

Hanwha Life Sustainability Report 2023

GREEN LIFE FOR SUSTAINABLE TOMORROW



About This Report

Sustainability Report Overview

Since 2019, Hanwha Life has been producing an annual sustainability report, making this the fifth sustainability report. Each year, through the publication of this report, Hanwha Life openly shares its efforts and accomplishments in the environmental, societal, and governance (ESG) areas with its stakeholders.

Reporting Period and Boundaries

This report covers the period from January 1 to December 31, 2022, and highlights significant accomplishments from the first half of 2023. Furthermore, it presents three-year data from 2020 to 2022 to illustrate quantitative achievements and identify annual trends. The report details the activities and performance of the headquarters. The environmental data section, meanwhile, encompasses the performance of both the headquarters and the Janggyo Building.

Reporting Standards

This report has been compiled in accordance with global guidelines such as the Global Reporting Initiative (GRI) Standards, UN Global Compact principles, Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosure (TCFD), and Principles for Sustainable Insurance (PSI). The financial information is consolidated, and the reporting standards and definitions are in line with the Korean version of the International Financial Reporting Standards (K-IFRS). Both financial and non-financial information has been prepared based on the fiscal year, in line with our disclosure framework. If there are any deviations from these reporting standards, the relevant sections have been clearly marked.

Report Assurance

This report has been validated by the Korean Standards Association, an independent assurance organization, to ensure the integrity of the report's preparation process, the reliability of the disclosed data and content, and the impartiality of the information. The assurance statement is available in the Appendix.

For Inquiries

Sustainability Management Team,
Hanwha Life

TEL 02.789.8072

E-mail seyeon0527@hanwha.com

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CEO Message

Dear Hanwha Life Stakeholders,

Our society and economy are emerging from the lengthy, dark tunnel of COVID-19 and transitioning towards a more vibrant and thriving daily life. I would like to express my sincere gratitude to all our stakeholders for their generous support and encouragement, which have been instrumental in helping us navigate these challenging times. The insurance market is currently undergoing significant changes due to the implementation of new systems such as IFRS 17 and K-ICS, set against a backdrop of a declining birthrate, an aging population, sluggish growth trends, and macroeconomic uncertainty.

Despite the dynamic and constantly evolving business landscape, Hanwha Life is steadfastly moving forward on the path to a sustainable future. As we navigate the challenges presented by a saturated insurance market, we are taking decisive steps to expand into international markets. By exploring new digital business opportunities, we are enhancing our competitiveness and achieving tangible results. Moreover, we will consistently introduce innovative products and services that incorporate the latest technologies, while persistently seeking new avenues to promote sustainability through ingenuity and overcoming challenges.

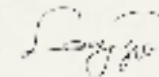
Furthermore, Hanwha Life is committed to embracing and expediting ESG management as a crucial societal requirement. Through this commitment, we aim to transform an uncertain future into opportunities and foster confidence.

Building upon the “2030 ESG Management Strategy and Roadmap” established last year, Hanwha Life is systematically and diligently executing three strategic directions and specific goals. These include: (E) incorporating environmental protection and eco-friendly management, (S) engaging in social responsibility and shared management, and (G) establishing a robust and transparent governance structure. Furthermore, we are at the forefront of addressing social challenges through inclusive finance, shared growth, and a climate change response, while striving to transform ESG-related risks into long-term growth opportunities. These efforts have led to tangible ESG outcomes, such as an increase in ESG-related products and investments, and the resolution of environmental and social issues. This success can be attributed to a win-win ecosystem that fosters mutually shared social values among customers, shareholders, local communities, and employees.

Through ESG management, Hanwha Life strives to evolve into a company that engages in collaborative growth by creating a positive impact on the environment and society, rather than merely being acknowledged as a good company. To achieve this, we are firmly committed to earning the trust of all stakeholders by promoting open and ongoing communication, as well as actively sharing our values.

June 5, 2023

Seung Joo Yeo CEO, Hanwha Life



United Nations Global Compact Annual Statement

The Board of Directors and management take a strong interest in addressing universal human issues, including poverty, disease, education, and gender equality. Additionally, we are committed to tackling global environmental concerns such as climate change, environmental pollution, and biodiversity, as well as socioeconomic challenges related to labor, employment, and housing. Our aim is to actively work towards finding solutions for these pressing matters.

Furthermore, we strive to exercise sound judgment, bearing in mind that significant decisions in our business operations have far-reaching effects on people, society, and the environment beyond just our stakeholders.

We are deeply committed to upholding our ethical responsibilities to both the country and society by actively promoting ethics and compliance management. In addition to implementing the Ethics Charter and Code of Ethics, we strive to earn the trust and respect of our customers and society through robust anti-corruption measures. These measures include operating an anti-money laundering system, a fair-trade compliance program, and a whistleblowing system.

Company Overview

Hanwha Life: Adding Value to Customers' Life

As the first life insurance company founded in Korea in 1946, Hanwha Life has consistently been at the forefront of the industry's development, protecting its customers' health and well-being. Hanwha Life enriches the lives of its customers by offering solutions to life's challenges. This is achieved through the expansion of insurance value, which is based on a strong customer-centric management philosophy and differentiated competitiveness across the entire supply chain. This chain encompasses product development, marketing and sales, underwriting, asset, payment, risk, and investment management. In addition, Hanwha Life actively engages in corporate social responsibility and seeks to grow alongside its stakeholders.



2022 Customer Satisfaction Performance

2022 KSQI Customer Center Division Ranked number 1 for 13 consecutive years		
2023 KSQI Call Center sector Selected as an Excellent Call Center for 15 consecutive years - Ranked number 1 among life insurance companies Selected as a Platinum Call Center for 5 consecutive years Selected as a Customer	Satisfaction Call Center for 2 years - Ranked number 1 among the life insurance companies - Only 9 companies out of 334 in all industries were selected	
2023 Customer Centric Management (CCM) Certification Acquired Excellent Company Certification for 9 consecutive years		

Building on its experience as the first Korean life insurance company to reach the break-even point in the overseas market, Hanwha Life is well-positioned to further elevate its status as a global financial company.



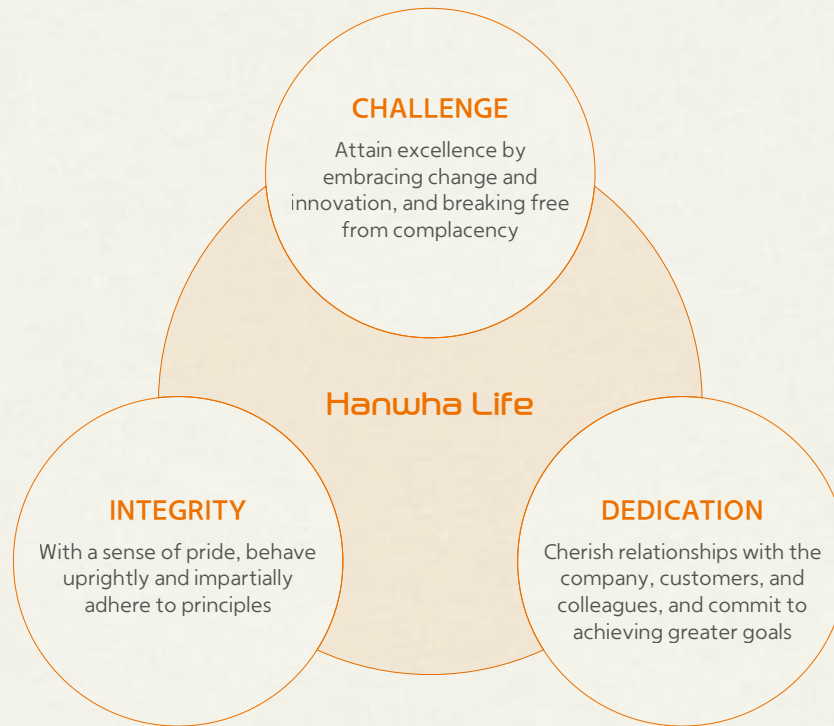
Company Overview

Name	Hanwha Life Insurance Co., Ltd.
Address	50 63-ro, Yeongdeungpo-gu, Seoul
CEO	Seung Joo Yeo
Founded	September 9, 1946
Major businesses	Insurance, retirement pensions, and asset management
Global network	South Korea, Vietnam, China, Indonesia, Japan, and U.S.

Global Presence

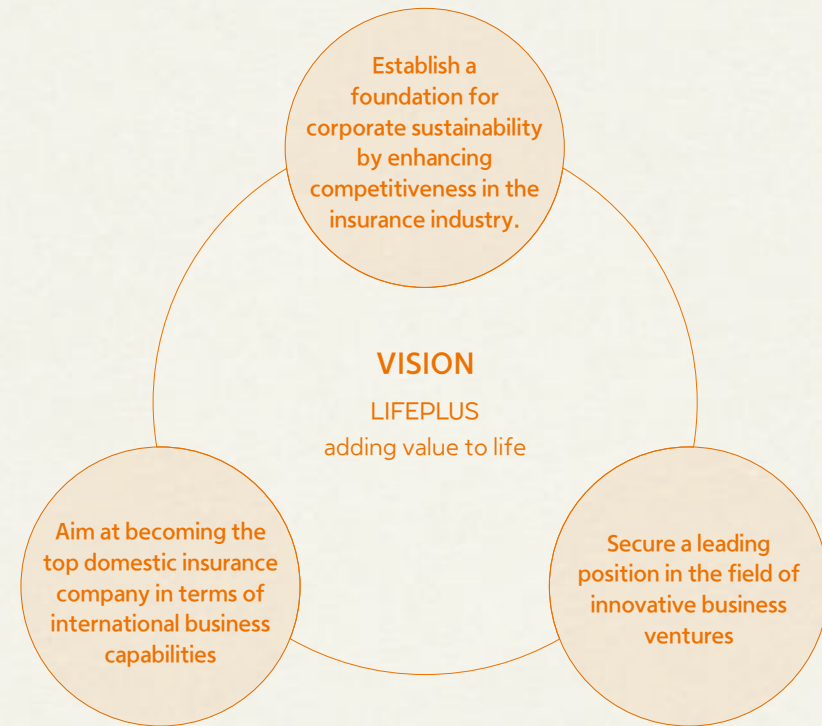
Local Subsidiaries	Ho Chi Minh City, Vietnam
	Hangzhou, China
	Jakarta, Indonesia
	San Francisco, U.S.
Local Offices	Beijing, China
	Tokyo, Japan
	Fukuoka, Japan
	San Francisco, U.S.

Vision and Strategies



Core Values

Hanwha's growth is founded on the company's spirit of trust and loyalty. Guided by this spirit, Hanwha Life has established challenge, dedication, and integrity as its core values. These values serve as the driving force behind the company's cultural innovation, propelling them towards their overarching vision. These core values also act as the guiding principles for the thoughts and behaviors of all employees, fostering a sense of unity as members of the Hanwha family.



Vision and Strategy

Under the vision of "LIFEPLUS: adding value to life", Hanwha Life has established strategies to "establish a foundation for corporate sustainability by enhancing competitiveness in the insurance industry", "aspire to become the top domestic insurance company in terms of international business capabilities", and "secure a leading position in innovative business ventures". Hanwha Life is committed to actively implementing its vision and strategy, striving to become a company that is both loved and trusted by its customers.

Milestones

Over the past 77 years, we have been at the forefront of the insurance industry, guided by our unwavering commitment to customer-centric management. As Korea's first life insurance company, we remain committed to prioritizing our customers' interests.



Inception and Leaps Forward

1946 — 1979

- 1946**
Sep. Launched as Korea's first life insurance company
- 1979**
Nov. Value of policies in force surpassed KRW 1 trillion

Challenges and Growth

1985 — 2001

- 1985**
May Completed the construction 63 Building
- 1986**
Dec. Total assets surpassed KRW 1 trillion
- 1996**
May Total assets surpassed KRW 10 trillion
- 1997**
Dec. Received the Presidential Award in the 1997 Labor-Management Cooperation Awards

Change and Innovation

2002 — 2011

- 2002**
Dec. Incorporated Daehan Life Insurance into Hanwha Group
- 2003**
Aug. Opened the Local Office in Beijing
- 2005**
Feb. Established the FA Center
Mar. Opened the Local Office in Tokyo
Dec. Opened the Local Office in Vietnam
- 2007**
Jan. Declared Hanwha Group's new CI
- 2008**
Apr. Total assets surpassed KRW 50 trillion, resolved all cumulative deficits
Jun. Established subsidiary in Vietnam
Nov. Received the Comprehensive Grand Prize in the Corporate Community Involvement Awards
- 2009**
Apr. Initiated operations at Vietnam subsidiary
- 2010**
Mar. Listed on the Korea Stock Exchange
- 2011**
Nov. Received a Presidential Commendation at the Korea Mecenat Convention

Journey to Global Leadership

2012 — Now

- 2012**
Oct. Changed the company name from Daehan Life Insurance to Hanwha Life
Dec. Acquired a local insurance company in Indonesia
Nov. Established Sino-Korea Life Insurance (joint venture in China)
- 2013**
Aug. Launched Onsure, an online insurance service
Nov. Introduced Mom's Package, a work-life balance support program
- 2014**
May Performed the industry's first complaint impact assessment
Aug. Acquired international certification for Business Continuity Management (BCM)
- 2015**
May Launched Smart Planner, an advanced digital policy purchasing system
Nov. Acquired Personal Information Protection Level (PIPL) certification for Hanwha Life Call Center and launched Hanwha Life Mobile Center
- 2016**
Jan. Total assets surpassed KRW 100 trillion
Oct. Opened DREAMPLUS, the industry's first fintech center
- 2017**
Jan. Established Sino-Korea Life Insurance (joint venture in China) in Jiangsu Province, following on from Zhejiang Province
Jul. Inducted into the Korea Service Grand Prix Hall of Fame by the Korea Standards Association
- 2018**
Jan. Rated A1 and A+, respectively, by Moody's Investors Service and Fitch Ratings, two of the world's leading credit rating companies
Apr. Opened DREAMPLUS Gangnam and launched Hanwha Life Esports(HLE) club
Jul. Enacted the Consumer Protection Charter and held a charter dedication ceremony
Oct. Launched the operation of a Big Data-driven complaint prediction system.
- 2019**
Feb. Opened the Local Office in San Francisco, U.S.
May Ranked first among call centers in the Korean Service Quality Index (KSQI) for the 8th consecutive year
- Jun. Opened the Local Office in Fukuoka, Japan
Jul. Obtained Consumer-Centered Management (CCM) certification for the seventh consecutive time and ranked first in the customer center sector of KSQI for the 10th consecutive year
- 2020**
Mar. Provided Life Park as a treatment center for COVID-19 patients
Jun. Opened the Consumer Protection Center
Sep. Established Hanwha Financial Technology(HFT), wholly owned by the local subsidiary in Vietnam
Sep. Obtained two patents for AI-based claims payment review system from Korean Intellectual Property Office
Oct. Rated A in the ESG assessment by the Korea Corporate Governance Service
- 2021**
Jan. Issued the Beyond Coal Declaration with six Hanwha Group member companies
Feb. Received AAA rating from Korea's three credit rating agencies (Korea Ratings, Nice Investors Service, Korea Investors Service) for 14th consecutive year
Mar. Reinforced ESG management with the establishment of the Sustainability Management Committee
Apr. Launched Hanwha Life Financial Service
Jun. Obtained Consumer-Centered Management (CCM) certification for the eighth consecutive time
Oct. Rated A in the ESG assessment by the Korea Corporate Governance Service(second consecutive year)
- 2022**
Feb. Established a corporate governance charter for Hanwha Finance affiliates
Mar. Launched Hanwha Life "Visible" GA World, a web-based automated phone menu
Apr. Acquired the exclusive usage rights for "Hanwha Life Signature Cancer Insurance" over a six-month period
Jul. Published the 2022 Sustainability Report
Oct. Patented an automated sign-up solution
Nov. Signed an MOU with the Lippo Group in Indonesia
Dec. Won an award from the Chairperson of Consumer-Centered Management (CCM) of the Korea Fair Trade Commission

ESG Management Framework

ESG Strategy

To systematically implement ESG management, Hanwha Life established the ESG strategic goal of "Green Life 2030 for Sustainable Tomorrow" in 2022.

This goal encompasses three strategic directions: (1) incorporating environmental protection and eco-friendly management, (2) participating in social responsibility and collaborative management, and (3) developing a robust and transparent governance structure. Under these strategic directions, we have identified various strategic initiatives. Our aim is to generate ESG value by actively fulfilling these initiatives through proactive ESG management.

Vision	Hanwha Life is a financial institution that offers solutions for life challenges while promoting economic prosperity		
Strategic Goal	Green Life 2030 for a Sustainable Tomorrow		
	Green Life 2030	<ul style="list-style-type: none"> • Increase the proportion of eco-friendly and socially responsible investments by more than two-fold (from 2% to 5%). • Reduce carbon emissions by over 40% • Improve DEI¹⁾ index 	
Strategic Directions	Environment Incorporate environmental protection and embrace eco-friendly management practices	Social Engage in social responsibility and participate in collaborative management.	Governance Establish a sound and transparent governance system
Strategic Initiatives	<p>Strengthen eco-friendly management</p> <ul style="list-style-type: none"> - Establish an environmental management system - Establish a greenhouse gas management system - Incorporate eco-friendly management <p>Establish an ESG investment system</p> <ul style="list-style-type: none"> - Develop an ESG investment and climate risk response system - Enhance shareholder engagement 	<p>Reinforce human rights management and improve labor relations</p> <ul style="list-style-type: none"> - Reinforce human rights management - Enhance employee diversity - Improve labor-management culture <p>Expand ESG-linked financial products and social contributions</p> <ul style="list-style-type: none"> - Expand insurance, loan, healthcare products - Expand socially responsible and eco-friendly contributions 	<p>Improve governance structure</p> <ul style="list-style-type: none"> - Improve the function of Board of Directors (and committees) (diversity, professionalism, independence) - Strengthen compliance management and safeguard corporate autonomy - Establish an ESG-based performance assessment and payment system <p>Strengthen ESG communication</p> <ul style="list-style-type: none"> - Develop an ESG data management system - Enhance the disclosure system and responsiveness to external assessments

1) DEI Index: diversity equity inclusion index



ESG Management Framework

ESG Governance

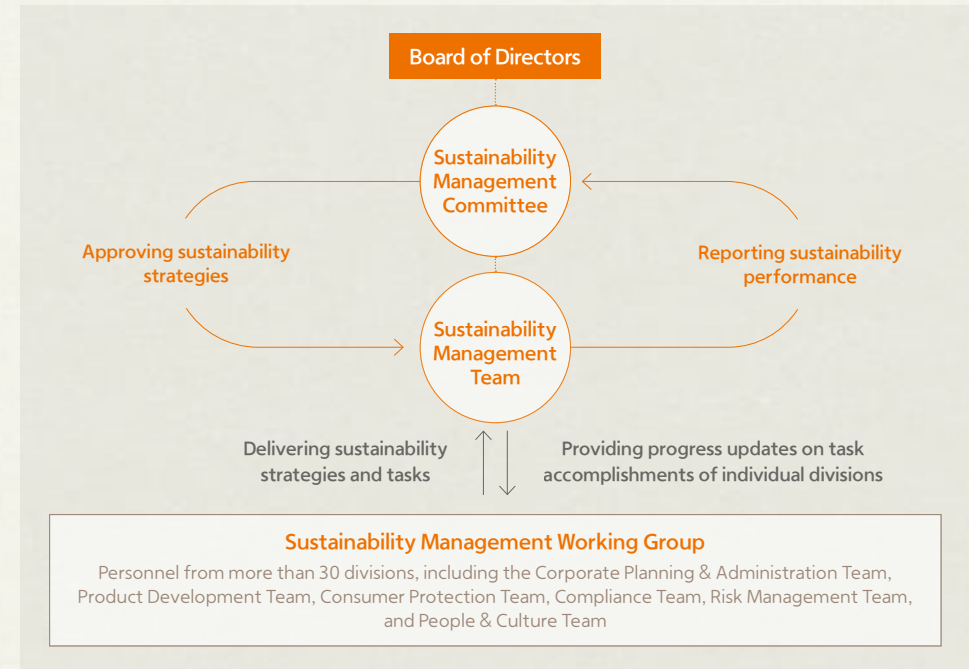
In 2021, Hanwha Life established the Sustainability Management Committee (SMC) under the Board of Directors, thereby strengthening active ESG management throughout the company by enhancing its governance structure. The SMC is composed of three members in total: two outside directors and one executive director. Hanwha has implemented a responsible management framework by appointing at least two-thirds of the Committee members as outside directors and designating one outside director as the chairperson, ensuring the Committee's independence and expertise.

