance, control, and risk management	●	2.4 Tax Management	51	
	207-3	Stakeholder engagement and management of concerns related to tax	●	2.4 Tax Management	51	
Topic-specific Standards : GRI 300: Environmental						
Energy						
GRI 302 : Energy 2016	302-1	Energy consumption within the organization	●	6.2 Energy Conservation and Carbon Reduction	86	
	302-3	Energy intensity	●	6.2 Energy Conservation and Carbon Reduction	86	
	302-4	Reduction of energy consumption	●	6.2 Energy Conservation and Carbon Reduction	86	
	302-5	Reductions in energy requirements of products and services	●	6.2 Energy Conservation and Carbon Reduction	86	
	Water and Effluents					
GRI 303 : Water and Effluents 2018	303-1	Interactions with water as a shared resource	●	6.2 Energy Conservation and Carbon Reduction	86	
	303-2	Management of water discharge-related impacts	●	6.2 Energy Conservation and Carbon Reduction	86	
	303-3	Water withdrawal	●	6.2 Energy Conservation and Carbon Reduction	86	
Emissions						
GRI 305 : Emissions 2016	305-1	Direct (Scope 1) GHG emissions	●	6.2 Energy Conservation and Carbon Reduction	86	
	305-2	Energy indirect (Scope 2) GHG emissions	●	6.2 Energy Conservation and Carbon Reduction	86	
	305-4	GHG emissions intensity	●	6.2 Energy Conservation and Carbon Reduction	86	
	305-5	Reduction of GHG emissions	●	6.2 Energy Conservation and Carbon Reduction	86	
					Corresponding SDGs	11

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
Environmental Compliance						
GRI 307 : Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	●	2.6 Compliance	55	
Supplier Environmental Assessment						
GRI 308 : Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	●	5.1 Co-prosperity of the Supply Chain	76	
	308-2	Negative environmental impacts in the supply chain and actions taken	●	5.1 Co-prosperity of the Supply Chain	76	
Topic-specific Standards : GRI 400: Social						
* Employment						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23	
1.5.7 Management Approach to Care for Employee and Friendly Working Environment				38		
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23		
			1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38		
GRI 401 : Employment 2016	401-1	New employee hires and employee turnover	●	4.1 Overview of Human Resources	66	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	●	4.4 Compensation and Benefits System	73	
	401-3	Parental leave	●	4.2 A Friendly Workplace	68	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
* Labor/Management Relations						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38	

	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38	

103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23		
			1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38		
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GRI 402 : Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	●	4.2 A Friendly Workplace	68	
* Occupational Health and Safety						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38	

	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38	

103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23		
			1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38		
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GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
GRI 403 : Occupational Health and Safety 2018	403-1	Occupational health and safety management system	●	4.2 A Friendly Workplace	68	
	403-2	Hazard identification, risk assessment, and incident investigation	●	2.5 Risk Management 4.2 A Friendly Workplace	52 68	
	403-3	Occupational health services	●	4.2 A Friendly Workplace	68	
	403-4	Worker participation, consultation, and communication on occupational health and safety	●	4.2 A Friendly Workplace	68	
	403-5	Worker training on occupational health and safety	●	4.2 A Friendly Workplace	68	
	403-6	Promotion of worker health	●	4.2 A Friendly Workplace	68	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	●	5.1 Co-prosperity of the Supply Chain	76	
	403-8	Workers covered by an occupational health and safety management system	●	4.2 A Friendly Workplace	68	
	403-9	Work-related injuries	●	4.2 A Friendly Workplace	68	
	403-10	Work-related ill health	●	4.2 A Friendly Workplace	68	

*** Training and Education**

GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.9 Management Approach to Talent Cultivation and Development	40	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.9 Management Approach to Talent Cultivation and Development	40	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.9 Management Approach to Talent Cultivation and Development	40	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
GRI 404 Training and Education 2016	404-1	Average hours of training per year per employee	●	4.3 Selection, Development, Employment and Retention	72	
	404-3	Percentage of employees receiving regular performance and career development reviews	●	4.3 Selection, Development, Employment and Retention	72	