As the foremost authority on ESG management, the SMC convenes as needed to oversee and direct ESG management strategies, action plans, and promotional activities, ensuring transparent and timely decision-making on all ESG-related matters. The SMC also develops fundamental policies and strategies for various ESG aspects, including environment, safety, social responsibility, customer and shareholder value, and governance. Additionally, it considers mid- to long-term goals and promotes the internalization of ESG management.

To enhance practical operational capabilities, Hanwha has established the Sustainability Management Team (SMT) as a dedicated control tower for ESG management. The SMT serves as a central channel for communicating company-wide ESG policies, which are determined through committee voting, to all operational divisions. In order to implement various ESG initiatives, Hanwha has also formed a Sustainability Management Working Group, comprised of personnel from over 30 company divisions, including Corporate Planning & Administration Team, Product Development Team, Consumer Protection Team, Compliance Team, Risk Management Team, and People & Culture Team. By bolstering ESG governance, is actively implementing a diverse range of initiatives to achieve global-level ESG management.

Establishment of a Corporate Governance Charter

In February 2022, Hanwha Life, in conjunction with other Hanwha Finance affiliates, demonstrated its dedication to ESG management by creating and publicizing the Corporate Governance Charter. This Charter represents the company's promise to develop strong corporate governance, protect shareholder rights and interests, and maintain a firm commitment to equitable corporate practices. To create a solid governance framework, Hanwha Life's Corporate Governance Charter outlines the measures for preserving the rights and interests of shareholders and diverse stakeholders, as well as the rules and responsibilities of the Board of Directors and Audit Committee.



Chapters	Topic	Main content
Chapter 1	Shareholders	Description of shareholder rights and responsibilities
Chapter 2	Board of Directors	Specification of the independence and job performance of the directors, such as operation of the Board and the responsibilities of the directors
Chapter 3	Internal Audit	Outline of the composition of the Audit Committee and the operation of external auditors, and clarifying the independence of internal audits
Chapter 4	Stakeholders	Description of the provisions that respect and protect the rights of various stakeholders such as shareholders, customers, and employees
Chapter 5	Management oversight through market mechanisms	Disclosures in accordance with regulations and provisions on fair and transparent corporate governance practices

ESG Highlights



Hanwaha Life is establishing a foundation for company-wide ESG management and is actively participating in ESG initiatives.

Environment

Establishing a Paperless Environment

Hanwaha Life is actively pursuing various initiatives to reduce paper consumption within the company by fostering a paperless culture and promoting the digital transformation of operational systems. In 2015, Hanwaha launched Smart Planner, the first digital application system among life insurance companies, spearheading the digital transformation of operational systems. In addition to introducing the Hanwaha One-stop Platform (H.OP), a digital sales platform, Hanwaha is also working to create a paperless work environment by establishing a platform for generating customized terms and conditions that include only the terms and conditions of the insurance products that consumers have actually applied for. In 2023, we introduced the Hanwaha Loan Planner service, a tablet PC-based paperless digital loan system, designed to facilitate a paperless and digitally-driven approach throughout the entire loan process. By implementing this system, we not only improve efficiency in document preparation and processing but also achieve cost savings and environmental benefits by eliminating the need for paper documentation. Furthermore, we are promoting a paperless meeting culture, encouraging the reduction of printed materials in various meetings.



< Hanwaha Loan Planner >

Social

Signed a "Agreement to Increase Employment of People with Disabilities to Uphold Corporate Social Values and ESG Management"

Hanwaha Life is playing a pioneering role in the finance industry, which has historically seen relatively low rates of employment for individuals with disabilities. Through our ongoing efforts to broaden our hiring practices, we successfully achieved 100% of the legally required disability employment rate in 2023. This accomplishment makes us the first insurance company to reach this significant milestone. Surpassing the legally required disability employment rate of 3.1%, we are at the forefront of promoting corporate social value. For instance, we employ visually impaired masseuses to provide welfare services for call center staff at "Saeneul Shelter", located within our call centers in Seoul, Daejeon, and Busan. Additionally, we have hired assistant librarians who are visually impaired or physically disabled in our in-house library, as well as individuals with severe disabilities as baristas in our in-house cafes. By expanding employment opportunities for individuals with disabilities across various fields, we contribute to enhancing employee diversity and fostering a more inclusive work environment. We are committed to continuing our efforts to raise awareness and promote disability employment.



< LIFEPLUS CAFE >

Governance

Enhancing Customer Security by Acquiring Personal Information & Information Security Management System (ISMS-P) Certification

Hanwaha Life undertakes numerous initiatives to ensure information security and privacy, proactively addressing security risks and providing safe and convenient financial services to our customers. As a testament to our commitment, we have obtained ISO27001 certification, an international standard for information security management systems, and consistently maintain and manage a world-class information security system. In order to further bolster the reliability of our internal and external customer security systems and establish an effective management framework, we plan to undergo the initial screening process in 2023 to obtain the Personal Information and Information Security Management System (ISMS-P) certification. Although Hanwaha Life is not required to obtain ISMS certification under Article 27, Clause 2 of the Information and Communications Network Act, we voluntarily pursue certification assessment as a proactive measure to protect vital information assets and enhance our customers' personal information protection management system.



< Personal Information & Information Security Management System (ISMS-P) Certification >

BUSINESS PERFORMANCE

Innovative Finance / Sustainable Finance



Innovative Finance

BUSINESS PERFORMANCE

Product Development

Strengthening Sales Channel Competitiveness

Digital Innovation

Expansion of International Businesses

Asset Management



Product Development

Product Development Strategies

In order to create competitive and optimal insurance products, Hanwha Life develops product strategies that prioritize customer needs and conducts research related to products. Moreover, we develop customer-centric products and services through active communication with customers and analysis of their lifestyles.

Consumer Protection-Focused Product Development

Hanwha Life is committed to providing the highest level of protection for our consumers throughout the entire product development process, from initial development and sales preparation to product launch and ongoing monitoring. To assess the risks associated with our products, we collaborate with various teams, including the Insurance Underwriting Team, Special Investigative Unit Team, Insurance Service Team, and Consumer Protection Office. During the product development stage, we conduct consumer impact assessments to ensure the safeguarding of consumer rights. Furthermore, the Director of Consumer Protection actively participates in the Product Development Council to thoroughly evaluate and scrutinize any potential infringement of consumer rights, ultimately finalizing the product plan. We also prepare for product sales by conducting both internal and external verification and product authorization processes. Only after a product has undergone rigorous validation do we release it to the market, ensuring that it meets the highest standards. Hanwha Life will continue to prioritize our customers at every stage of product development and strive to develop a sustainable insurance business that protects the rights of financial consumers.

Product Development Process

Product Development

Determine product details based on target customers, channels, and risks



Sales Preparation

Carry out product authorization procedures and legal review of terms and conditions



Product Launch and Monitoring

Conduct after-sales monitoring and identify areas for improvement

1. Draw up a proposal	<ul style="list-style-type: none"> Analyze marketability and extract ideas 	<ul style="list-style-type: none"> Determine product details and specifications
2. Consult relevant divisions	<ul style="list-style-type: none"> Hold product concept meeting (if necessary) Gather opinions on marketability from other divisions 	<ul style="list-style-type: none"> Determine each unit's roles and tasks
3. Review the possibility of product development	<ul style="list-style-type: none"> Consumer impact assessment: review the possibility of infringements on customer rights, review the potential product from a consumer protection perspective 	<ul style="list-style-type: none"> Review product's potential risks
4. Finalize proposal	<ul style="list-style-type: none"> Convene the Product Development Council (heads of teams and headquarters) 	<ul style="list-style-type: none"> Finalize decision on product release
5. Prepare required documents and obtain authorization	<ul style="list-style-type: none"> Prepare required documents 	<ul style="list-style-type: none"> Conduct verification and obtain authorization
6. Prepare for product sale	<ul style="list-style-type: none"> Draw up terms and conditions, product summary, and disclosure data Create and check product description 	<ul style="list-style-type: none"> Establish a marketing plan and create training materials
7. Launch product	<ul style="list-style-type: none"> Complete preparations by relevant units and send notification of approval for sale 	<ul style="list-style-type: none"> Distribute terms and conditions and promotional materials
8. Conduct after-sales monitoring	<ul style="list-style-type: none"> Monitor profitability and sales volume based on sales portfolio 	<ul style="list-style-type: none"> Gather opinions from sales personnel and market responses Identify areas for improvement

Product Development

Product Development Performance

Hanwha Life strives to improve customer satisfaction by analyzing diverse insurance product needs, designing optimal plans, and refining the product development process to ensure timely product launches. Our focus extends beyond creating new products, as we also continuously improve our existing product line to maintain and increase the satisfaction of our current customers. Moreover, to improve the accessibility of our insurance products, Hanwha has relaxed eligibility requirements for customers with pre-existing conditions. We have also developed products that promote customer engagement and interaction. In 2022, Hanwha introduced seven whole life insurance products, six general guarantee insurance products covering dementia, cancer, health, and accidents, one savings insurance product, and two channel-specific products.

Main Products

(Based on products developed in 2022)

Existing Products Enhanced and Modified to Improve Customer Satisfaction

Hanwha Life Enhanced Cancer Insurance with Dementia Coverage, Non-Dividend	<ul style="list-style-type: none"> Insurance with guaranteed benefits for cancer and dementia, and dementia diagnosis benefits increase according to the life cycle
Hanwha Life Special Variable Universal Whole Life Insurance, Non-Dividend	<ul style="list-style-type: none"> Interest-bearing variable universal life insurance, where premiums increase by 5% annually after an initial 5-year period, continuing until the policy reaches its termination age
Hanwha Life Cancer Variable Universal Whole Life Insurance, Non-Dividend	<ul style="list-style-type: none"> Variable universal whole life insurance, where the cancer-related benefits (choice of one among cancer, minor cancer, or minor diseases) increase depending on the investment performance
Hanwha Life Signature Cancer Insurance, Non-Dividend (Renewable/Non-Renewable)	<ul style="list-style-type: none"> Cancer insurance featuring a unique payment structure, in which premiums for select contracts—providing coverage after the initial cancer coverage commencement date—are paid from the fourth premium payment date of the primary contract
Hanwha Life Perfect Fit Guaranteed Issue Insurance, Non-Dividend (Renewable/Non-Renewable)	<ul style="list-style-type: none"> Health insurance that can be customized through special agreements that guarantee benefits for three major diseases, dementia, and nursing care, in addition to accidental death coverage
Hanwha Life Haengbok Plus Savings Insurance, Non-Dividend	<ul style="list-style-type: none"> Fixed interest rate savings insurance requiring a lump-sum payment, accompanied by bonus payouts at the 5-year milestone
Hanwha Life H1 Whole Life Insurance, Non-Dividend (Guaranteed Cost Premium)	<ul style="list-style-type: none"> Interest-bearing whole life insurance with a low cash surrender value, where the standard death benefit increases based on the number of interest-accruing years elapsed
Hanwha Life H2 Whole Life Insurance, Non-Dividend (Guaranteed Cost Premium)	<ul style="list-style-type: none"> Interest-bearing whole life insurance that offers a death benefit of 120% of the insured amount if the policyholder passes away ten years or more after the policy commencement date

Products for Customers with Pre-Existing Medical Conditions

Hanwha Life Simplified Issue Perfect Fit Guaranteed Issue Insurance (Renewable), Non-Dividend	<ul style="list-style-type: none"> Renewal-type simplified issue health insurance that can be customized by configuring special agreements that guarantee benefits for three major diseases, dementia, and nursing care, in addition to accidental death coverage
Hanwha Life Simplified Issue Signature Cancer Insurance (Renewable), Non-Dividend	<ul style="list-style-type: none"> Renewal-type simplified issue cancer insurance with an innovative payment structure, where premiums for specific contracts—offering coverage after the initial cancer coverage commencement date—are paid from the fourth premium payment date of the primary contract
Hanwha Life Simplified Issue Special Variable Universal Whole Life Insurance, Non-Dividend (Guaranteed Cost Premium)	<ul style="list-style-type: none"> Simplified issue variable universal whole life insurance, where one can choose between the interest-bearing type, in which the standard death insurance amount increases based on the number of interest-accruing years elapsed, and the basic type, where the standard death insurance amount is fixed
Hanwha Life Simplified Issue H1 Whole Life Insurance, Non-Dividend (Guaranteed Cost Premium)	<ul style="list-style-type: none"> Simplified issue interest-bearing whole life insurance with a low cash surrender value, where the standard death benefit increases based on the number of interest-accruing years elapsed
Hanwha Life Simplified Issue H2 Whole Life Insurance, Non-Dividend (Guaranteed Cost Premium)	<ul style="list-style-type: none"> Simplified issue interest-bearing whole life universal insurance that offers a death benefit of 120% of the insured amount if the policyholder passes away ten years or more after the policy commencement date

Products Designed to Expand Contact Points with Diverse Customers

Hanwha Life Naemom Ssok Savings Insurance, Non-Dividend	<ul style="list-style-type: none"> Bancassurance savings insurance requiring a lump-sum payment with a fixed interest rate, accompanied by bonus payouts at the 3- and 5-year milestones
Hanwha Life eCancer Insurance (Non-Renewable), Non-Dividend	<ul style="list-style-type: none"> Guaranteed-issue online cancer insurance, offering affordable premiums and extensive coverage for cancer diagnosis, with non-smoker discounts and no cash surrender value

Product Development

Insurance Product Sales Channels

Hanwha Life Financial Service

In response to the significant changes in the financial landscape following the COVID-19 pandemic, such as digitalization, low interest rates, slow economic growth, and an aging population, Hanwha Life established Hanwha Life Financial Service in 2021, a specialized insurance sales company. As the largest general agency (GA) in the country, we continually strengthen our sales channels by capitalizing on our robust capital, infrastructure, professional workforce, and training system to deliver more specialized insurance services and a diverse range of products. Through strategic partnerships with major life and non-life insurance companies, as well as mergers with small to mid-sized GAs and the expansion of our financial planning (FP) organization, we are creating new sales channels nationwide, driving significant growth for our organization. Consequently, by 2023, we have acquired three GAs and successfully built a powerful sales channel consisting of over 25,000 agents. Hanwha Life leads the way in enhancing customer satisfaction by providing a wide range of life and non-life insurance consulting services and offering comprehensive financial solutions.

Hanwha Life Lab

Hanwha Life Lab, a recently established subsidiary of Hanwha Life, has improved its management efficiency through the 2020 merger of Hanwha Life Asset and Hanwha Financial Asset. In 2021, Hanwha Life Lab integrated the Hanwha Financial Planner (HFP) channel, capitalizing on its strengths in both individual and group sales. Consequently, it is now transforming into a GA of experts who design and research innovative financial solutions, with the goal of becoming one of the top 10 GAs by 2024.

GA(General Agency)

Hanwha Life seeks to enhance the sales competitiveness of its GA channel by leveraging its unique digital capabilities through a variety of training platforms and product offerings. This strategic approach aims to increase market share and profitability while pursuing a digital platform-driven growth strategy within the GA industry. Furthermore, Hanwha Life proactively addresses the GA market by bolstering its GA product lineup and offering comprehensive training and marketing support.

BA(Bancassurance)

In response to the recent trend of increasing interest rates, the BA channel is proactively promoting single premium policies with larger payment amounts. Moreover, to ensure profitability, a sales strategy centered on long-term premium payments for retirement products has been devised, aiming to boost sales volume.

Corporation

The corporate channel has identified the growth of managed savings as a key project, focusing on the increase of new premium income in 2023. This channel is emerging as a significant contributor to the company's financial performance through stable, long-term sales growth.

Hanwha Life Direct-to-Consumer Insurance

In response to the increasing demand for contactless services within the insurance industry due to the COVID-19 pandemic, we have introduced direct-to-consumer insurance channels. These channels enable customers to easily visit our website and purchase insurance policies. By providing a user-friendly digital experience, we have strengthened our corporate competitiveness.

Strengthening Sales Channel Competitiveness

Key Performance of Major Channels and Plans

Channels	Description	Key Performance in 2022	Plans for 2023
Hanwha Life Financial Service	<ul style="list-style-type: none"> Launched in 2021 through the split-off of the FP organization Korea's largest insurance sales company, offering customers expert insurance services 	<ul style="list-style-type: none"> Expanded customer base through integrated life and general insurance marketing Strengthened workforce competitiveness by reinforcing the organizational expansion strategy and FP consulting capabilities Expanded the market with a full, enhanced roll-out of general insurance sales in partnership with GAs Securing a digital sales foundation through an implementation drive for GA solutions and a future-oriented sales platform 	<ul style="list-style-type: none"> Maximize recruitment performance to solidify the organization Achieve economies of scale through expanding partner organizations Diversify channel types by targeting digital channels and corporate markets Advance digital tools by enhancing convenience with Orange (Touch) Establish strategic partnerships and ideation with partner companies Increase domestic and international users of sales platforms
Hanwha Life Lab	<ul style="list-style-type: none"> Integrated with Hanwha Life Asset and Hanwha Financial Asset in 2020, and with the HFP channel in 2021 An insurance sales expert company that provides customers with optimal financial planning through partnerships with 15 life insurance companies and 10 general insurance companies, offering a diverse product portfolio 	<ul style="list-style-type: none"> Established a foundation for continuing growth by solidifying direct channels and expanding partnership channels Built an efficient organizational management and stable profit-and-loss-based system 	<ul style="list-style-type: none"> Expanding affiliate branches and diversifying business models such as strategic M&A Increase sales of general insurance and activate marketing for the DB/corporate market Improve the profit and loss management system and refine the risk management system
GA	<ul style="list-style-type: none"> A channel that manages sales of our insurance products through GAs that sell financial products in partnership with several financial institutions 	<ul style="list-style-type: none"> Achieved top market share by increased deployment of active agents Increased productivity and continued executing market expansion strategies 	<ul style="list-style-type: none"> Develop sales strategies to maintain the top market share Increase productivity and continue executing market expansion strategies Strengthen the competitiveness of sales personnel
BA	<ul style="list-style-type: none"> A channel that manages the sale of our insurance products in partnership with banks and financial institutions 	<ul style="list-style-type: none"> Provided diverse retirement consulting services with a focus on annuities Expanded the annuity market and maintained first place in the long-term annuity market Exceeded 300% of the target for single premium plans through the expansion of the sales base 	<ul style="list-style-type: none"> Continue expanding the annuity market to prepare for an aging society Promote the expansion of operational institutions to enhance market visibility Achieve first place in the industry by launching products that meet customer needs
Corporation	<ul style="list-style-type: none"> A channel that manages corporate sales of retirement pensions and employee benefit (EB) sales of group annuities and group guarantee issue insurance 	<ul style="list-style-type: none"> Achieved KRW 5.5 trillion in accumulated pension assets by strengthening the sales capabilities in mid- to large-group sales capabilities Enhanced service competitiveness through digital infrastructure improvements 	<ul style="list-style-type: none"> Aim in the first year to have the highest growth rate of accumulated pension assets within the industry Increase profitability through long-term and stable revenue growth
Hanwha Life Direct-to-Customer Insurance	<ul style="list-style-type: none"> An online-based channel that allows customers to search, plan, and purchase insurance products directly online 	<ul style="list-style-type: none"> Exceeded the monthly business plan and accumulated 36,000 DTC insurance policyholders with the launch of the new e-cancer insurance (non-renewable) product 	<ul style="list-style-type: none"> Focus on enhancing the efficiency of performance marketing to activate DTC insurance, with an emphasis on guarantee-based products such as cancer insurance and term insurance

Strengthening Sales Channel Competitiveness

Strengthening On-Site Sales Competitiveness

Channel-Specific Training Support

Hanwha Life is committed to offering customized consulting services that cater to the unique needs and circumstances of each customer. The company provides a variety of specialized training programs aimed at continuously improving the skills of its sales channel personnel. Through these channels, Hanwha Life consistently delivers educational materials on its products, fostering a deeper understanding of each product, addressing sales-related concerns specific to each offering, and enhancing sales competitiveness. Additionally, the company provides marketing materials to support the growth of sales for its key products. To address on-site challenges, Hanwha Life also offers a range of flexibly designed training courses that focus on areas for improvement. This is achieved by maintaining seamless communication with financial planners and customers, ensuring their needs are met and any issues are resolved effectively.

In 2019, Hanwha Life launched the LIFEPLUS ACADEMY, an online comprehensive training platform, to quickly adapt to the changing financial planner training environment brought on by the COVID-19 pandemic. In 2020, we further embraced digital learning by offering online training sessions and two-way real-time video lectures (Live Edu), enabling us to provide an engaging and intelligent learning experience through digital platforms. In 2022, we introduced the Hanwha Life KakaoTalk channel, a platform designed to offer customized training specific to each sales channel. Additionally, through our YouTube channel, “Hanwha Life”, we present a wide range of high-quality content tailored to our customers’ diverse interests, including information on healthy lifestyles, insurance, and the daily lives of Hanwha Life employees. By developing a variety of training channels, we are actively adapting to the digital sales environment, improving the efficiency of the training process, and building a new concept training infrastructure. Furthermore, as we aim to provide comprehensive life solutions, we regularly update our sales channels with the latest trends and expert information in areas such as investments, taxation, and real estate through monthly financial reports, online seminars, and 3-minute briefings, ultimately leading to increased customer satisfaction.

System Improvements to Strengthen On-Site Sales

In order to adapt to the rapidly changing business environment, Hanwha Life began providing sales staff with tablets in 2012 to enhance sales performance. In 2015, we became the first life insurance company to launch Smart Planner, a digital insurance purchasing system, which supported the development of a smart business environment. Furthermore, by utilizing mobile purchasing apps on smartphones, we strengthened financial planners’ on-site consulting capabilities and established an efficient sales environment. In 2018, we integrated Smart Planner into the Hanwha One-stop Platform to improve the on-site sales system, and in 2020, we launched LIFEPLUS Consulting. In 2022, we further enhanced our customer financial planning services by incorporating the existing analysis services for guarantee-related issues. Moving forward, Hanwha Life aims to increase operational efficiency by continuing to refine the system and enhancing user convenience by incorporating feedback from on-site personnel. In 2023, we plan to introduce a more accessible and convenient mobile and automated financial planner appointment system, further improving the ease of selling Hanwha Life products for financial planners.

CASE STUDY :: Launch of the “Purchasing Automation Solution Design Bot”

The “Purchasing Automation Solution Design Bot” is the first system in the industry to automate the new insurance contracting process using robotic technology, specifically designed to boost sales competitiveness in the general agency (GA) market. In October 2022, Hanwha Life secured a business method (BM) patent for the “Purchasing Automation Solution Design Bot”, a technology that automates insurance planning and purchasing processes. This innovative bot aids insurance planners and improves convenience throughout the entire new contracting process, from insurance planning to purchasing. Considering the diverse nature of the GA market, where various companies’ products are managed and each insurance company’s product design and purchasing process is unique, the bot significantly reduces the inconvenience experienced by planners. It cuts down the time needed for a new contract conclusion by approximately 90% and streamlines complex processes such as product selection, information input, and plan selection, all on a single smartphone screen. Moving forward, the company aims to enhance the work efficiency and convenience of GA-affiliated planners through the “Purchasing Automation Solution Design Bot” and will persistently work towards creating a user-friendly sales environment for on-site planners.



Digital Innovation

Digital channel

In 2013, Hanwha Life was the first large-scale life insurance company to introduce a direct-to-consumer insurance channel. Since then, in addition to offering traditional insurance products, Hanwha Life has been offering digital-based insurance services tailored to our customers' diverse lifestyles. In order to expand our customer base and ensure wider accessibility, we have launched a mobile website. We strive to improve customer experience by enhancing convenience through regular upgrades to our homepage, such as streamlining the sign-up process and simplifying electronic signature system. In 2020, we successfully conducted an initiative to attract Millennials, Gen Z by launching "LIFEPLUS We've Got You Covered Peace of Mind Insurance" specifically targeting military-specialized insurance for military personnel. In 2021, we introduced Hanwha Life "Sangsang eSang" Variable Annuity, our first-ever online-only variable annuity aimed at adventurous young investors. This innovative product is the first customer-centric annuity in the industry, with its operating fee tied to Return on Investment (ROI). If no ROI is generated, the operating fee for that month is not deducted, and customers are not required to adjust their asset allocation themselves. We also launched "LIFEPLUS Subscription Policy", the industry's first subscription-based insurance policy, setting a new direction for the insurance sector by offering everyday life benefits through a "subscription" model. In 2022, we released "eCancer Insurance (Non-renewable Term)", a competitively enhanced product designed to attract new customers by offering a protection insurance policy.

Digital Services for Enhancing Customer Convenience

Improvements of the Sign-up Process and Products Page

We improved the sign-up process for the convenience of our customers. Drawing on user surveys aimed at improving customer service, we have restructured the UI/UX of the sign-up process to provide seamless digital services to customers who have grown accustomed to the digital environment. Additionally, a Content Management System (CMS) has been implemented to improve the Insurance Products Page. We ensure a consistent user experience across both PC and mobile platforms for the convenience of accessing our insurance, and we continually strive for a more positive brand experience.

Promoting the Digital Transformation of the Sign-up Process

We are developing and implementing processes that allow customers to conveniently purchase insurance using their smartphones, without being limited by time or location. After a face-to-face consultation with a financial planner, customers can complete the sign-up process in person by using their smartphone's electronic signature feature and easily submit the required documents as photos. We have also enhanced customer convenience by making contract-related documents, such as application forms, terms, conditions, and insurance policies, available for download on smartphones. Moreover, in order to stay current with the global trend of digitization, we have developed a natural language processing algorithm for customer notifications and integrated it into the screening process, enabling customers to receive sign-up results promptly.

Expanded Coverage Limits Based on Big Data

In 2019, we developed the "Hanwha Underwriting Scoring System (HUSS)", utilizing big data to increase coverage limits for individual clients. This system predicts the risk of accidents or illnesses across seven protection coverage segments (death, cancer diagnosis, hospitalization, surgery, adult disease diagnosis) by analyzing big data based on customer information. It extended coverage amounts for relatively low-risk clients by automatically scoring the risk of customers who purchased insurance. The subsequent growth in new contracts led to increased insurance sales and generated positive effects on profit and loss. We will continue improving the model's integrity through annual monitoring and refinement processes, and we will apply the model to underwriting in addition to coverage limits.

Digital Innovation

Digital Services for Enhancing Customer Convenience

Hanwha Life App

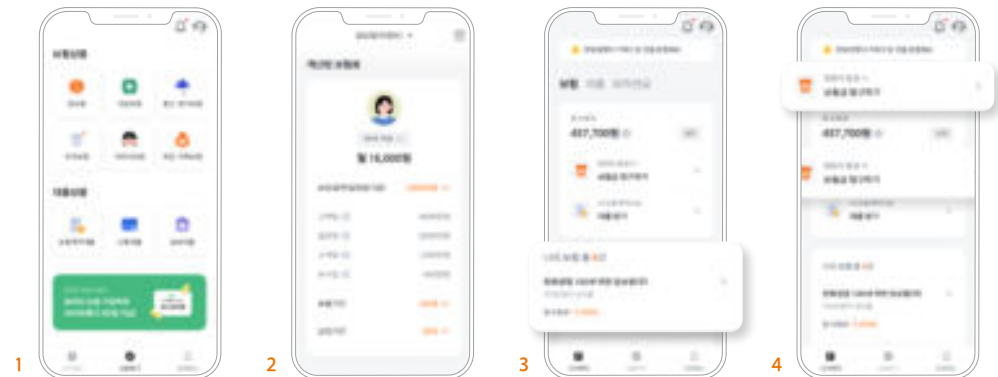
Through user surveys, we have made our insurance app, which some may find challenging to use, more customer-friendly and convenient for users. We identified areas for improvement by interviewing an Experience Team comprised of individuals from various age groups and restructured the app based on these findings to create a more user-centered design. Currently, 1.78 million customers who purchased Hanwha Life are experiencing contact-free services through the Hanwha Life App.



Main Features of Hanwha Life App

Enhancement of Convenience and Security	<ul style="list-style-type: none"> A variety of verification methods, including simplified verification, authentication certificates, patterns, fingerprints, and i-Pin, are offered to improve customer convenience and system security.
Review and Management of Existing Policies	<ul style="list-style-type: none"> Customers can access a wide variety of information, such as details about current policies and the procedure for filing accident insurance claims. Customer convenience is enhanced by simplifying the processes for managing tasks. We provide big data-based information on the protective features of comparable products purchased by other customers.
Product search and subscription	<ul style="list-style-type: none"> Support for all product search and insurance enrollment
Support for subscription insurance services	<ul style="list-style-type: none"> Providing subscription-based services based on various lifestyles for subscription insurance policyholders
Enhancement of non-face-to-face services	<ul style="list-style-type: none"> Adding additional features, such as reissuing of securities, changing beneficiaries, expanded authentication for non-members, and other various insurance functions

- Finding an insurance policy**
Finding the desired product more easily
- Insurance premium calculator**
The anticipated insurance premium is easily calculated
- My contract**
Gathering all the desired insurance products in one place
- Insurance claim**
Making insurance claims is now easier



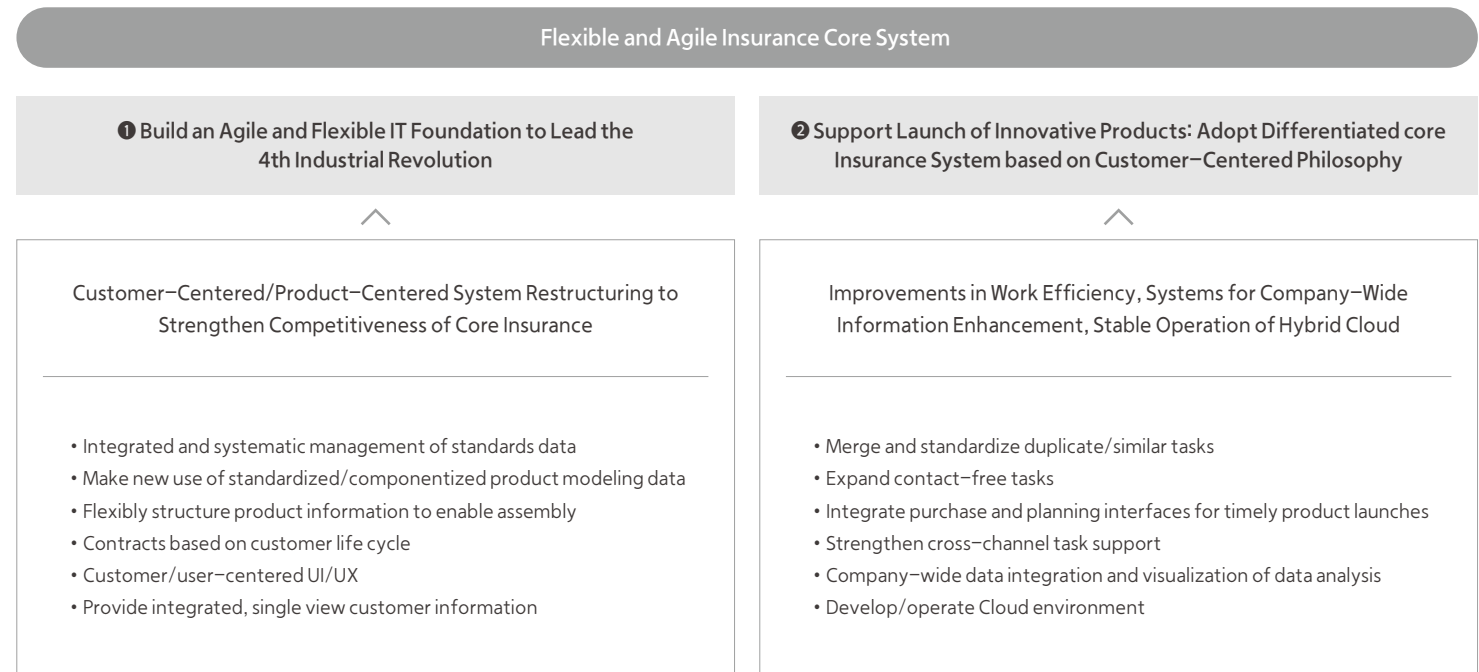
Digital Innovation

Digital Services for Enhancing Customer Convenience

Establishment of “Insurance Core”, a Digital Innovation System for the Entire Value Chain

In 2019, we began the construction project for “Insurance Core”, a next-generation information system, and successfully launched the “Insurance Core System” in September 2022. By adopting a new system that offers enhanced flexibility and agility compared to its predecessor, we are able to provide comprehensive support throughout the operational process of our products. This ranges from core components of insurance (such as products, contracts, underwriting, claims, and variables) to marketing and customer support, all in alignment with the evolving digital landscape. Furthermore, we have become the first large-scale insurance company to collaborate with Naver Cloud in adopting a comprehensive cloud system. As the first insurance company to implement a container-based microservice architecture, we have ensured consistent productivity in development. Additionally, we have created a sophisticated system by facilitating seamless work transitions and reorganizing it to have an agile project management.

Hanwha Life Insurance Core System



Expansion of International Businesses

Strategies for International Businesses

After the Vietnam Corporation achieved a turnaround in 2016, we became the first Korean life insurance company to reach a break-even point in the international market. Building on our successful business experience, we are now concentrating on strengthening the position of our international subsidiaries in four countries (Vietnam, China, Indonesia, and the United States) by steadily expanding our marketing networks. In response to the evolving global digital landscape, we are actively promoting new digital ventures and aim to secure future growth engines across Asia, with an emphasis on enhancing our sales competitiveness.



Global Network

- **Local subsidiaries**
 - Ho Chi Minh, Vietnam
 - Hangzhou, China
 - Jakarta, Indonesia
 - San Francisco, U.S.
- **Local Offices**
 - Beijing, China
 - Tokyo, Japan
 - Fukuoka, Japan
 - San Francisco, U.S.

Local Subsidiaries

We have established and currently operate local subsidiaries in four countries: Vietnam, China, Indonesia, and the United States. Drawing on the expertise gained from managing our Vietnam Corporation, we design and sell insurance policies tailored to the local market of each country.

Vietnam

In June 2008, we entered the Southeast Asian market by setting up a wholly-owned local subsidiary in Vietnam. To proactively address the evolving global digital landscape, broaden our network, and offer a digital platform, we established **Hanwha Financial Technology (HFT)**, a company fully owned by our local subsidiary in Vietnam.

China

In 2012, we founded a life insurance company in Zhejiang Province, China, as a joint venture with a state-owned enterprise via an equity investment.

Indonesia

After entering the Indonesian market in 2012, we acquired an 80% stake in a local insurance company. As of the end of 2021, we operate a subsidiary in which we hold a 99.6% stake.

United States

In 2022, we established a wholly-owned real estate investment corporation in the United States to facilitate our expansion into the US commercial real estate market. We acquired an office building situated in downtown San Francisco, which we are currently managing.

Local Offices

In August 2003, we opened a local office in Beijing, China, followed by another in Tokyo, Japan in February 2005. More recently, we established offices in San Francisco, United States in 2019 and Fukuoka, Japan in June 2019. These locations serve as strategic key points in our pursuit of long-term goals within the international market. Aiming to optimize international business operations, local offices are responsible for researching regional insurance policies, regulations, trends in portfolio management, and local markets associated with emerging insurance sectors, such as insurance technology and healthcare, as directed by the headquarters.

Expansion of International Businesses

Country-specific Strategies

Vietnam

In 2008, we became the first life insurance company from Korea to expand into Vietnam, commencing operations in 2009. Our Vietnam Corporation successfully established itself within the Vietnamese market by implementing localization strategies, including training local financial consultants and developing market-specific products. Consequently, we were the first Korean insurance company to reach a break-even point in the international market, and we recorded a surplus for four consecutive years from 2019 to 2022.

The Vietnam Corporation is presently working on a wide variety of products to cater to the expanding groups of Millennials and Generation Z, as well as the constantly evolving needs of our customers. In addition to our signature insurance policies, such as universal and variable insurance, we introduced digital channel-exclusive insurance and savings insurance in 2022. Hanwaha Life also aims to broaden its policy offerings and boost profitability by launching guaranteed issue policies and annuity policies in the future.

In 2020, the Vietnam Corporation established HFT (Hanwaha Financial Technology), a wholly owned subsidiary, to focus on fintech and big data ventures in Vietnam. HFT has worked closely with its parent company, Vietnam Corporation, to create applications for clients and consultants, as well as provide data processing and analytical services for local financial firms. Moving forward, we aim to further expand our digital business domains by leveraging financial technologies, such as big data analysis and the creation of innovative financial products/services.

China

In 2012, we entered the Chinese insurance market through an equity investment. Our operations began in Zhejiang Province, where our headquarters are located, in January 2012. Since then, we have expanded our sales reach throughout the Yangtze River Delta, moving into Jiangsu Province in January 2017 and Anhui Province in December 2020. Our growth strategy for the insurance business focuses on financial consultants and bancassurance as our primary channels, while also employing multi-channel approaches such as expanding partnerships with O2O (Online to Offline) platform-based GAs.

Indonesia

In 2012, we became the first Korean life insurance company to enter the Indonesian life insurance market. Since then, we have been enhancing our competitiveness by expanding personal sales channels, forming bancassurance partnerships, and promoting various new digital businesses to secure future growth engines. Our Indonesia Corporation, centered around large cities like Jakarta, is comprised of highly efficient financial consultants. By focusing on profit and loss, the corporation has been administered and managed stably, resulting in profits for three consecutive years since 2019.

United States

In 2022, we entered the US commercial real estate market with the aim of diversifying our portfolio by enhancing global asset management competitiveness and expanding real estate investment. We acquired a new office building in the Union Square district, a central area of downtown San Francisco. The building boasts a more sophisticated exterior design compared to the relatively older surrounding structures, and it is outfitted with state-of-the-art equipment and facilities. By implementing proactive real estate management strategies, such as attracting anchor tenants, we aspire to establish this building as a new landmark in the city of San Francisco.

Asset Management

Asset Management Strategies

In accordance with the Insurance Business Act and our investment policy paper, we protect our customers and company by carrying out stable long-term asset management, pursuing profit with appropriate consideration of risks, maintaining an appropriate level of liquidity, and complying with the Stewardship Code. In addition, as asset management specialists from an international insurance company, we recruit talent both in Korea and abroad and train our personnel to become global leaders, thereby enabling us to provide reliable portfolio management services and enhance our business competitiveness.

Strategic Direction

We make reasonable and stable investments based on an asset allocation strategy that takes liability into account from a medium to long-term point of view within the framework of our solid investment principles. Moreover, we diversify our investment assets and strengthen our risk management processes to respond proactively to the rapidly changing economic and financial market environment.