*** Diversity and Equal Opportunity**

GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23	
1.5.7 Management Approach to Care for Employee and Friendly Working Environment				38		
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23		
			1.5.7 Management Approach to Care for Employee and Friendly Working Environment	38		
GRI 405 : Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	●	Corresponding SDGs	11	
				4.1 Overview of Human Resources	66	
				4.2 A Friendly Workplace	68	
	405-2	Ratio of basic salary and remuneration of women to men	●	4.4 Compensation and Benefits System	73	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
* Non-discrimination						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics 1.5.7 Management Approach to Care for Employee and Friendly Working Environment	16 38	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment 1.5.7 Management Approach to Care for Employee and Friendly Working Environment	23 38	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment 1.5.7 Management Approach to Care for Employee and Friendly Working Environment	23 38	
GRI 406 : Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	●	2.6 Compliance	55	
Freedom of Association and Collective Bargaining						
GRI 407 : Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	●	2.6 Compliance	55	
Child Labor						
GRI 408 : Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	●	2.6 Compliance	55	
Forced or Compulsory Labor						
GRI 409 : Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	●	2.6 Compliance	55	
Rights of Indigenous Peoples						
GRI 411 : Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	●	2.6 Compliance	55	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
Human Rights Assessment						
GRI 412 : Human Rights Assessment 2016	412-2	Employee training on human rights policies or procedures	●	4.2 A Friendly Workplace	68	
Supplier Social Assessment						
GRI 414 : Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	●	5.1 Co-prosperity of the Supply Chain	76	
	414-2	Negative social impacts in the supply chain and actions taken	●	5.1 Co-prosperity of the Supply Chain	76	
Public Policy						
GRI 415 : Public Policy 2016	415-1	Political contributions	●	Financial Performance	09	
* Customer Health and Safety						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23	
1.5.6 Management Approach to Treating Customer Fairly and Customer Experience				37		
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23		
			1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37		
GRI 416 : Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	●	2.6 Compliance	55	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark				
* Marketing and Labeling										
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16					
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37					
									
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23					
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37					
									
GRI 417 : Evaluation of the management approach 2016	417-1	Requirements for product and service information and labeling	●	1.4 Material Sustainability Goals and Assessment	23					
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37					
									
GRI 417 : Evaluation of the management approach 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	●	3.1 Design Evaluation and Sales of Insurance Products	57					
									
				2.6 Compliance	55					
.....										
GRI 417 : Evaluation of the management approach 2016	417-3	Incidents of non-compliance concerning marketing communications	●	2.6 Compliance	55					
									

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
* Customer Privacy						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics 1.5.3 Management Approach to Information Security	16 34	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment 1.5.3 Management Approach to Information Security	23 34	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment 1.5.3 Management Approach to Information Security	23 34	
GRI 418 : Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	●	3.3 Customer Privacy Protection	64	
* Socioeconomic Compliance						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics 1.5.1 Management Approach to Compliance	16 32	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment 1.5.1 Management Approach to Compliance	23 32	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment 1.5.1 Management Approach to Compliance	23 32	
GRI 419 : Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	●	2.6 Compliance	55	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
G4 Indicators of Financial Service Sector						
* Product Portfolio						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics 1.5.14 Management Approach to Green Finance	16 45	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment 1.5.14 Management Approach to Green Finance	23 45	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment 1.5.14 Management Approach to Green Finance	23 45	
Product Portfolio						
Product Portfolio	FS1	Policies with specific environmental and social components applied to business lines.	●	Corresponding SDGs 3.1 Design Evaluation and Sales of Insurance Products 6.2 The Effects of Green Finance	11 57 86	
	FS2	Procedures for assessing and screening environmental and social risks in business lines.	●	3.1 Design Evaluation and Sales of Insurance Products	57	
	FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	●	6.2 The Effects of Green Finance	86	
	FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	●	3.2 Honoring Customers 4.4 Compensation and Benefits System	60 73	
	FS5	Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities.	●	6.2 The Effects of Green Finance	86	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	●	6.2 The Effects of Green Finance	86	
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	●	Corresponding SDGs 3.1 Design Evaluation and Sales of Insurance Products	11 57	
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	●	Corresponding SDGs 3.1 Design Evaluation and Sales of Insurance Products 6.2 Energy Conservation and Carbon Reduction	11 57 86	