Asset Management Performance

Category	Unit	2020	2021	2022
Invested assets	KRW billion	98,557	100,394	99,553
Rate of investment return	%	3.47	3.59	2.81

Operational Risk Management

We have adopted the Asset and Liability Management (ALM) investment strategy to pursue profits and maximize company value. This asset management strategy reflects the characteristics of insurance products in asset management plans, and we make every effort to maximize the rate of investment returns by actively practicing ALM. Furthermore, to manage our assets transparently and safely, we efficiently handle the risks that accompany asset management by separating our front and back-office functions from an organizational standpoint and strictly carrying out compliance activities. We strengthen the integrity of our asset portfolio by steadily managing interest rate, market, credit, liquidity, operational, and reputational risks.

Sustainable Finance

BUSINESS
PERFORMANCE

ESG Finance

ESG Investment



ESG Finance

Health Finance

We aim to transcend the traditional role of insurance, which primarily serves as a safety net for unexpected medical expenses or loss of income due to illness, accidents, or disasters. Instead, we strive to provide integrated healthcare and financial solutions to assist our customers in maintaining a healthy lifestyle. We will persist in strengthening the link between health management and financial benefits through a diverse range of health and finance products.

LIFEPLUS “Work Out” Health Insurance, a Health–Promoting Insurance

We have launched the LIFEPLUS “Work Out” Health Insurance (non–dividend), a policy that rewards customers based on the reduction in insurance risk achieved through meeting workout goals. This policy is designed to encourage the development of healthy exercise habits. We are the first insurance company to incorporate workout intensity into premium discounts. To facilitate this, we offer support to our customers in using the HELLO app, our healthcare platform. This app, when connected to a smartwatch, can accurately measure the intensity of five physical activities: walking, mountain climbing, cycling, running, and swimming. We have also developed “integrated workout intensity indicators” to comprehensively measure and manage workout intensity. The Korea Life Insurance Association has acknowledged the innovation and forward–thinking nature of this product. It surpasses the role of traditional insurance policies by providing health management solutions and catering to the diverse health activity needs of our customers. As a result, we have been granted six months of exclusive usage rights.

LIFEPLUS Mental Health Group Insurance

LIFEPLUS Mental Health Group Insurance is a comprehensive solution that integrates mental illness prevention services with protection insurance. This product is designed to address mental health issues from prevention and diagnosis to treatment. To further improve customer convenience and support the mental well–being of our employees, we have launched the LIFEPLUS Mental Health App. This app offers a variety of services, including a Calendar of Feelings, yoga, and book therapy. Currently, this policy is implemented as group insurance for our employees, but we plan to extend it to the general public in the future. This expansion aims to generate a range of societal benefits, such as reducing the social costs associated with mental illnesses and ensuring continuity of treatment.

End–to–End Mental Health Total Solutions

Prevention	<ol style="list-style-type: none"> 1. Program for improving mental healthcare exclusively developed by Hanwha Life (including “Calendar of Feelings” and “Diary of Innermost Feelings”) 2. Exercise and therapy program with professional coaches 3. Challenge program for motivation
Diagnosis and Treatment	<ol style="list-style-type: none"> 4. Provision of Hanwha Life’s exclusive simplified medical examination and mental health checkup 5. Provision of a service helping individuals to find the nearest psychiatrist and psychological counseling center 6. Financial support for the diagnosis of the three most common mental illnesses (depression, panic disorder, and post–traumatic stress disorder) and nonorganic sleep disorders

HELLO App, a Healthcare Platform

Hanwha Life HELLO is a health management application designed to motivate users to participate in activities that promote health. It does this by providing a unified platform for managing their health services. With the HELLO App, customers can monitor a variety of health indicators, such as daily step count, weight, heart rate, and sleep duration. Furthermore, the app integrates with “LIFEPLUS Work Out Health Insurance”, offering discounts to those who meet their monthly step count objectives.



ESG Finance

Inclusive Finance

Inclusive Financial Products

Hanwha Life is committed to creating an inclusive financial system, with the goal of eradicating insurance coverage gaps and safeguarding financially vulnerable groups. To accomplish this, we design a range of insurance products and promote a culture of insurance enrollment, empowering individuals to prepare for various risks. We have introduced a variety of insurance products to ensure that financially vulnerable demographics, such as the elderly, individuals with pre-existing health conditions, and socially marginalized groups, can obtain coverage without limitations. Looking ahead, we will persist in supporting the development and launch of inclusive financial products, enabling more customers to mitigate daily life risks and pursue a healthier lifestyle through insurance coverage.

Inclusive Financial Products

(Available products as of 2022)

Category	Channel Descriptions	Insurance Products	Effects
Elderly individuals	<ul style="list-style-type: none"> Rapid aging is a major social problem. Many people face financial burdens of medical expenses due to dementia. There is an increasing demand for long-term care insurance. 	Hanwha Life Cancer & Dementia Insurance <ul style="list-style-type: none"> Innovative product that combines coverage for cancer and dementia Enhanced dementia coverage for the elderly with increasing coverage benefits based on the life cycle 	<ul style="list-style-type: none"> Allows preparation for both cancer and dementia, which are highly concerning for customers, in a single product. Contributes to resolving the gaps in dementia coverage
Individuals with pre-existing medical conditions	<ul style="list-style-type: none"> Insurance coverage is restricted if there are mild illnesses or a history of conditions such as diabetes or high blood pressure. 	Hanwha Life "NEW Always by your side" Nursing Insurance <ul style="list-style-type: none"> Comprehensive insurance that covers the entire caregiving cycle, from diagnosis to inpatient and outpatient, disability, and rehabilitation treatments 	<ul style="list-style-type: none"> Addresses social issues arising from increased demand for caregiving Complements the limitations and gaps in the government's institutional support (integrated nursing care services, long-term care system)
Socially marginalized individuals	<ul style="list-style-type: none"> The risk of medical and welfare blind spots increases for adolescents leaving child welfare facilities. 	Hanwha Life Medical Insurance for the Elderly <ul style="list-style-type: none"> Medical expense insurance with coverage for actual expenses for the elderly 	<ul style="list-style-type: none"> Alleviates the burden of medical expenses for the elderly. Strengthens medical coverage for the elderly who have limited options in insurance product selection
		Hanwha Life Simplified Issue Personalized Protection Insurance <ul style="list-style-type: none"> Simplified underwriting allows individuals with pre-existing medical conditions to be eligible for standard insurance products 	<ul style="list-style-type: none"> Provides coverage for individuals with pre-existing medical conditions at a similar level to regular customers. Alleviates the burden of insurance premiums through a renewable product structure
		Hanwha Life Simplified Issue "Lifetime" Whole Life Insurance <ul style="list-style-type: none"> Simplified screening allows individuals with pre-existing medical conditions to be eligible for various insurance products, including term life, whole life, and cancer insurance 	<ul style="list-style-type: none"> Provides coverage for individuals with pre-existing medical conditions at a similar level to regular customers
		Hanwha Life Super Simplified Issue Whole Life Insurance <ul style="list-style-type: none"> Whole life insurance for individuals with pre-existing medical conditions with reduced medical history information to two disclosure items 	<ul style="list-style-type: none"> Provides coverage for individuals with pre-existing medical conditions at a similar level to regular customers
		Hanwha Life "Mom's Care" Savings Insurance <ul style="list-style-type: none"> Partial support for insurance premiums for designated youth under the nonprofit corporation "Co-Creating Social Value (Social Value Connect)" 	<ul style="list-style-type: none"> Provides support in establishing independent funds (KRW 10 million after 3 years) for adolescents discharged from child welfare facilities. Resolves medical coverage gaps through coverage for diagnoses such as fractures, cast treatments, specific burns and corruptions, and surgeries during the insurance period
	<ul style="list-style-type: none"> Coverage gaps are possible for people with disabilities. 	Hanwha Life "Gomduri" Protection Insurance for customers with disabilities <ul style="list-style-type: none"> Protection insurance for individuals registered under the "Disability Welfare Act" or recognized as beneficiaries under the "Act on the Honorable Treatment of and Support for Persons of Distinguished Service to the State" 	<ul style="list-style-type: none"> Provides affordable insurance premiums for coverage such as cancer and death through discounts on administrative expenses
	<ul style="list-style-type: none"> Vulnerable children are disproportionately likely to be marginalized in treatment due to financial burdens. 	Hanwha Life "Co-Prosperity" Juvenile Insurance <ul style="list-style-type: none"> Dedicated children's insurance for vulnerable groups such as individuals with disabilities, low-income single-parent families, and disadvantaged multicultural families 	<ul style="list-style-type: none"> Prevents insurance coverage gaps for vulnerable groups through the design of affordable insurance premiums from an inclusive perspective aimed at social inclusion and benefit sharing

CASE STUDY :: Children's Insurance for People with Disabilities, Low-Income Single-Parent Families, and Disadvantaged Multicultural Families

Hanwha Life has recently introduced a specialized insurance product for children, specifically designed for vulnerable groups such as individuals with disabilities, low-income single-parent families, and disadvantaged multicultural families. This insurance product offers contract fees and management costs that are 10-30% lower than standard insurance, thereby actively facilitating the enrollment and maintenance of insurance for these vulnerable groups. The product is designed to ease the financial strain on parents within these groups by offering lower insurance premiums and minimizing obstacles to insurance enrollment. Furthermore, the primary contract and any special contracts are structured to allow for the exclusion of unnecessary coverage or adjustment of the coverage amount based on the customer's needs, thereby maximizing efficiency. To improve accessibility to insurance enrollment for consumers within these vulnerable groups, Hanwha Life offers appropriate sales channels such as in-person enrollment through Hanwha Life Financial Service, Hanwha Life Lab, People Life, and telephone enrollment via telemarketing channels. By introducing differentiated and inclusive financial products for individuals with disabilities, low-income single-parent families, and disadvantaged multicultural families, Hanwha Life aims to enhance customer benefits. The company remains committed to supporting the development of financial products that contribute to the realization of social value.

ESG Finance

Inclusive Finance

Expanding Financial Accessibility for Financially Vulnerable Groups

Hanwha Life offers a range of products and services designed to enhance insurance accessibility for economically disadvantaged groups. We facilitate this through our “Designated Representative Claimant System”. This system allows a designated representative to claim insurance benefits, with the exception of death benefits, on behalf of the policyholder when they are unable to do so themselves. Policyholders have the option to appoint a representative claimant either at the time of initial enrollment or at any point during the policy term. This system is applicable when the policyholder, the insured individual, and the beneficiary are all the same person under the insurance contract.

To better accommodate the increasing elderly population, who often face challenges in our rapidly aging society, we have created and distributed “Guidance Documents for Seniors”. These documents, specifically designed for financial consumers aged 65 and above, feature enlarged font sizes to enhance readability. In addition, we have introduced a tax deduction system exclusively for individuals with disabilities who subscribe to general life insurance, known as the “Exclusive Insurance Tax Deduction for Individuals with Disabilities”. We also provide a range of financial support measures, including premium deferral, expedited claims and loans for insurance contracts, as well as a six-month grace period for principal loan repayments for customers affected by disasters such as typhoons and heavy rainfall.

Convenient Services for Financially Vulnerable Groups

Exclusive hotline service for individuals with disabilities	<ul style="list-style-type: none"> • 080.851.0063(Toll-free) • Same service scope as for general customers • Customers → Dedicated hotline for individuals with disabilities → Customer authentication (through inputting mobile phone number and resident registration number) → Connection to customer service representative
Sonmalieum Center (a relay call center) for individuals with disabilities	<ul style="list-style-type: none"> • Supports individuals with hearing and language disabilities utilizing the communication relay service at the National Information Society Agency’s Sonmalieum Center (a relay call center) • 1588.6363, Sonmalieum Center (+107) • (Customer → Sonmalieum Center staff (+107)→ Call center representative) • Monitors new contracts, providing basic product information, guidance on documentation, contact information, and issuance of certificates
Exclusive email and fax counseling for individuals with disabilities	<ul style="list-style-type: none"> • helper63@hanwha.com • 02.2169.0630(Fax)
Priority connection service for elderly individuals	<ul style="list-style-type: none"> • Providing direct connection to a customer service representative when elderly individuals aged 65 and above call the 1588.6363 call center for inquiries

CASE STUDY :: Comprehensive Services for Preventing Lonely Deaths among Elderly Individuals Who Live Alone

Since 2011, Hanwha Life has been working in partnership with the Comprehensive Support Center for Elderly People Living Alone, a division of the Ministry of Health and Welfare. The goal of this collaboration is to foster healthy living, prevent social isolation and loneliness among solitary seniors, and establish a social safety net. This initiative is carried out through the voluntary efforts of Hanwha Life call center representatives. These representatives regularly reach out, typically once or twice a week, to check on the elderly individuals’ well-being. They provide lifestyle information and document any challenges or suggestions the seniors may have on the appropriate platform. If there are no responses after three or more attempts, an emergency dispatch system is activated to provide immediate help. Regular interaction with the representatives helps to combat emotional isolation among solitary seniors. It also generates positive social outcomes by addressing the issues faced by those with limited access to information. Thanks to these efforts, Hanwha Life has made significant strides in the realm of elderly care collaboration between public and private sectors. This has led to numerous awards and recognitions in 2022.

- In October 2022, Hanwha Life was honored with the “Outstanding Sharing Angel” commendation. This recognition was part of the “Love Call” volunteer project, which is organized by the Comprehensive Support Center for Elderly People Living Alone.
- In December 2022, Hanwha Life was honored with the “Minister of Health and Welfare Award”. This accolade, along with a certificate of commendation, was presented by the Minister of Health and Welfare in recognition of the company’s involvement in the “Love and Sharing Exhibition 2022” and the “Love Connection Letter Contest”, both of which were organized by the Ministry of Health and Welfare.

Furthermore, Hanwha Life employee volunteer groups from Hanwha Life have teamed up with specialists to craft emergency medical kits, wooden lamps, therapeutic cushions, and tumblers. These items are intended for elderly individuals who are paired with counselors via the Elderly Support Center, serving as tokens of warmth and compassion. Hanwha Life aims to broaden its initiatives by maintaining its partnership with the Comprehensive Support Center for Elderly People Living Alone. The company also plans to enhance internal promotion to encourage more involvement in volunteer activities.

ESG Finance

Co-Prosperity Finance

Start-Up Incubation - Hanwha Life DREAMPLUS

Hanwha Life DREAMPLUS was launched in 2016, marking its inception as the first fintech startup incubator among Korean insurance companies. Its role is to foster the development and growth of startups, offering a range of support from educational and internship programs for budding entrepreneurs to business development procedures like startup investment and international expansion. By forging open partnerships, Hanwha Life DREAMPLUS has built a cooperative network among universities, startups, and major corporations. This has facilitated job creation by linking startups with skilled individuals. We launched our shared office space, "DREAMPLUS Gangnam", in 2018, beginning our "DREAMPLUS" initiative. We now manage other locations like "DREAMPLUS Yeoksam" and "DREAMPLUS Yeonnam", which are designed to foster startups. These spaces have grown beyond simple workspaces and have transformed into business hubs, attracting diverse members from the open innovation ecosystem. Furthermore, we support the growth of startups via a range of programs, including the "DREAMPLUS Founder Community". This initiative offers opportunities to strengthen business skills and participate in valuable networking, all grounded in the fundamental principles of "Connection, Sharing, and Collaboration". We also schedule regular seminars featuring experts at the forefront of their industries. In addition, we coordinate a variety of events in partnership with the government, public institutions, and allied companies to broaden the startup network. Looking ahead, DREAMPLUS is committed to undertaking a variety of actions to nurture startups and grow the ecosystem.

DREAMPLUS Key Performance

Startup support and incubation

340 companies supported



Support and incubation through international startup expansion programs

Cumulative **51** companies



Hosting various events to activate the startup ecosystem and expand networking

490 events held
Participation of **33,000** people



Startups moved into DREAMPLUS 63 center in 2023
(as of June 2023)

- **Healthcare** : TTAM Inc.
- **Investment solution** : Build Block Inc.
- **Finance data solution** : PeachTech Co., Ltd.



Support for Collaboration and Growth DREAMPLUS aims to provide a range of opportunities to those who are committed to realizing their dreams. We enable them to achieve their goals and contribute to a sustainable cycle of innovation through synergistic collaboration. As a catalyst for the inception and development of startups, we offer solutions that span the entire life cycle of a startup, from entrepreneurship to business expansion and global growth. To date, we have supported and nurtured over 340 startups. DREAMPLUS is committed to fostering the growth of promising startups, without restrictions related to industry, sector, methodology, or size. Within the DREAMPLUS center, we cultivate an environment that encourages active networking and collaboration among resident startups, corporate innovation teams, investors, and media.

Support for the Global Expansion of Startups DREAMPLUS Global has established several international hubs to aid startups via global expansion initiatives. We have developed a worldwide network through our overseas hubs, including DREAMPLUS San Francisco, DREAMPLUS Fukuoka, and DREAMPLUS Beijing, to assist startups aiming for international growth. Looking ahead, DREAMPLUS Global intends to broaden its reach to countries like Vietnam, Singapore, and key European nations. We will actively facilitate the international expansion and growth of startups through cross-border programs, offering tangible help such as funding and infrastructure support.

Startup Support and Incubation Program

Founder community operation

We connect key players in the startup ecosystem, including young founders (born in the 1990s), healthcare-related startups, and members of large-scale companies. Our aim is to support startups that demonstrate significant growth potential. We cultivate a culture of collaboration by promoting open-minded thinking and active information exchange, thereby encouraging cooperation. For instance, we have facilitated a collaboration between the drone data startup "ANGELSWING" and the artificial intelligence specialist company "Annotation AI" through a Memorandum of Understanding (MOU). This enables startups to generate synergy through collaboration.

Providing opportunities for startup scale-up

We facilitate meetings with government agencies, providing a platform to share the current state of the startup industry, make suggestions, and more. Furthermore, we promote startups through major events such as "NextRise" and "ComeUp".

Infrastructure support

We offer complimentary office spaces to startups to facilitate their steady business growth. Additionally, we assist startups in their business operations by converting information pertaining to legal, financial, and other facets of corporate management into content that can be beneficial for their business operations.

ESG Finance

Eco-Friendly Finance

“Hanwha Loan Planner” Launched

Hanwha Life has introduced the “Hanwha Loan Planner”, an electronic agreement system aimed at improving the experience of home equity loan customers through personalized loan counseling. The “Hanwha Loan Planner” is a paperless loan system that operates on tablet PCs, allowing loan counselors to manage the entire loan application process digitally, from consultation to loan document generation, during in-person customer visits. This system not only streamlines document preparation and processing, but also cuts costs and lessens environmental impact by eliminating the need for paper documents. By systematizing the entire loan process, the company has bolstered the security of customer personal information and prevented the omission of documents and signatures. Hanwha is planning to enhance the system by incorporating scraping technology into future loan operations, enabling customers to apply for loans directly via mobile without the need to submit physical proof documents.

Building an Eco-friendly Business System

Hanwha Life is minimizing its paper consumption through the digitization of its business operations and the promotion of a paperless culture. The implementation of the Hanwha One-Stop Platform, a digital sales system that utilizes tablet PCs, and LIFE MD, a platform that manages everything from recruitment to training and sales digitally, has led to a decrease in paper use and an increase in operational efficiency. The company has also helped reduce paper consumption by introducing a “customized agreement” system, which allows customers to choose only the terms of the actual insurance products they have purchased. Furthermore, the company is advocating for a paperless meeting culture, discouraging the printing of paper documents for various meetings.



Hanwha Loan Planner

CASE STUDY :: Sale of Personal Loan Products Reflecting ESG

As the demand for ESG practices continues to grow, Hanwha Life is committed to assisting its customers in incorporating ESG principles into their everyday routines. By providing loan products that reflect ESG values, Hanwha Life strives to contribute to the resolution of societal issues. In the first half of 2022, Hanwha Life demonstrated this commitment by integrating ESG factors into the process of applying for interest rate reductions on existing loans. In the latter half of 2022, Hanwha Life implemented a 0.1% interest rate discount policy for loans processed through a paperless system, successfully applying these interest rate discounts in 2,665 instances. In 2023, Hanwha Life intends to introduce a new ESG interest rate discount feature for mortgage loans targeted at households with multiple children. Our company will continue developing a diverse array of ESG financial products and services. Rather than perceiving ESG as a duty, we view it as an opportunity to aid our customers in generating social value through these initiatives.

New loans	<ul style="list-style-type: none"> Introducing a paperless system at loan windows Applying a 0.1% interest rate discount for mortgage loans using the paperless system Number of ESG interest rate discounts applied to new loans in 2022: 2,665 	Implemented (June 2022)
	<ul style="list-style-type: none"> Interest rate discounts for the head (or spouse of the head) of a multi-child household 	Under consideration for implementation in the second half of 2023
Existing loans	<ul style="list-style-type: none"> Adding ESG items* to the criteria for applying for interest rate reductions (increased income/property, improved credit rating) * Interest rate discount eligibility (when applying for an interest rate reduction): Ownership of an eco-friendly vehicle (low-emission vehicle, class 1)/Green mortgage property (limited to mortgage)/Head (or spouse of the head) of a household with three or more children Number of ESG interest discounts applied among existing loans in 2022: 1 	Implemented (May 2022)

ESG Investment

Expanding ESG Investments

Tracking ESG Trends: Developments after the Announcement of Divestment from Coal Financing

In January 2021, Hanwha Life, along with five other financial companies within the Hanwha Group (Hanwha General Insurance, Hanwha Investment & Securities, Hanwha Asset Management, Hanwha Savings Bank, Carrot General Insurance), announced their divestment from coal financing. Hanwha has decided to abstain from investing in or endorsing carbon-intensive projects, such as the construction of domestic and international coal-fired power plants. Furthermore, Hanwha has expressed its intention to steer clear of acquiring bonds associated with the development of coal-fired power plants, issued by special purpose companies (SPCs). We have also declared that we will not invest in corporate bonds tied to coal-fired power plants, regardless of their direct involvement in coal-fired power generation. This implies that we will reject any bonds used for the construction of coal-fired power plants, even if they are classified as general bonds.

Hanwha Life is actively engaged in pertinent global initiatives to comprehend ESG issues and incorporate ESG management practices within our organization. We are a signatory to the Carbon Disclosure Project (CDP) and have pledged our support for the United Nations Sustainable Development Goals (UN SDGs), the United Nations Global Compact (UNGC), the Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Sustainable Insurance (PSI).

CASE STUDY :: ESG Bond Issuance

In February 2022, Hanwha Life successfully launched a \$750 million (KRW 904.1 billion) ESG subordinated bond. The capital garnered from this ESG bond issuance is intended for investments that are both environmentally friendly and socially responsible. With the successful issuance of these ESG bonds, Hanwha Life is poised to expedite its ESG management efforts and contribute significantly to the broader sustainable development of society.

Strengthening Proactive Portfolio Risk Management by Introducing the ESG Watchlist

Hanwha Life has evaluated the investment strategy and areas for enhancement of the Performance Dividend Special Account, which implemented ESG investment guidelines in its second year. The ESG evaluation system, widely used in today's financial market, relies on corporate disclosure data. Despite having a systematic process in place, it somewhat retrospectively struggles to fully reflect ESG risks. Significant ESG risks, including embezzlement in various firms and subpar construction issues in major construction companies, were prevalent in the past year. To address this, we have instituted a new risk monitoring department within our existing ESG investment process. We have enhanced our proactive ESG risk management abilities by adopting the Watchlist system, a tool used by leading domestic and international institutions.

The ESG Watchlist's introduction lessens the dependence on corporate disclosure data that has a time lag of over six months. It also functions as a platform for routinely monitoring and addressing ESG risk incidents in the target investment firms. Companies on the Watchlist are managed internally, taking into account their market impact, and they minimize external disclosures as much as possible.

Establishment of a "Monitoring" Unit Within the ESG Investment Process

ESG investment guidelines for performance-based dividend special accounts

Chapter 3: Monitoring and Management

Article 8 (ESG Watchlist)

- ① The ESG Watchlist (hereafter known as the "Watchlist") is designed to strengthen a proactive management system for potential ESG risks within the portfolio by identifying companies that may be susceptible to significant ESG incidents or accidents.
- ② Companies that experience incidents or accidents deemed to carry significant ESG risks will automatically be added to the Watchlist and identified as subjects for monitoring.

ESG investment guidelines for performance-based dividend special accounts

Chapter 5: Monitoring

Article 8 (ESG Watchlist)

- ① The company monitors the occurrence of ESG-related risks for investment target companies through the ESG Watchlist (hereinafter referred to as the "Watchlist").

* Excerpt from the revised investment guidelines

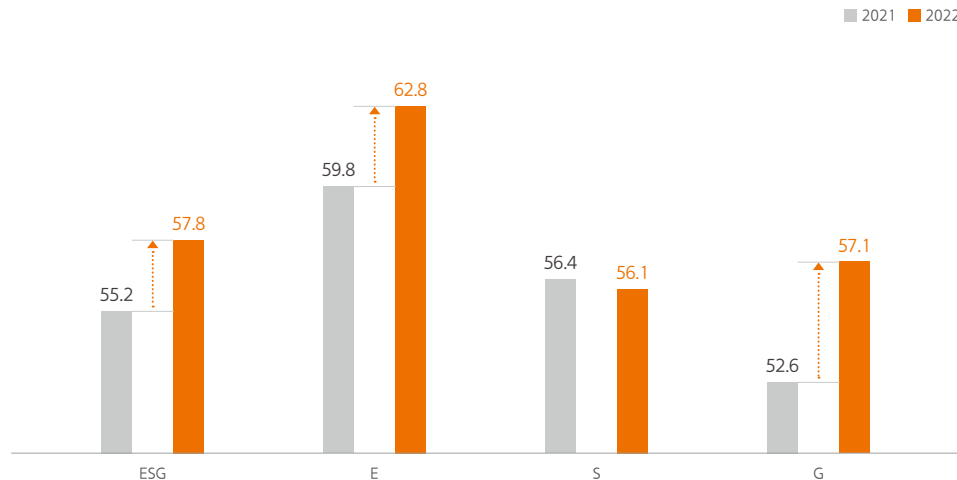
ESG Investment

Qualitative Growth of ESG Investments

Increase in ESG Scores for Domestic Equity Portfolio

In 2021, Hanwha Life implemented an ESG investment protocol and guidelines within its performance-based dividend special account. This facilitated decision-making processes that incorporate ESG factors, based on these guidelines. In 2022, alongside the launch of the ESG Watchlist, we prioritized the proactive management of ESG risks and the strengthening of associated systems. Our goal was to guarantee a smooth ESG investment process that aligns with our existing guidelines. By concentrating on the qualitative growth of ESG investments, we have effectively incorporated ESG elements into our investment portfolios. This has resulted in a substantial rise in ESG scores for our domestic equity portfolio. Furthermore, in light of the growing market interest in shareholder activism, we have taken the initiative to strengthen the Governance component within our portfolios. Looking ahead, we will persist in broadening our positive influence in the environmental, social, and governance sectors through ongoing ESG risk management.

ESG Scores for Domestic Equity Portfolio



* Equity allocation among various account assets

Expanding ESG Investments

ESG Investment Performance

Hanwha Life is actively embracing ESG management through our “Green Life 2030” initiative. This involves increasing our investments in sectors that are environmentally friendly and socially responsible, in response to the growing societal demand for ESG investments. We are particularly focusing on investments in renewable energy sources like solar power, wind power, and fuel cells. Additionally, we are investing in environmentally conscious initiatives related to water resources and wastewater management. We are also bolstering our socially responsible investments in areas that contribute to public and social welfare, such as schools and cultural facilities. Our aim, through these diverse ESG investments, is to foster sustainable development throughout society while simultaneously enhancing the overall strength and stability of our assets.

2022 ESG Investment Performance

(Unit: KRW million)

Eco-Friendly Investments

Renewable Energy

1,055,987



Water Resources and Wastewater Treatment

400,220



Schools and Cultural Facilities

100,801



CASE STUDY :: Development Project of Hyunjongsan Wind Power Complex in Uljin County, North Gyeongsang Province

Hanwha Life, committed to the advancement of wind power, has invested in the Hyunjongsan Wind Power Project in Uljin County, North Gyeongsang Province as an institutional investor. This project entailed the construction of a 60.6 MW wind power plant, consisting of 16 units with a capacity of 3.6 MW each and one unit with a capacity of 3.0 MW. The plant is located in Maehwa-myeon and Giseong-myeon, in close proximity to Hyunjongsan. Initiated in 2016, the project reached full commercial operation in 2019, with the aim of producing and selling eco-friendly energy. As part of the revitalization strategy for Uljin County, the project has transformed the Hyunjongsan area, previously ravaged by a fire in 2007, into a large-scale wind power complex. This has contributed to the development of the local tourism infrastructure and has stimulated the local economy. The project yields both environmental and social benefits. Hanwha Life intends to broaden its renewable energy operations, decrease greenhouse gas emissions from fossil fuel consumption, and enhance the use of renewable energy sources. This aligns with the company’s ongoing commitment to sustainable business practices.

ESG PERFORMANCE

Environment / Social / Governance



Internalizing Environmental Protection and Eco-Friendly Management

Environment

ESG

PERFORMANCE

Environmental Management System

Responding to Climate Change

Environmental Impact Reduction



Environmental Management System

Environmental Management Guidelines

Hanwha Life is committed to incorporating environmental sustainability into all aspects of its operations. This is achieved by creating and strictly following environmental management guidelines.

Hanwha Life
Environmental Management Guidelines

- Hanwha Life strictly adheres to environmental regulations and engages in eco-friendly activities.
- Hanwha Life develops environmental management plans and specific goals, regularly evaluates progress in the implementation of those plans, and strives for continuous improvement.
- Hanwha Life minimizes negative environmental impacts during business operations and reduces greenhouse gas emissions in response to climate change.
- Hanwha Life is committed to improving environmental management through green financial products and eco-friendly investments.
- Hanwha Life provides environmental management training to all employees to foster an understanding of the company's policies and an environmental management culture.
- Hanwha Life transparently shares its green initiatives and achievements with stakeholders.

Environmental Management Organization

Hanwha Life established a Sustainability Management Team, specifically tasked with environmental stewardship. This team conducts systematic analyses of the environmental consequences of business activities and formulates strategies to diminish the company's ecological impact. At present, their primary focus encompasses tackling climate change through a range of green initiatives. These include the creation of climate strategies, the promotion of low-carbon workplaces, and the improvement of energy efficiency.

Environmental Management Organizational Chart



Environmental Management Performance

Environmental Management Performance Monitoring

Hanwha Life has implemented a monitoring system to assess the effectiveness of its environmental management initiatives. The insights gleaned from this system are integrated into future strategies, thereby embedding eco-friendly management throughout the organization. We have installed the Building Energy Management System (BEMS) at all business sites to monitor energy usage and greenhouse gas (GHG) emissions. By analyzing a range of environmental data, including GHG emissions, energy consumption, and water usage, as well as internal and external environmental impacts and operational conditions, we establish corporate environmental objectives. We also evaluate the annual results and achievements of these objectives. Moreover, we manage risks associated with climate change by enhancing our environmental management capabilities. This allows us to seize opportunities that arise from such proactive responses.

Environmental Management Compliance

We have established internal mechanisms to ensure regulatory compliance, including a registry of environmental regulations. This enables us to identify and evaluate our adherence to the primary legal requirements, a process that is regularly audited. In 2021, we successfully achieved full compliance with environmental regulations. We are dedicated to preserving this compliance through continuous internal supervision.

ISO14001 Certification

In June 2022, Hanwha Life secured ISO 14001 certification, a globally recognized set of environmental management standards developed by the International Organization for Standardization (ISO). This achievement allowed us to construct an internationally acknowledged environmental management system. As a result, we have implemented an environmental management policy and established a dedicated organization. We are actively promoting eco-friendly management through initiatives such as greenhouse gas reduction activities, the utilization of renewable energy, and a variety of eco-friendly campaigns. Our commitment to maintaining a world-class environmental management system remains steadfast. Our strategy is comprehensive, aiming to minimize environmental impact, contribute to a resource circulation society, foster eco-friendly employee participation, and augment ESG investments.



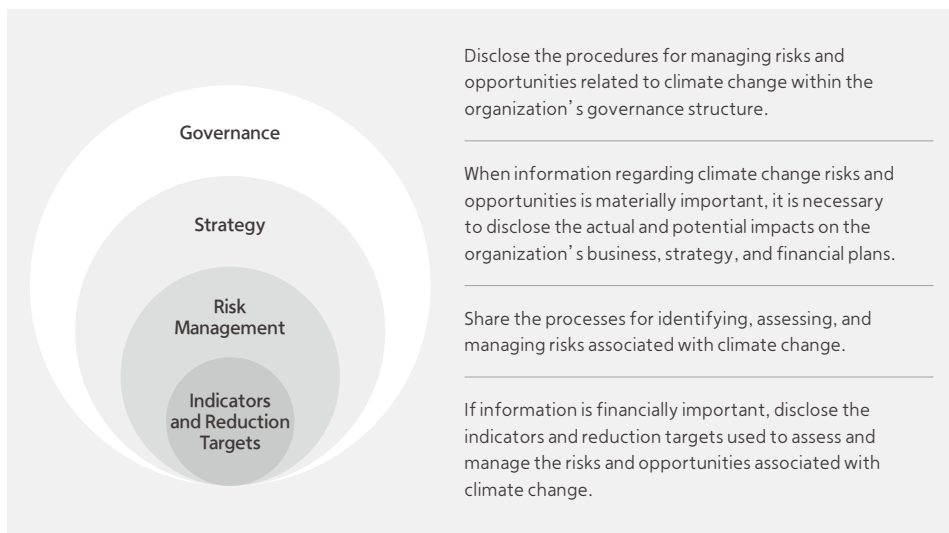
ISO14001 Certification

Response to Climate Change

Declaration of support for TCFD

The Task Force on Climate-related Financial Disclosures (TCFD) is an international organization established in 2015 by the Financial Stability Board (FSB) under the auspices of the G20. Its role is to facilitate informed decision-making by internal and external stakeholders through the disclosure of a company's financial information related to climate change. The Recommendations for Climate-related Financial Disclosure, introduced by the TCFD in 2017, comprise 11 categories spanning four crucial areas related to climate change. These areas include governance, strategy, risk management, indicators, and targets. Hanwha Life is proactively engaging in climate change mitigation efforts across all business sectors, in line with the TCFD recommendations. The company is also transparently disclosing relevant information, thereby enhancing its ESG management.

TCFD Recommendations



Governance

In 2021, Hanwha Life has bolstered its enterprise-wide ESG management through the formation of a new Sustainability Management Committee within its board of directors. This committee serves as the paramount decision-making body for the development and enhancement of ESG management strategy. It formulates policies and strategies across all ESG-related areas, deliberates on mid-to long-term objectives, and aids in the internalization of our ESG management. Specifically, we are examining strategies related to climate change, managing risks and opportunities, and planning response activities. We are also making final decisions to address the escalating severity of recent climate change.

The Board of Directors, which includes the CEO, internal directors, and independent directors, approves objectives related to significant climate change issues that materially affect the company's business strategy and performance. The Sustainability Management Team, operating under the Sustainability Management Committee, is responsible for a range of duties. These include developing plans to address climate change and executing and facilitating the associated activities.

Climate Change Response Governance



Response to Climate Change

Strategy

In a proactive response to climate change, Hanwha Life is identifying and managing potential risks and opportunities that may arise from it. This is achieved by implementing comprehensive strategies across the company. We are examining potential actions to mitigate individual climate change-associated risks. This is based on a comprehensive risk analysis, where we separately manage the transition risk arising from the shift to a low-carbon economy and the physical impact of climate change. Furthermore, we aim to enhance our competitiveness by developing a risk mitigation plan that encompasses all aspects of our business, including product planning and asset management.

To systematically identify risk and opportunity factors, we intend to manage our carbon footprint within our asset portfolio. This will be achieved by measuring and analyzing our carbon footprint relative to sales revenue, examining scenarios related to climate change, and estimating potential losses. Moving forward, we will strive to continually enhance profitability. This will be done by developing an effective strategy that minimizes risks and maximizes opportunities, responding to climate change and securing a competitive advantage in our business operations.

Climate Change-related Risks

Category	Risk	Description	
Transition Risks	Policy and Legal	Risks related to the emissions trading system, stronger disclosure obligations for carbon-related information	A rise in greenhouse gas emission permits price could increase operating costs for investment companies, cause mid- to long-term financial risks, and result in a lower return on asset operations
	Technology	Risks caused by replacing existing products with products based on low carbon technology, entailing investments in new technology that ultimately fails	The financial value of the investment company could decline due to a failure to invest in green technology development or a possible loss of competitiveness as a result of not securing green technology compared to competitors, which could result in a lower return on asset operations.
	Reputation	Risks from changing perception of customers and/or communities, criticism of specific industries, greater stakeholder concern	Failing to properly respond to climate change risks or suspected greenwashing can increase the risk of customer churn due to negative corporate reputation, falling stock prices due to a loss of brand value, and withdrawal from investment institutions.
Physical Risks	Acute Risks	Risks from natural disasters such as typhoons, floods, earthquakes, or equivalent natural phenomena	Natural disasters such as typhoons and floods caused by global warming can result in financial losses in investment assets or within the company. A disaster can damage the value of investment assets, and the company's financial losses caused by downtime or machine failure and damage at the business site of the investment company could lead to low return on asset operations.
	Chronic Risks	Risks from climate change due to persistent high temperatures that can cause sea level rise or regularly occurring heat waves	Extreme climate events due to climate change may increase health-related costs or mortality, and the profitability of the insurance business may deteriorate as health inequality increases in social groups vulnerable to climate change.

Climate Change related Opportunities

Category	Opportunity	Description
Resource Efficiency	Reduce operating costs through improved efficiency throughout the production and distribution processes	<ul style="list-style-type: none"> Increasing asset management returns : Innovating as a result of efforts of the investment company to respond to climate change, technology development, reducing operation cost, and increasing corporate financial value through successfully creating opportunities in new markets
Energy Resources	Technology for low-carbon energy and the use of low-carbon energy	
Goods and Services	Low-carbon products and services	<ul style="list-style-type: none"> Creating new investment opportunities : Creating new investment opportunities due to the expansion in the green industry
Market	New market opportunities	
Resiliency	Developing adaptable skills to respond to climate change	<ul style="list-style-type: none"> Improving brand value : Building a positive reputation through recognition for efforts to respond to climate change and promote long-term brand value

Response to Climate Change

Risk Management

Hanwha Life is advancing its investment decision-making process by considering not only financial factors but also ESG factors and associated risks. As a result, in 2021, we announced our divestment from coal financing, thereby restricting new investments and loans related to coal. We will no longer participate in any financial investment or support for coal-fired power generation. Furthermore, we aim to broaden our investments in green-related assets, such as renewable energy, to become a leader in the global renewable energy sector. Investment decisions for the assets in the Special Accounts for Performance Dividend were made with ESG elements in mind. We have separately established ESG investment standards and guidelines to lay the groundwork for the systematic implementation of the ESG investment process. Additionally, to ensure the consistent promotion of ESG investment policies throughout the management process, we have added a new ESG item to the evaluation criteria for trust management in the special account of the Performance Dividend. This will allow us to review and manage the direction and expertise of the ESG investment policy held by the manager.