Active Ownership

Active Ownership	FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.	●	6.1 The Effects of Green Finance	83	
	FS11	Percentage of assets subject to positive and negative environmental or social screening.	●	6.1 The Effects of Green Finance	83	
	FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.	●	6.1 The Effects of Green Finance	83	

Community

Community	FS13	Access points in low-populated or economically disadvantaged areas by type.	●	Company Profile	05	
	FS14	Initiatives to improve access to financial services for disadvantaged people.	●	3.2 Honoring Customers	60	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
Product and Service Labelling						
Product and Service Labelling	FS15	Policies for the fair design and sale of financial products and services.	●	3.1 Design Evaluation and Sales of Insurance Products	57	
	FS16	Initiatives to enhance financial literacy by type of beneficiary.	●	3.2 Honoring Customers	60	
				5.2 Social Participation 5.3 Public Welfare	78 80	
Custom Topics						
* Integrity Management						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.2 Management Approach to Integrity Management	33	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.2 Management Approach to Integrity Management	33	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.2 Management Approach to Integrity Management	33	
* Information Disclosure						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.12 Management Approach to Information Disclosure	43	
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.12 Management Approach to Information Disclosure	43	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.12 Management Approach to Information Disclosure	43	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark	
* Corporate Governance							
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16		
				1.5.8 Management Approach to Corporate	39		
						
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23		
				1.5.8 Management Approach to Corporate	39		
						
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23			
			1.5.8 Management Approach to Corporate	39			
* Financial System Stability							
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16		
				1.5.1 Management Approach to Compliance	32		
						
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23		
				1.5.1 Management Approach to Compliance	32		
						
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23			
			1.5.1 Management Approach to Compliance	32			
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GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
* Human Capital Development						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	I.3 Identification of Material Topics	16	
				I.5.9 Management Approach to Talent Cultivation and Development	40	
			
	103-2	The management approach and its components	●	I.4 Material Sustainability Goals and Assessment	23	
				I.5.9 Management Approach to Talent Cultivation and Development	40	
			
	103-3	Evaluation of the management approach	●	I.4 Material Sustainability Goals and Assessment	23	
				I.5.9 Management Approach to Talent Cultivation and Development	40	
			
* Responsible Investment						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	I.3 Identification of Material Topics	16	
				I.5.14 Management Approach to Green Finance	45	
			
	103-2	The management approach and its components	●	I.4 Material Sustainability Goals and Assessment	23	
				I.5.14 Management Approach to Green Finance	45	
			
	103-3	Evaluation of the management approach	●	I.4 Material Sustainability Goals and Assessment	23	
				I.5.14 Management Approach to Green Finance	45	
			

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark	
* Information Security							
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16		
				1.5.3 Management Approach to Information Security	34		
						
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23		
				1.5.3 Management Approach to Information Security	34		
						
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23			
			1.5.3 Management Approach to Information Security	34			
* Risk Management							
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16		
				1.5.4 Management Approach to Risk Management	35		
						
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23		
				1.5.4 Management Approach to Risk Management	35		
						
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23			
			1.5.4 Management Approach to Risk Management	35			
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GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark
* Customer Communication						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37	
				1.4 Material Sustainability Goals and Assessment	23	
	103-2	The management approach and its components	●	1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37	
				1.4 Material Sustainability Goals and Assessment	23	
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37	
				1.4 Material Sustainability Goals and Assessment	23	
* Treating Customer Fairly						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16	
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37	
				1.4 Material Sustainability Goals and Assessment	23	
	103-2	The management approach and its components	●	1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37	
				1.4 Material Sustainability Goals and Assessment	23	
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37	
	103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23	
				1.5.6 Management Approach to Treating Customer Fairly and Customer Experience	37	
				1.4 Material Sustainability Goals and Assessment	23	

GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark	
* Digital Finance and Innovation							
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16		
				1.5.10 Management Approach to Digital Finance and Innovation	41		
						