Estimated Loss by Scenario¹⁾ (Physical + Implementation Risk)

Scenario	Asset Value (As of 2021)	Estimated Loss		
		2030	2040	2050
① Maintaining current policies (CP)		KRW 0.2 trillion	KRW 1.2 trillion	KRW 2.8 trillion
② Delayed Transition (DT)	KRW 39.3 trillion	KRW 0.2 trillion	KRW 4.0 trillion	KRW 4.5 trillion
③ 2050 carbon neutrality (NET-Zero 2050; NZ)		KRW 0.6 trillion	KRW 1.0 trillion	KRW 1.2 trillion

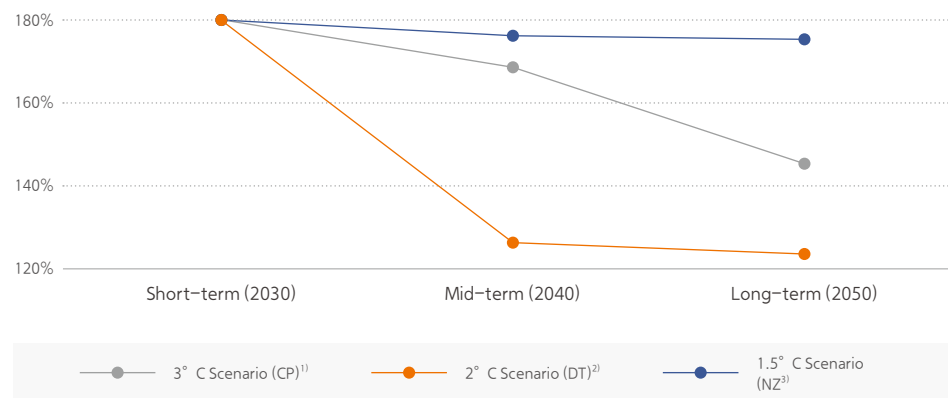
1) Analysis of listed/unlisted stocks, bonds, corporate loans, PF, and commercial real estate

Analyzing scenarios Based on Climate Change

Hanwha Life is currently identifying various risks and opportunities that arise from climate change. We are estimating the financial impacts of each scenario to develop strategies for climate change response. If a robust carbon-reduction policy is implemented post-2023, based on the Delayed Transition scenario among the six climate change scenarios proposed by the Green Financial Cooperative (NGFS), our asset value, considering the anticipated climate risk, is projected to decrease by up to KRW 4.5 trillion. This would significantly lower the solvency margin ratio.

We are strengthening our ESG investment criteria and guidelines to foster an ESG investment climate and to encourage sustained responses to climate change. This is achieved by motivating companies in which we invest to lower their carbon emissions. Furthermore, we will set quantifiable targets with the aim of achieving carbon neutrality by 2050. These targets will be used to gauge company-wide financial emissions and climate risk, with plans in place to systematically manage the associated data.

Financial impacts (Risk-based Capital Ratio)



1) Maintaining current policies (CP)
 2) Delayed Transition (DT)
 3) 2050 carbon neutrality (NET-Zero 2050; NZ)

Response to Climate Change

Indicators and Reduction Targets

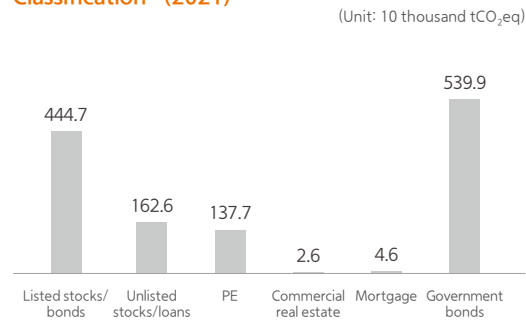
Hanwha Life is committed to systematically managing greenhouse gases with the aim of achieving carbon neutrality by 2050. As part of this commitment, we annually calculate and disclose pertinent data such as energy consumption, greenhouse gas emissions, and the monetary value of these emissions in Korean Won (KRW) in our Sustainability Management Report. To enhance the precision of our greenhouse gas emissions data, we are in the process of developing a greenhouse gas inventory system. This system will streamline the collection, recording, accounting, and management of data. It will also differentiate between Scope 1 and 2 emissions, with plans to expand data reporting to include Scope 3 emissions in the future. Furthermore, we intend to carry out greenhouse gas verification to bolster the reliability of our data. In setting our reduction targets, we take into account a variety of factors. These include environmental impact data, both internal and external environmental influences, and the operational conditions of our business. All of these considerations are based on historical performance data related to energy use and greenhouse gas emissions.

In recent years, the significance of managing Scope 3 emissions in the pursuit of carbon neutrality has been underscored, and the responsibility of the insurance industry to reduce carbon emissions has grown. The company will monitor international discourse on this matter to comprehend the implementation plan for public disclosure standards. This will enable us to take forward-thinking steps, such as decreasing investment and insurance purchases from high-carbon companies, in the long term.

Asset Portfolio Financial Emissions (Scope 3)

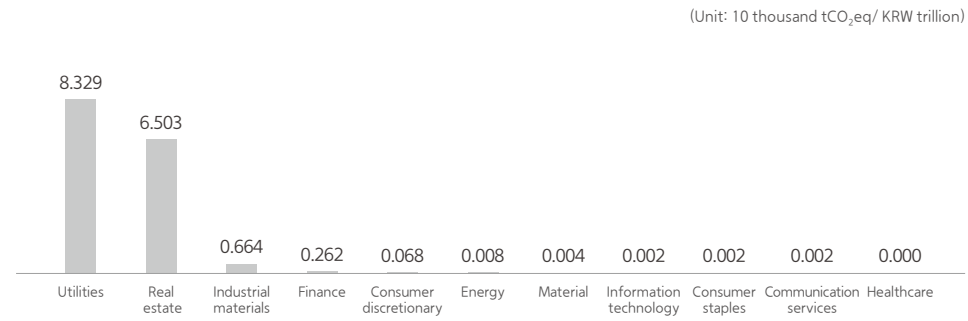
Hanwha Life has utilized the Planet Carbon Accounting Finance (PCAF) methodology to compute the carbon footprint of its asset portfolio, spanning six asset classes. This approach allows us to systematically manage and reduce the carbon footprint produced during our financial investment activities. In the future, we aim to refine our measurement methodology for the carbon footprint of our asset portfolio, thereby broadening our target asset range. We are committed to undertaking various projects aimed at reducing carbon emissions, not only within our own organization, but throughout our entire value chain.

Financial Emissions Status by PCAF Asset Classification¹⁾ (2021)



1) Based on Hanwha Life (excluding subsidiaries)

Carbon Intensity by Industry Sector²⁾



2) Analysis of stocks, bonds, and loan assets

Financial Emissions Reduction Goals



Response to Climate Change

GHG Reduction Activities

Energy and GHG Reduction

Hanwha Life is actively implementing eco-friendly management to mitigate the risk of climate change, which has been one of the world's most serious environmental issues. To reduce GHG emissions, we set a GHG reduction target each year, and develop and initiate emissioncutting projects to achieve our goals. Examples include an energy-efficient control system and the conversion of our lighting systems to LED lamps.

In 2020, 100 carbon reduction ideas were carried out, resulting in reductions of 903tCO₂eq. In 2020, we eliminated 609tCO₂eq through 79 ideas, and in 2022, we reduced emissions by 610tCO₂eq through 65 projects. Over the past three years, a total of 244 of such projects have been implemented to reduce GHG emissions by 2,122tCO₂eq in total. In 2023, we plan to undertake 70 initiatives to achieve reductions of 600tCO₂eq. We are also continuously working to review and promote self-energy reduction activities, improve energy efficiency of major facilities, and expand our use of new and renewable energy.

GHG Reduction Target and Implementation Performance

2023 Target	GHG emissions down 1.7% from previous year (600tCO ₂ eq reduction)
2022 Target	GHG emissions down 1.6% from previous year (661tCO ₂ eq reduction)
Implementation Plan and Status	Installation of LED lamps, efficient operation of air handling units, fan, and pump, etc.
2022 Performance	Reduced GHG emissions by 610tCO ₂ eq

Mid- to Long-term Energy Use Plan

Phase	Phase 1 (-2023)	Phase 2 (-2026)	Phase 3 (-2028)	Phase 4 (-2030)
Direction	Promotion of self-reduction activities	Replacement of major equipment, etc.	Implementation of renewable energy	Expansion of renewable energy
Reduction goals (compared to 2018)	10%	18%	25%	32%

* Achieved energy use reduction by 17,060TOE in 2022, exceeding the target amount (17,132TOE)

Use of High-efficiency Equipment

Inverter Elevating Equipment and High-efficiency Transformer Installation

Hanwha Life has upgraded 11 elevators across three buildings (Busan, Jeonju, and Jeju) to high-efficiency, inverter-style equipment. This move aligns with our internal and external environmental policies and enhances the experience for our customers. The improved electrical efficiency has resulted in an annual energy saving equivalent to approximately 13,000 kWh. This contributes to our green initiatives, equating to the carbon absorption of over 1,505 plants (6,215 kg of CO₂). We are committed to continually updating our older facilities with high-efficiency equipment. Furthermore, we will persist in our efforts and research to conserve energy and foster a more sustainable environment.

Expanded Use of Renewable Energy

Data Center Solar Panels

Hanwha Life has installed solar panels in the unused space on the roof of its data center building to ensure constant power, and it is expanding its eco-friendly data processing operations to enhance energy efficiency.

Janggyo-dong Building Solar Panels

Our renovation of the Janggyo-dong Building at Hanwha Life has broadened our use of sustainable energy through the installation of solar panels on the exterior walls and rooftops. We've mounted 468 solar panels on the outer walls and an additional 396 on the roof, which collectively generate about 2.5% of the electricity required for the building's operation (approximately 134 kW). In 2022, these solar panels produced around 106,883 kWh of electricity, which we then supplied to various power facilities, including the Air Handling Unit. This shift to solar power has led to a significant reduction in our energy consumption, saving us approximately KRW 14 million on our annual electricity bills. Moreover, it has contributed to the mitigation of the greenhouse effect and the preservation of ecosystems, equivalent to planting 12,370 trees (offsetting 51,100 kg of CO₂ emissions) each year. Moving forward, we will continue to meticulously maintain and manage our solar facilities, and remain committed to proactively addressing climate change.

Environmental Impact Reduction

Internalization of an Environmental Culture

Participation in Energy-Saving Campaigns and Lights-Out Events

Hanwha Life is a proud supporter of Earth Hour, a worldwide initiative spearheaded by the World Wildlife Fund to curtail greenhouse gas emissions. In line with the annual event’s objective to heighten awareness of climate change threats and promote environmental conservation, we switch off our billboard lights, landscape illumination, and exterior lights for one hour on the final Saturday of March (March 26) at 8:30 PM. Moreover, we are active participants in a range of initiatives, such as a 5-minute lights-off event on Energy Day (August 22). This event is coordinated by the Energy Citizens Alliance and sponsored by the Seoul Metropolitan City and the Ministry of Trade, Industry and Energy. We also implement a 2-degree increase in the air conditioning temperature. Through these energy-conserving practices, we not only contribute to a stable electricity supply during the peak summer period but also reduce greenhouse gas emissions. Looking ahead, we plan to actively participate in various energy-saving campaigns and strive to foster a shared understanding of the climate change crisis to aid in reducing carbon emissions.

Employee Environmental Education

All our employees participate in a range of environmental education programs. These programs aim to enhance our employees’ environmental awareness by providing high-quality educational content. This includes ingraining principles of environmental management, fostering environmental consciousness, keeping abreast of the latest regulatory changes, and helping them comprehend climate change and environmental trends. The focus of our environmental education in 2022 was “Climate Change and Eco-Intelligence”. This theme helped to deepen understanding of the relationship between human activities and nature, while also nurturing a sense of connection and empathy towards the natural world. We also incorporated greenwashing case studies into team assignments. To further promote environmental stewardship, we will persist in offering regular environmental education to our employees. Additionally, we plan to develop educational programs centered on employee engagement, with an emphasis on interactive learning.



Official poster for 19th Energy Day

The Give Green Campaign

In December 2022, we launched the “Give Green Campaign” for approximately two weeks, in partnership with the Miral Welfare Foundation’s Goodwill Store. Our employees donated unused clothing, accessories, books, and electronics to the Goodwill Store, which serves as a vocational rehabilitation facility for individuals with disabilities. These donated items were then sorted, priced, and sold by our employees who have disabilities. Around 140 employees participated in this initiative, contributing over 5,800 items with an estimated resale value of about KRW 15 million. As a result, job opportunities were created for individuals with disabilities, and resource recycling was implemented to help preserve the environment. Additionally, employees who made donations were eligible for tax deductions during the year-end tax settlement, ensuring that both donors and recipients benefited from this socially responsible initiative. We are committed to fostering innovative social contributions that encourage a culture of sharing.

Participation Achievements

Category		2022
Length of the campaign		16 days
Participants		140 persons
Donated items		5,800 items
Donation value equivalent to sales		15,400,000 KRW
Monthly employment creation for people with disabilities		10 persons
Social value creation	GHG reduction (1.3 kg of emissions per suit produced)	7.5t
	Water consumption savings (2,700 L required to produce one t-shirt)	15,660,000L
	Pine tree planting effect (CO ₂ reduction equivalent to planting pine trees)	1,142 trees

Donated Items

Donated Items	Number of Donations
Clothing	3,652
Accessories (bags, shoes, scarves, gloves, etc.)	606
Household items (kitchenware, decor, etc.)	93
Health/Beauty products (detergents, cosmetics, etc.)	129
Cultural items (books, stationery, toys, hobby items, etc.)	1,270
Small appliances/furniture	36
Food	14
Total	5,800

Environmental Impact Reduction

Biodiversity Conservation

Yeouido Saetgang River Conservation

Otters, classified as a Class I endangered species and recognized as a natural monument, were found in the Saetgang river in Yeouido in 2021. Since this discovery, employees from Hanwha Financial affiliates, headquartered in Yeouido, have been actively involved in volunteer conservation efforts. These efforts are in partnership with World Vision and the social cooperative Hangang. The Eurasian otter, a species indigenous to Korea, is currently estimated to have a population between 1,000 and 3,000 individuals as of 2023. They are categorized as “Near Threatened” on the International Union for Conservation of Nature’s Red List of Threatened Species. Our work in monitoring these apex predators is crucial for the protection of not only their habitats but also the species that are lower in the food chain. Additionally, we are creating protected zones to increase awareness about the significance of otters. In our commitment to safeguard the Saetgang ecosystem, we continually participate in biodiversity conservation activities. These include nurturing saplings and observing fish and bird populations in the area.

The Orange Koala Campaign

In May 2022, we initiated the “Orange Koala” digital campaign as part of our ongoing commitment to ESG management. The campaign aimed to heighten societal awareness about endangered species and advocate for environmental conservation. The Koala, a species imperiled by the reckless devastation of its natural environment, was the focal point of this campaign. For every “like” or “comment” on posts associated with the Orange Koala donation campaign on Hanwha Life’s official Instagram account, we contributed KRW 1,000. These funds were given to the Green Asia Network, a globally recognized NGO that tackles worldwide environmental challenges.



Yeouido Saetgang River Conservation



Creating protected zones for Otters



The Orange Koala Campaign

Environmental Impact Reduction

Environmental Impact Reduction

Paperless Work Environment

Hanwha Life utilizes certified eco-friendly paper, indirectly shrinking its environmental footprint. This independent third-party certification guarantees that the paper originates from forests managed sustainably, considering environmental, social, and economic effects. We are dedicated to procuring products certified by the FSC¹⁾ and the PEFC²⁾. Specifically, we are strengthening our commitment to sustainable purchasing across the entire supply chain, from tree harvesting to the production of lumber, pulp, and paper, right through to printing and distribution to the final consumer.

- 1) FSC (Forest Stewardship Council Certification): A voluntary international standard for sustainable forest management, established by the FSC.
- 2) PEFC (Programme for the Endorsement of Forest Certification): An environmentally friendly certification established by an international non-profit and non-governmental organization that provides third-party certification to ensure the sustainable use of forest resources.

Encouragement of Eco-Friendly Purchases

Hanwha Life is making a conscious effort to buy eco-friendly office supplies, as a way to promote environmentally responsible purchasing. We are minimizing the use of chemicals and water pollution by supplying natural soap at our customer service centers. Additionally, we source products from social enterprises that hire individuals with disabilities, thereby indirectly fostering social value.

Hanwha Solar Forests

In 2011, the Hanwha Group launched the “Hanwha Solar Forests” campaign, an eco-friendly initiative aimed at addressing climate change and environmental issues. This campaign utilizes solar energy to cultivate seedlings and foster eco-friendly forests both locally and globally. Hanwha Life is an active participant in this campaign, contributing to a range of environmental benefits including desertification prevention, water and air purification, soil erosion control, and carbon reduction and offset. Starting with the Tujin Nars Nature Reserve in Mongolia, the campaign has established ten forests in China, Korea, and other locations. To date, approximately 540,000 trees have been planted across an area of roughly 1.47 million square meters.

CASE STUDY :: Signing of an MOU on Resource Circulation for ESG Management

In 2023, Hanwha Life became the first local financial institution to establish a resource recycling system for electrical and electronic products, following the signing of an MOU with E-Circular Governance on “Resource Circulation Practice for Electric and Electronic Products”. As per the MOU, we had disposed of 378 ID card scanners by the end of April 2023, and plan to recycle approximately 1,800 printers within the year through E-Circular Governance. We aim to enhance transparency by validating the entire process, from waste disposal to recycling, via the Korea Environment Corporation. Consequently, we expect an annual reduction of 570 tons of carbon emissions, resulting from the recycling of an estimated 172 tons of electrical and electronic product waste.



Social Responsibility and Shared Management

Social

ESG

PERFORMANCE

Customer-Centered Management

Improving Customer Satisfaction

Social Contribution Initiatives

Human Resources Management

Human Rights Management



Customer-Centered Management

Consumer Protection Strategy

Hanwha Life places consumer protection at the forefront of its operations, from product development to sales and post-sale management, and is actively working towards this goal. By observing “Financial Consumer Protection Day”, we foster a customer-centric management culture, strengthen our commitment to practical applications, and regularly broadcast educational content related to consumer protection. We are intensifying our efforts to establish a culture of preventing mis-selling by formulating internal rules in line with the Act on the Protection of Financial Consumers. Furthermore, we regularly refine and monitor our customer response procedures and guides. This is achieved by incorporating changes in consumer-related laws and regulations, customer feedback (voice of the customer; VOC), results from internal and external assessments, best practices, and company-wide monitoring outcomes. This approach is aimed at bolstering the standard of consumer protection throughout the company.

Consumer Protection Strategies

Promotion of financial consumer rights and interests

Ongoing reduction of external complaints

- Reducing complaints by improving policies, processes, and systems
- Decreasing the frequency of complaints related to mis-selling (or recruitment)
- Reducing the recurrence of complaints by strengthening collaboration with relevant departments such as the Claims Management Team and Insurance Service Team

Reinforcing conflict prevention

- Strengthening complaint prevention training and improving incomplete sales assessments
- Improving systems and processes through the Consumer Protection Working-level Council and VOC analysis
- Enhancing customer satisfaction through a VOC system usability improvement project

Improving mis-selling prevention management

- Implementing “Financial Consumer Protection Day” (monthly)
- Reinforcing standards of measures for violations of the Act on the Protection of Financial Consumers
- Prepare measures for financial planners (FPs) who did not comply with the regulation requiring handwritten signatures by customers themselves and have issues related to personal information protection

Consumer Protection Roadmap

Prevent mis-selling	>	<p>Ongoing improvement of mis-selling prevention (2023)</p> <ul style="list-style-type: none"> • Reorganizing internal regulations such as standards and guidelines related to the Act on the Protection of Financial Consumers • Achieving a mis-selling rate of 0.06% or less • Establishing a system to rapidly address customer complaints/inconveniences 	>	<p>Achievement of the highest level of mis-selling prevention (2024–2026)</p> <ul style="list-style-type: none"> • Complying with the Act on the Protection of Financial Consumers and continuing innovation in mis-selling prevention management • Achieving a mis-selling rate of 0.05% or less
Reduce complaints	>	<p>Improvement of the complaint management system (2023)</p> <ul style="list-style-type: none"> • Consistently strengthening the company-wide complaint management system • Empowering the Consumer Protection Center • Advancing major consumer protection management indicators (DAP establishment) 	>	<p>Achievement of the highest level of civil complaint management (2024–2026)</p> <ul style="list-style-type: none"> • Achieving the highest ranking in terms of the number of complaints, and complaint processing period in the financial consumer protection status evaluation • Innovating systems and processes related to external complaints

CASE STUDY :: Establishment of a Consumer-Oriented Management Culture

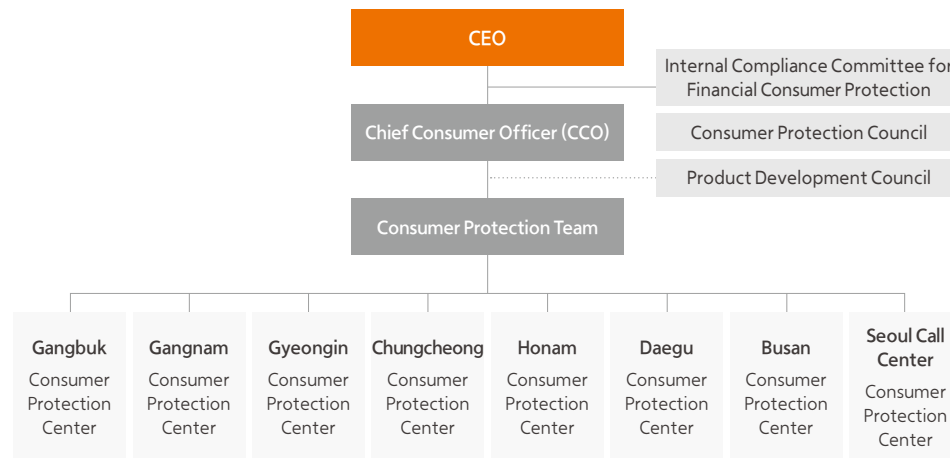
Hanwha Life is actively implementing consumer protection measures to adhere to the Act on the Protection of Financial Consumers. We are committed to fostering a consumer-centric management culture by enhancing our organizational culture. In 2022, we organized a “Financial Consumer Protection Day” and launched a monthly consumer-centric management campaign for all our employees. Moreover, we have introduced a process to prevent mis-selling, which is a significant step towards advancing consumer protection. This involves ongoing efforts such as collaborating organically with our sales subsidiary, the General Agency (GA), conducting inspections, and facilitating on-site communication to mitigate mis-selling. We also ensure compliance with six sales guidelines and fulfill our duty to provide clear explanations to our customers. We are consistently working towards establishing a consumer-centric organizational culture. This involves scrutinizing and refining systems and processes related to financial consumer protection, always keeping our customers’ perspectives at the forefront.

Customer-Centered Management

Consumer Protection Organization

Hanwha Life is bolstering a range of consumer protection initiatives through the operation of the Consumer Protection Team, a specialized organization that reports directly to the CEO. This team is divided into two sections: the Consumer Planning Part and the Consumer Protection Part, each with its own specific responsibilities. The Consumer Planning Part is tasked with the creation and execution of policies related to consumer protection. This includes managing the prevention of mis-selling and overseeing external evaluations. It also promotes a management culture that is centered around the customer and approves product advertisements and promotional materials. Furthermore, the Consumer Protection Part is committed to handling both internal and external complaints. It also advocates for improvements to prevent future complaints, using VOC analysis as a tool for this purpose.

Consumer Protection Organization



Internal Compliance Committee for Financial Consumer Protection

Hanwha Life operates an Internal Compliance Committee for Financial Consumer Protection, which serves as a decision-making entity for matters related to financial consumer protection. The committee consists of the CEO, the Chief Consumer Officer (CCO), the Compliance Officer, the Risk Management Officer, and other executives responsible for financial consumer protection, as appointed by the CEO. Furthermore, a biannual meeting, overseen by the CEO, is conducted to assess the design and operational aspects of management strategies related to financial consumer protection. This includes major system modifications, product development, business practices, information disclosure, and the employee performance compensation system. The meeting also provides a platform to review and discuss measures in response to the findings of financial consumer protection-related inspections.

Consumer Protection Working Group

The Consumer Protection Council is composed of nine members. The Chief Compliance Officer (CCO), appointed by the CEO, serves as the head of the council. Other members include the leaders of the Insurance Service Team, Underwriting Team, Claims Management Team, Insurance Business Enhancement Team, GA Department, Corporate Planning & Administration Team, Product Development Team, and Compliance Team. The council's responsibilities encompass the enhancement of key consumer protection systems, relevant policies, and work processes. It also promotes tangible management improvements based on VOC feedback. The council reviews significant customer-related issues at every stage, from product development to sales, contract maintenance, and post-management. It establishes appropriate responses for each issue and safeguards customer rights by swiftly making decisions on suspected financial incidents. Moreover, the council identifies various improvements from the consumers' perspectives, including the management of financial product advertisements and VOC-related work improvements. This is done to strengthen consumer protection and enhance customer satisfaction.

Consumer Protection Center

Hanwha Life operates eight consumer protection centers across the nation under the guidance of the Consumer Protection Team, with the aim of enhancing its on-site consumer protection capabilities. The Consumer Protection Center broadens the roles and powers of consumer protection managers, providing support for training planning and implementation to prevent consumer harm. It upholds its responsibility for consumer protection by swiftly safeguarding consumer rights and interests. To contribute to the company-wide council and enhance our systems, complaints received at the Consumer Protection Centers are disseminated on a monthly basis.

Customer-Centered Management

Consumer Protection Activities

Fair Trade Commissioner's Commendation for Excellent Companies and Pledge to the Financial Consumer Protection Charter

In December 2022, Hanwha Life was honored with the Fair Trade Commissioner's Commendation at the 27th Day of Consumer Right ceremony, hosted by the Fair Trade Commission. This recognition was due to our significant improvements in systems and processes aimed at protecting financial consumers, as well as our commitment to customer-centric management. In January 2023, we reaffirmed our commitment to the Financial Consumer Protection Charter through a pledge ceremony. This event, marking its third anniversary since its inception in 2021, held great significance for many of our executives and employees. This was a stark contrast to the previous year's ceremony, where participation was limited due to COVID-19 restrictions. The event was attended by Hanwha Life Vice President Chae Beom Na, Hanwha Life Financial Service CEO Kyung Keun Lee, Hanwha Life Lab CEO Byong Goo Ko, and the Chief Compliance Officers (CCOs) of the three companies. Also present were employees of the Consumer Protection Team based at our headquarters. Meanwhile, employees of the regional Consumer Protection Teams participated virtually. Through this online pledge, all employees, including GA employees and FPs, reinforced their commitment to protecting financial consumers. They reviewed the consumer protection practice code of conduct and strengthened their resolve for "zero mis-selling" and "consumer-centric management".

Consumer Portal

To foster ongoing communication with our customers and implement consumer-centric management, Hanwha Life has established a consumer portal on its website. This portal transparently provides information such as customer feedback, our consumer protection system, the number of complaints received, evaluations of our financial consumer protection status, guidance on required documents, best practices for consumer protection, frequently asked questions, and consumer finance education. Furthermore, we offer various information to enhance customer convenience.



Fair Trade Commissioner's Commendation for Excellent Companies in 2022

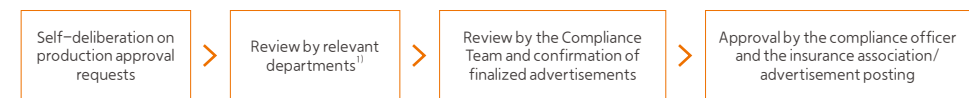


Pledge to the Financial Consumer Protection Charter in 2023

Advertisement Approval System

Hanwha Life rigorously complies with the Act on the Protection of Financial Consumers, implemented in 2021, by enhancing its advertisement approval management system. This involves systematically overseeing and managing the entire advertisement process, which includes approval requests from operational departments, reviews, revisions, approval by a compliance officer, and consideration by the advertising committee. Financial product advertisements fall under the strictest regulations of the Act on the Protection of Financial Consumers. The Act mandates the strengthening of internal advertisement verification to shield consumers from misleading or exaggerated advertisements, and to provide accurate product information to businesses and consumers.

Advertisement Approval Process for Financial Products



1) Consumer Protection Team, Product Development Team, Brand Strategy Team, and Variable Account Investment Department

Consumer Protection Cyber Training

To preemptively address potential complaints and enhance customer satisfaction through increased awareness of financial consumer protection, Hanwha Life annually offers "Financial Consumer Protection Cyber Training" to all employees as a mandatory course. In 2022, a total of 2,393 individuals completed training on topics such as the Act on the Protection of Financial Consumers, compliance guidelines for selling various types of financial products, and oversight and disputes related to financial product distributors. This training served to underscore the importance of financial consumer protection to our employees.

CASE STUDY :: 24/7 Operation of the Voice Phishing Reporting Center

Hanwha Life is the first in the life insurance industry to operate a voice phishing reporting center on a 24/7 basis. This initiative aims to eliminate any gaps in coverage and actively safeguard our customers' financial assets. Customers can report instances of voice phishing damage to our call center ARS (1577.6363) at any time, even outside of regular business hours (9 am to 6 pm). Upon receiving these reports, we immediately limit the disbursement of insurance and credit loans, and update the relevant customer information to mitigate any damage. In the future, we plan to broaden our reporting channels to include mobile platforms and our website.

Customer-Centered Management

Improvement of Systems and Processes to Strengthen Financial Consumer Protection

Internal Control System and Self-Inspection

Hanwha Life has implemented an internal control system to safeguard financial consumers, conducting biannual self-inspections. We are consistently enhancing consumer-related systems and processes, and broadening our consumer protection activities. This includes measures to prevent mis-selling at the contract signing stage. If customers encounter any issues during contract signing, they can voice their concerns through our call center and FPs. We promptly address these concerns by collaborating with our GA sales subsidiary and affiliated GAs. We also carry out on-site inspections to preemptively prevent unfair contracts and foster a sales culture that prioritizes the protection of financial customers. Moreover, we provide educational broadcasts titled “How to Prevent Mis-selling” to all FPs and sales staff to expedite the establishment of a culture that prevents mis-selling. We also observe “Financial Customer Protection Day” monthly to enhance comprehension of relevant laws and regulations, and to reinforce our commitment to preventing mis-selling and practicing customer-centric management.

Financial Consumer Protection Day

- Discussing the importance of mis-selling prevention and implications through sharing recent cases of rejected complaints
- Preventing mis-selling and improving customs at the contract signing stage
- Conducting training on consumer protection laws and regulations and sharing the current status

Establishment of a Customized Terms and Conditions Production System

Hanwha Life has established a system for creating customized terms and conditions to enhance customer convenience and improve accessibility to these terms. Previously, our terms and conditions included details about products that customers had not subscribed to, making it difficult for them to find the information they needed. The complexity of the content also had the potential to cause disputes when customers made insurance claims. To address these issues, we have created “customized terms and conditions” for the insurance products that customers have actually subscribed to. We rolled out this new approach across both face-to-face and non-face-to-face channels in January 2023. Given that face-to-face channels account for a larger proportion of our customer recruitment than non-face-to-face channels, we anticipate that the impact of these customized terms and conditions on the customer experience will increase. We remain committed to developing systems that further enhance customer convenience.

Mis-Selling Prevention Monitoring

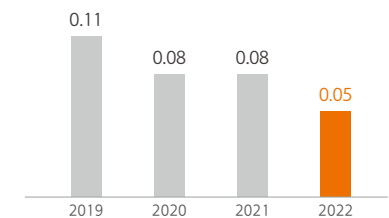
Hanwha Life routinely conducts inspections of the mis-selling prevention processes within our GA sales subsidiaries. This is part of our ongoing effort to eliminate harmful sales practices and foster a culture that actively prevents mis-selling. We distribute our “Code of Ethics for Sales” to all branches, including Hanwha Life Financial Service, as a measure to eradicate mis-selling. We also provide regular training to enhance compliance awareness. Since 2013, we have implemented annual mystery shopping initiatives to assess compliance with our Code of Ethics for Sales. This strategy helps to reinforce a sales culture that is resistant to mis-selling. As a testament to our efforts, we achieved a “Good” rating in 2022. We also provide feedback to each branch to facilitate the continuous improvement of service quality. In addition, we make frequent visits to sales sites to prevent mis-selling. During these visits, we check for compliance with various protocols, such as ensuring that subscription forms are handwritten and verifying the suitability of variable insurance. We also conduct interviews with branch heads, FPs, and office staff to identify any factors that may contribute to mis-selling, as detected during our on-site inspections. Hanwha Life is committed to actively improving any business practices that may infringe on the rights and interests of our financial customers.

Educational Broadcasting “How to Prevent Mis-Selling”

2021	“Financial Consumer Protection No.1”: Key contents of the Act on the Protection of Financial Consumers and strategies for preventing mis-selling
2022	“Financial Consumer Protection No.1”: Key changes related to the Act on the Protection of Financial Consumers and strategies for preventing mis-selling
2023	“K-Complete Sales and New Start”: Strategies for preventing mis-selling through analysis of complaints and miss-selling cases

Mis-Selling Rate

(Unit :%)



Zero Mis-Selling Poster

To innovatively lower the rate of mis-selling and prevent complaints, we have created the “Zero Mis-Selling Poster”. This is being distributed and displayed across all institutions, including GA sales subsidiaries. Notably, following the enactment of the Act on the Protection of Financial Consumers on March 25, 2021, we have actively incorporated related content into the poster design. In 2023, we will distribute posters that emphasize adherence to the “six sales principles”. These will feature the headline, “Have you achieved zero mis-selling? The Act on the Protection of Financial Consumers is watching”. This is intended to encourage all employees and FPs to fully understand and appreciate the importance of eliminating mis-selling.

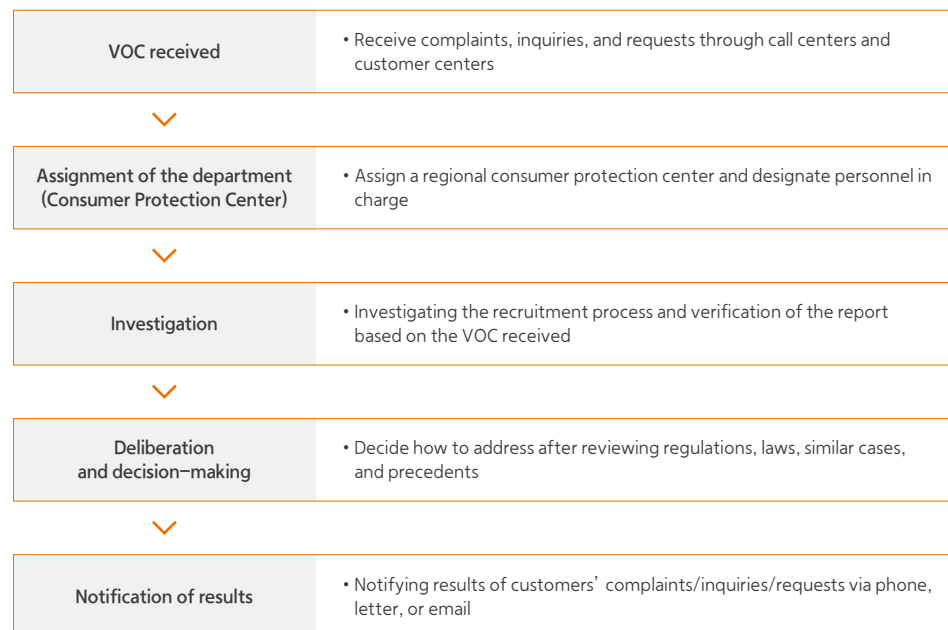
Customer-Centered Management

Listening to the Voice of the Customer (VOC)

VOC Channels

Hanwha Life has diversified its VOC channels, which are now available through regional customer centers, call centers, a consumer portal on its website, an electronic complaint submission section on its website, and a feedback submission feature in its mobile app’s customer protection portal. This expansion makes it easier for customers to voice their complaints and suggestions based on their experiences with our insurance products and services. The customer feedback collected via these VOC channels is categorized into five types: compliments, inquiries, requests, complaints, and suggestions. These are then logged into “Hanwha Talk Talk”, Hanwha Life’s dedicated VOC management system. Relevant departments are promptly assigned to address these issues. Furthermore, we are committed to continuously improving customer satisfaction by incorporating customer feedback from the VOC into our management activities.

VOC Addressing Process



Activities to Listen to and Reflect Customer Opinions

Hanwha Life values customer feedback and uses it to tailor our products and services to their needs. Each year, we conduct focus group interviews (FGIs) to gather insights on consumer protection, identify areas that need improvement, and incorporate these findings into our product planning and development processes. In 2022, we carried out surveys to understand the needs of our customers and FPs regarding products and services for individuals with pre-existing medical conditions. We also sought ways to enhance the convenience of subscribing to our direct-to-consumer cancer insurance. The results of these surveys informed the creation of our CS improvement policy. Furthermore, we conducted a usability survey for the Hanwha Life App to enhance its user-friendliness, and a Customer Satisfaction Index (CSI) survey to evaluate the effectiveness of our VOC system and to devise strategies for future enhancements. We are committed to developing products and services that reflect our customers’ feedback.

Service Quality Monitoring for Addressing Complaints

Hanwha Life is implementing a real-time “service quality monitoring for addressing complaints” (mobile) immediately following the conclusion of each VOC case that has been internally accepted and addressed. This system monitors customer satisfaction with regional customer protection centers, evaluating aspects such as staff demeanor, friendliness, and customer care. It also takes into account customer opinions. Feedback is then provided to the consumer protection manager each month to facilitate improvements. In 2022, a total of 883 customers participated in this process, with 83.5% expressing satisfaction with the quality of service.

Improving Customer Satisfaction

Customer Satisfaction Strategy

Hanwha Life places a high priority on achieving customer satisfaction and enhancing the value we deliver to our customers. We aim to accomplish these goals by promoting customer-centered management (CCM). Moving forward, we will continue to refine our strategies and processes, and introduce new services to achieve the highest level of customer satisfaction. Our aim is to optimize our customer-first approach.

Mid- to Long-Term Customer Satisfaction Management Roadmap

Strengthen Customer Satisfaction Management in 2023

- Achieve and maintain the Customer-Centered Management (CCM) certification for nine consecutive times (a biennial certification to be reaccredited in 2023)
- Rank first place in the National Customer Satisfaction Index (NCSI) developed by Korean Productivity Center



Reach the Top Level of Customer Satisfaction in 2024-2025

- Earn the industry's highest rating in the evaluation of financial consumer protection.
- Aim to achieve Presidential Award for Companies Certified for Excellence in Consumer-Centered Management (CCM) by the Korea Fair Trade Commission (KFTC)
- Rank and maintain first place in the National Customer Satisfaction Index (NCSI)
- Enhance customer satisfaction by launching a new VOC system

CASE STUDY :: In 2023, the Call Centers Were Honored with the "Special Contribution" and "Great Call Center to Work" Awards.

In May 2023, Hanwha Life achieved significant recognition by securing two awards simultaneously: the "Great Call Center to Work Award" and the "Special Contribution Award", both presented by the Korea Management Association Consults Inc. (KMAC). Out of 334 nominated companies, Hanwha Life was the sole recipient of two awards. The Special Contribution Award was specifically created to commemorate 20 years of KSQI call center surveys. Taking into account various factors such as call center operational principles and philosophy, the work environment and organizational culture of customer service representatives, leadership and management, and human resource infrastructure, we are committed to further improving our customer service excellence and customer-centric management performance. We aim to achieve this by fostering a work environment that prioritizes customer service representatives and contributes to the growth of the call center industry.