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23		
				1.5.10 Management Approach to Digital Finance and Innovation	41		
						
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23			
			1.5.10 Management Approach to Digital Finance and Innovation	41			
* Climate-related Financial Impacts							
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16		
				1.5.11 Management Approach to Climate-related Financial Impacts	42		
						
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23		
				1.5.11 Management Approach to Climate-related Financial Impacts	42		
						
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23			
			1.5.11 Management Approach to Climate-related Financial Impacts	42			
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GRI Standards Title/ Topics	Disclosure number	GRI Disclosure Name	External assurance	Reference	Page number	Remark	
* Financial Channels							
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16		
				1.5.13 Management Approach to Financial Friendliness	44		
						
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23		
				1.5.13 Management Approach to Financial Friendliness	44		
						
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23			
			1.5.13 Management Approach to Financial Friendliness	44			
* Sustainable Products and Services							
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	●	1.3 Identification of Material Topics	16		
				1.5.14 Management Approach to Green Finance	45		
						
	103-2	The management approach and its components	●	1.4 Material Sustainability Goals and Assessment	23		
				1.5.14 Management Approach to Green Finance	45		
						
103-3	Evaluation of the management approach	●	1.4 Material Sustainability Goals and Assessment	23			
			1.5.14 Management Approach to Green Finance	45			
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Appendix II: Comparison Table of Matters Financial and Insurance Industry Shall Emphasize in the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

Article 4 Paragraph 1 Subparagraph 3	Corresponding chapters	Page
Listed companies within the financial and insurance industry shall disclose their management approaches, topic-specific disclosures and their reporting requirements for operation and business in major topic on data security, financial inclusion, and sustainable finance. Their reporting requirements shall include at least the following items:	Corresponding SDGs	11
(1) Number of data breaches, percentage involving personally identifiable information, and number of account holders affected.	3.1 Design Evaluation and Sales of Insurance Products	57
(2) Number and amount of loans outstanding qualified to programs designed to promote development of small business and communities.	3.2 Honoring Customers	60
(3) Number of participants in financial literacy initiatives provided to the disadvantaged without adequate banking services.	3.3 Customer Privacy Protection	64
(4) Products and services designed by individual operating units to create benefits for the environment or society.	5.2 Social Participation	78
	6.1 The Effects of Green Finance	83

Article 4 Paragraph 1 Subparagraph 4	Corresponding chapters	Page
(1) The number of its full-time employees who are not in a managerial position, the average and medium of the salaries of the full-time employees who are not in a managerial position, and the difference of the three figures from the previous year.	4.4 Compensation and Benefits System	73

Appendix III: Amendments of Corporate Governance Best Practice Principles for Insurance Company Approved on March 26, 2021 by Financial Supervision Commission (FSC) for Reference (Comparison Table of the Additional Matters for Disclosure of Information on Non-life Insurance Industry)

Article 64 Paragraph 4	Corresponding chapters	Page
Listed insurance companies or life insurance companies with assets of more than NT\$ 1 trillion, or property insurance companies with the top five assets in scale shall prepare a corporate social responsibility report (Sustainability Report). Relevant information of the Effects of Green Finance shall be disclosed, and a third-party verification should be obtained.	6.1 The Effects of Green Finance	83

APPENDIX IV: Independent Opinion Assurance Statement

ISO 14064-1: 2018 Greenhouse Gas Emissions

bsi.

Opinion Statement



Greenhouse Gas Emissions

Verification Opinion Statement

This is to verify that: Tokio Marine Nawa Insurance Co., Ltd
8-13F.
No. 130, Sec. 3 Nanjing E. Rd.
Zhongshan Dist. Taipei City 10488
Taiwan

新安東京海上產物保險股份有限公司
臺灣
台北市
中山區
南京東路三段 130 號
8-13 樓
10488

Holds Statement No: GHGEV 765506

Verification opinion statement

As a result of carrying out verification procedures in accordance with ISO 14064-3:2006, it is the opinion of BSI with reasonable assurance that:

- The Greenhouse Gas Emissions with Tokio Marine Nawa Insurance Co., Ltd for the period from 2021-01-01 to 2021-12-31 was verified, including direct greenhouse gas emissions 198.2005 tonnes of CO₂ equivalent and indirect greenhouse gas emissions from imported energy 945.7312 tonnes of CO₂ equivalent.
- No material misstatements for the period from 2021-01-01 to 2021-12-31 Greenhouse Gas Emissions calculation were revealed.
- Data quality was considered acceptable in meeting the principles as set out in ISO 14064-1:2018.
- The emission factor for electricity for the year 2021 is not published by Taiwan government so far, the emission factor used for electricity is 0.502 kilograms of Carbon Dioxide equivalent per kWh instead which may potentially result in different Greenhouse Gas Emission estimates.

The other selected indirect GHG emissions listed in the attached table on the next page were also reported and thus verified with limited assurance, and data quality was not considered unacceptable in meeting the principles as set out in ISO 14064-1: 2018.

For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

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The British Standards Institution is independent to the above named client and has no financial interest in the above named client. This Opinion Statement has been prepared for the above named client only for the purposes of verifying its statements relating to its carbon emissions more particularly described in the scope. It was not prepared for any other purpose. The British Standards Institution will not, in providing this Opinion Statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used or to any person by whom the Opinion Statement may be read. This Opinion Statement is prepared on the basis of review by The British Standards Institution of information presented to it by the above named client. The review does not extend beyond such information and is solely based on it. In performing such review, The British Standards Institution has assumed that all such information is complete and accurate. Any queries that may arise by virtue of this Opinion Statement or matters relating to it should be addressed to the above name client only.

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
BSI Taiwan is a subsidiary of British Standards Institution.

APPENDIX IV: Independent Opinion Assurance Statement

Note: The Independent Opinion Assurance Statement was issued based on Chinese version of Sustainability report. Please visit our website for more detail information.



INDEPENDENT ASSURANCE OPINION STATEMENT

Tokio Marine Nawa Insurance Co., Ltd. 2021 Sustainability Report

The British Standards Institution is independent to Tokio Marine Nawa Insurance Co., Ltd. (hereafter referred to as Tokio Marine Nawa in this statement) and has no financial interest in the operation of Tokio Marine Nawa other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of Tokio Marine Nawa only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by Tokio Marine Nawa. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Tokio Marine Nawa only.

Scope

The scope of engagement agreed upon with Tokio Marine Nawa includes the followings:

1. The assurance scope is consistent with the description of Tokio Marine Nawa Insurance Co., Ltd. 2021 Sustainability Report.
2. The evaluation of the nature and extent of the Tokio Marine Nawa's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the Tokio Marine Nawa Insurance Co., Ltd. 2021 Sustainability Report provides a fair view of the Tokio Marine Nawa sustainability programmes and performances during 2021. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the Tokio Marine Nawa and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate Tokio Marine Nawa's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that Tokio Marine Nawa's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards: Core option were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to Tokio Marine Nawa's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 15 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness and Impact of AA1000AP (2018) and GRI Standards is set out below:

Inclusivity

This report has reflected a fact that Tokio Marine Newa has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the Tokio Marine Newa's inclusivity issues.

Materiality

Tokio Marine Newa publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of Tokio Marine Newa and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the Tokio Marine Newa's management and performance. In our professional opinion the report covers the Tokio Marine Newa's material issues.

Responsiveness

Tokio Marine Newa has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for Tokio Marine Newa is developed and continually provides the opportunity to further enhance Tokio Marine Newa's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the Tokio Marine Newa's responsiveness issues.

Impact

Tokio Marine Newa has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. Tokio Marine Newa has established processes to monitor, measure, evaluate and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the Tokio Marine Newa's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

Tokio Marine Newa provided us with their self-declaration of in accordance with GRI Standards: Core option (For each material topic covered by a topic-specific GRI Standard, comply with all reporting requirements for at least one topic-specific disclosure). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported or omitted. In our professional opinion the self-declaration covers the Tokio Marine Newa's sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

The sustainability report is the responsibility of the Tokio Marine Newa's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of Lead auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:



Peter Pu, Managing Director BSI Taiwan



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2022-06-06