Customer Satisfaction Service

At Hanwha Life, we enhance customer satisfaction through prompt, accurate and friendly services customized for different types of customers.



Call center launches "Visible ARS Service"

- Services are accessible by interacting with the phone screen while listening to automated voice guidance.
- Professional customer service representative services are offered depending on the type of issue.



Customer center provides diverse services

- The "Sharing and Inspiring Counter" is operated for financially vulnerable customers such as the disabled, senior citizens and pregnant customers.
- The "Visit Reservation Service" is provided to minimize wait times for customers.

2023 KSQI Platinum Level Call Center

- 2023 Customer Impressed Call Center of the Year for 2 consecutive years
- 2023 Outstanding Call Center for 15 consecutive years
- Platinum-level Call Centers for 5 consecutive years
- 2023 Ranked No. 1 in the KSQI for 12 consecutive years
- 2023 Ranked No 1 in the KSQI Extraordinary Call Centers (Service Area) – among 19 other life insurance companies.
- 2023 Awarded Platinum-level Call Center (awarded only when achieving the level of Extraordinary Call Centers for 10 consecutive years) – Only 8 out of 19 life insurance companies earned this award.
- 2023 KSQI Customer Surprise Call Center (Service and Empathy Areas) – Ranked No 1 among 19 life insurance companies. – Tied for first place out of 334 companies in 55 industries.

Improving Customer Satisfaction

Customer Satisfaction Service

Call center launches “Visible ARS Service”

In December 2022, Hanwha Life introduced the “Digital Visible ARS Service”. This advancement in call center ARS systems was designed to increase the number of customers using our services and facilitate remote work. This service allows customers to resolve their issues more quickly and easily than before, without the need for membership. It provides a touch-screen interface with voice guidance for customers contacting the call center via their smartphones. We have also added new menu options such as “My Contract”, “Self-Issue Certificate”, and “New Contract Monitoring Service”. To enhance customer convenience, we have incorporated new authentication methods, including smartphone authentication and ID verification. Moreover, in 2020, we introduced an AI voicebot for outgoing calls. This innovation in digital technology enables us to provide reminders about insurance premium payments and guidance on contract cancellations. We plan to implement additional AI-based digital services to further enhance the customer experience.

Customer Center

The Hanwha Life Customer Center is dedicated to providing high-quality consultations across various service areas. Our primary focus is on enhancing customer convenience, particularly for financially vulnerable groups. To this end, we offer the “Sharing and Inspiring Counter” and the “Visit Reservation Service”. The Sharing and Inspiring Counter is a dedicated service desk for financially vulnerable individuals, including the disabled, senior citizens, and pregnant women. This service allows for quicker consultations and reduces any potential inconvenience these customers may encounter. Our Visit Reservation Service enables customers to schedule their consultations at a time and date that suits them, thereby minimizing wait times. Through these numerous customer service improvements, the Hanwha Life Customer Center has achieved a significant milestone. In 2022, we were ranked No. 1 in the KSQI Customer Center for the 13th consecutive year.

Customer Satisfaction Achievement

The Korea Consumer Agency, under the guidance of the Korea Fair Trade Commission, has awarded us the CCM certification nine times in a row. This recognition is a testament to our ongoing efforts to enhance our customer-centric management. The CCM certification is granted to companies every two years, based on their commitment to customer-focused management practices and continuous improvements. Since our initial certification in 2007, we have consistently received this certification through 2023, earning us a place in the CCM Hall of Fame. This achievement underscores our company-wide dedication to a customer-first approach. In addition, we have consistently ranked second among six companies in the National Customer Satisfaction Index (NCSI) since 2013. We have also reached significant milestones, including being chosen as the Customer Surprise Call Center (a new award introduced in 2022) for two consecutive years. We have received the Extraordinary Call Center award for 15 straight years and have maintained our Platinum-level Call Center status for five years running. These accolades publicly acknowledge Hanwha Life’s successful operation of high-quality call centers and customer centers, as well as our commitment to meeting customer needs.

Hanwha Life Builds a Happy Workplace

Since 2008, Hanwha Life has been operating our “Building a Happy Place to Work” program, which assists clients in cultivating a customer-first culture and enhancing customer satisfaction across a variety of industries. Specifically, we have provided customer service training programs and lectures on basic and advanced customer service, leadership, organizational revitalization, specialized areas, government-mandated courses, and finance to other companies and public institutions. As of March 2023, over 3,966 clients have utilized our service, with a total of 180,185 individuals completing the training. In addition, in April 2023, we launched an enhanced version of our “Building a Happy Place to Work” program, now called “Building a Happy Place to Work Plus”. We have revised key concepts to Plus (Strengthen Content), Live (Strengthen Execution), Unique (Improve Growth), and Sense (Improve Relationships) to offer tailored training services and further contribute to ESG management.

CASE STUDY :: COVID-19 Responses by Call Centers and Customer Centers

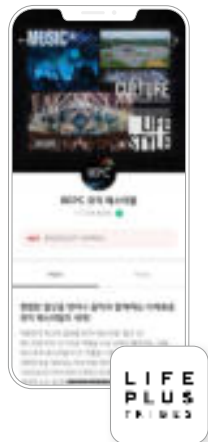
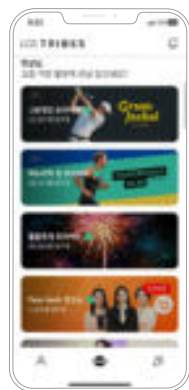
As COVID-19 spread rapidly, Hanwha Life implemented a variety of preventative measures to safeguard our call center and customer center employees, who were considered a high-risk group. To begin with, we mandated that customer service representatives in both centers wear masks at all times. We also increased the height of the partitions between call center booths from 60 cm to 90 cm to minimize the risk of infection among customer service

representatives. Furthermore, we introduced remote working to maintain pre-determined occupancy levels in our offices, and rearranged desks to ensure adequate spacing between individuals. Acrylic screens were installed in each customer service representative booth to protect the health of both customers and customer service representatives. We also implemented rigorous disinfection protocols, cleaning elevators three times daily, and offices, corridors, and restrooms twice daily. Body temperature measurement devices were installed on the first floor and in the basement parking lot, with anyone registering a temperature above 37 ° C being sent home. In addition, we provided COVID-19 self-test kits for customer service representatives to use before starting their work week. This measure is designed to prevent the spread of the virus and ensure a safe working environment.

Improving Customer Satisfaction

Expanding Communication with Customers

We deliver essential life information to our clients through a multitude of communication channels, such as our corporate website and a range of online/mobile platforms. We interact with our customers on social media platforms such as YouTube, Instagram, and blogs, providing content that bridges the gap between useful information on insurance, health, and finance, and the products and services offered by Hanwha Life, thereby improving customer convenience. We are leveraging a range of social media platforms, such as YouTube, Instagram, Facebook, and blogs, in addition to various posting channels, to improve our communication with customers.



LIFEPLUS Tribe

Introduction of LIFEPLUS

LIFEPLUS offers products and services designed to enhance the quality of life, providing valuable lifestyle content and forward-thinking strategies. Specifically, LIFEPLUS centers around the concept of holistic wellness, characterized by four key elements: financial, physical, mental, and inspirational wellness.

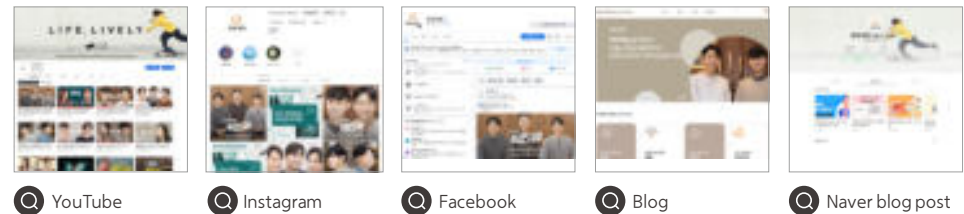
Introduction of the LIFEPLUS Tribe App

In September 2022, we introduced LIFEPLUS Tribe, an application designed to serve as a life partner for our customers. Its mission is to deliver our brand values and benefits, thereby enriching the lives of our users. LIFEPLUS Tribe sets itself apart from traditional apps by offering benefits and brand experiences tailored to individual interests, fostering a positive relationship with our customers. To ensure we continue to grow alongside our customers, we plan to expand our range of topics to include art, music, and gourmet, in addition to our existing sports topics such as running and golf. Our aim is to build communities around these diverse areas of interest and establish relationships with potential customers. Moreover, we plan to boost customer satisfaction by incorporating “Community” and “Content” as key services. This will enable us to facilitate communication and enrich the content relevant to each topic.

Hanwha Life Social Media Platforms

We are leveraging a range of social media platforms, such as YouTube, Instagram, Facebook, and blogs, in addition to various posting channels, to improve our communication with customers.

Brand Content	• We provide a variety of brand contents such as new product and service information, online and offline campaigns, and corporate promotion events.
Content on Corporate Culture	• We offer engaging and communicative content related to employment, organizational culture, and welfare, specifically tailored for Millennials and Generation Z, in order to enhance our brand image.
Finance Content	• We provide insurance and finance content in videos, images, and texts to fulfill customer needs.
Lifestyle Content	• We provide lifestyle content particularly customized for quality life such as health and general information.



CASE STUDY :: Hanwha Life YouTube Channel



We connect with individuals from various age groups, including Generation Z, Millennials, and those aged between 40 and 60, by providing a diverse array of YouTube content. This content spans a broad spectrum of topics, such as insurance, financial information, corporate culture, employment, health, and eSports. One of our featured programs is “Healthy Tag”, named after the popular social media concept “hashtag (#)”. In this program, we invite specialist physicians to share their knowledge on health and disease prevention in everyday life. Another program we offer is “Hanwha Life Interviews: A Day in the Life”, where our Millennial and Generation Z employees discuss their various job responsibilities. Our aim is to continually improve our communication with our customers by producing content that resonates with people across all age groups, including Millennials, Generation Z, and those aged between 40 and 60.

Social Contribution Initiatives

Social Contribution Strategies

Hanwha Life offers transformative opportunities and challenges, serving as an ally and partner for an improved quality of life. Our aim is to be part of the process that turns dreams into reality, by sharing opportunities and experiences that promote a healthy and prosperous life. Our ultimate goal is to create a better world through the interconnection and dissemination of value.

While Hanwha Life's core operations are based at its headquarters, the company expands its influence through active community engagement, conducting impact assessments, and implementing a variety of community contribution programs.

MISSION	Better Lives, Together		
VISION	Community builder, enhancing a better tomorrow		
CORE VALUE	<p>Grow Talent Cultivation</p>	<p>Care Daily Healing</p>	<p>Connect Connecting Values</p>
WHAT TO (purpose)	We accompany you in the process of transforming your dreams into reality.	We provide opportunities and share experiences for a healthy and prosperous life.	We work toward a better world by fostering connections and disseminating values.
HOW TO (business strategies)	<p>Building Platforms and Infrastructure for Talent Development</p> <ul style="list-style-type: none"> • DREAMPLUS • Financial literacy class for children and teenagers • Global talent cultivation • Collaboration programs with international universities 	<p>Health and Mind Care for a Healthy Daily Life</p> <ul style="list-style-type: none"> • Mom's Care campaign • School of Heroes: cancer-focused CSR • Cultural and artistic social contributions • Global social contributions 	<p>Social Campaigns and Funding for Everyone</p> <ul style="list-style-type: none"> • Employee volunteer teams • CSR digital community • Public interest campaigns • Other donations and sponsorships

Social Contribution Initiatives

Talent Cultivation

DREAMPLUS Talent Development Program

Hanwha Life runs a talent development initiative aimed at nurturing a community deeply interested in blockchain and AI. These fields, acknowledged as crucial elements of the Fourth Industrial Revolution, wield considerable power over the future of finance. The initiative, known as the DREAMPLUS talent development program, offers a broad range of opportunities. These encompass blockchain internships and advanced training programs like the “Protocol Camp”, “DREAMPLUS Academy”, and “Blockchain Hackathon Program”, all designed to foster proficiency in these cutting-edge areas.

Located in DREAMPLUS Yeoksam, “Protocol Camp” functions as a vibrant platform for young individuals possessing skills and experience in the blockchain sector. Its goal is to promote synergy and develop these talents into professionals who are well-equipped to navigate and adapt to emerging changes. Conversely, the “DREAMPLUS Academy” is a program designed for those who have a strong interest in both employment and entrepreneurship within the cybersecurity field. The initiative aims to transform these individuals into domain experts through rigorous training and mentorship. This is accomplished with the assistance of startup researchers who specialize in cybersecurity R&D, supplemented by additional guidance from external experts. DREAMPLUS promotes the development of a robust blockchain ecosystem by cultivating a strong sense of community among program participants and nurturing the next generation of talent through various blockchain programs.

Support Space for Youth Entrepreneurship and Employment

DREAMPLUS Yeoksam

- A space specifically designed to inspire and empower young individuals to unleash their passion and creativity
 - Operates “DREAMPLUS Academy” to foster cybersecurity personnel
 - Operates next-generation talent development programs, such as “Protocol Camp”, a blockchain expert training program

DREAMPLUS Yeonnam

- A community hub for DREAMPLUS program participants, providing a space for offline events and community activities
- Operates a community where various insights can be shared
- Plans to operate a hacker house related to blockchain security



DREAMPLUS Yeoksam



DREAMPLUS Yeonnam

Hanwha Life Financial Literacy Class

Hanwha Life’s financial literacy class is an economic education program specifically tailored for children and teenagers. This program utilizes real-life, case-based economic education content, developed in collaboration with the Financial Supervisory Service and Hanwha Life. In response to the limitations imposed by COVID-19, which prevent in-person classes, we have enhanced the accessibility of our educational offerings by introducing real-time online classes. To guarantee the highest quality of education, we have enlisted professional instructors who either have a background in finance or experience in financial education. As of 2021, we have made it a priority to hire women who have had career interruptions, thereby aiding in the expansion of female employment. The chosen 30 instructors are imparting economic knowledge to over 10,000 students in more than 300 elementary, middle, and high schools across the nation for a year. Their mission is to support children and teenagers—our future leaders—in becoming financially astute consumers with a solid understanding of economics.



Hanwha Life Financial Literacy Class

Social Contribution Initiatives

Daily Healing

Mom's Care

Hanwha Life runs the Mom's Care project, which is designed to support the mental and physical health, as well as the financial independence, of future generations. The company's goal is to lay the groundwork for a brighter future. This is achieved by providing play therapy to aid in the emotional recovery of vulnerable children, offering educational support for slow learners, and supplying savings insurance products to young adults who are preparing for financial independence.

Goals and Activities of Domestic Social Contribution (Mom's Care)

Goal 1. Emotional healing of children in protective care

- (2014–2018) Employee volunteer program for mental care of children in protective care
- (2019) CSR public service campaign (1) "Hug Toy"
- (2020–2023) Integrated treatment of development disorders for children in protective care and training for childcare workers
- (2021–2022) CSR public service campaign (2) "RE SOUND A.I."
- (2023) Establishment of online parenting counseling and mind care service

Goal 2. Financial independence of youth preparing for independence

- (2021) Launch of "Mom's Care Dream Savings Insurance" and support for 16 young adults to sign insurance contracts
- (2022) Support for 24 young adults to sign insurance contracts
- (2023) Support for youth financial community

Play Therapy for Pre-School-Aged Children in Protective Care

A 2021 specialized impact assessment of mental health policies for children in protective care revealed that 70% of children in protective care facilities suffer from ADHD, post-traumatic stress disorder, depression, and anger control disorders. Hanwha Life offers play therapy to aid in the linguistic, psychological, social, and cognitive development of preschool children in protective care. These children often lack adequate experiences of love and care due to past abuse and abandonment. In 2022, we partnered with 29 child development specialists to provide weekly play therapy sessions for 169 children in 23 protective care facilities nationwide. This brings our cumulative total to 552 children in 81 facilities from 2020 to 2022. As a result of these interventions, we observed improvements in several areas. These include a reduction in excessive behaviors, alleviation of symptoms in children with autism spectrum disorder, enhanced language expressiveness, and development of major and minor muscles. Furthermore, by educating childcare workers—who serve as the primary caregivers for these children—we fostered the development of more positive attitudes towards the children in their care.

To boost the social skills and learning capabilities of children with slower learning rates, such as those diagnosed with ADHD and borderline intellectual functioning in childcare settings, we assembled an educational service corps comprised of 30 university students. These students, who are preparing for careers in elementary, special, and early childhood education, led weekly classes focused on easy-to-understand books and stories. In 2022, these classes reached 45 children across 10 different childcare facilities. The outcome was a significant advancement, as evidenced by improvements in the children's divergent thinking and communication skills, increased emotional stability and adaptability, and a heightened curiosity toward new experiences.

CASE STUDY :: Hanwha Life's "10 Million Won Project" Empowering Youth Toward Independence, in Collaboration with Social Solidarity Bank and Hanwha Life Financial Service

"Youth preparing for independence" refers to young adults transitioning from institutional or foster care to independent living as they reach adulthood. A 2021 report by the Korea Institute for Health and Social Affairs revealed that 24.3% of these young individuals face debt due to living expenses, housing costs, and tuition fees, and they have an unemployment rate of 16.3%—double that of the general youth population. These statistics underscore the financial challenges they face on their journey to economic independence. In line with its commitment to social responsibility, Hanwha Life launched the "Mom's Care Dream Savings Insurance" in 2021, a pioneering initiative in Korea. This program is designed to assist these young adults in achieving stable independence. In 2022, we signed insurance contracts with 24 young individuals.

"Mom's Care Dream Savings Insurance" is a financial product that allows policyholders to receive about 10 million won (approximately \$8,900) at maturity (three years post-enrollment) by depositing 280,000 won (approximately \$250) every month for three years. To foster the policyholder's independence, 80,000 won of the monthly insurance premium is paid by the young individuals themselves, while the remaining 200,000 won is covered by donations from Hanwha Life and Hanwha Life Financial Service employees and financial planners. The project also actively supports community activities that foster camaraderie, such as volunteering at childcare facilities through programs designed by these young adults preparing for independence. Additionally, it provides coverage for potential injuries, including fractures, cast treatments, surgeries, and burns, that may occur during the three-year subscription period.



Agreement for Mom's Care Dream Savings Insurance

Social Contribution Initiatives

Daily Healing

Cancer-Specialized CSR: School of Heroes

“School of Heroes” is a comprehensive healing community that collaborates with stakeholders involved in cancer care, including oncologists, tech companies, and researchers. Our primary goal is to address the fundamental issues related to cancer, with a specific focus on young patients. “School of Heroes” aids the positive daily recovery of cancer survivors by offering classes that focus on mental health, dietary habits, and societal reintegration. We have also established a data-driven management system, developed in partnership with cancer experts. Furthermore, we encourage active communication among cancer survivors through social media platforms, amplifying the message of “healing together through everyday connections”. This approach promotes improved social awareness and understanding.

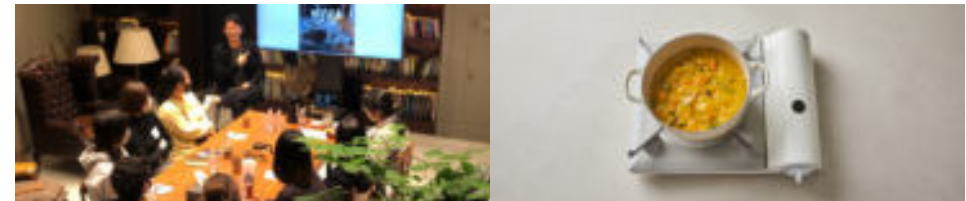
Integrated Healing Program

Heroes community	#Community mentor #Connecting Healing <ul style="list-style-type: none"> A place for conversations and meetings where cancer survivors communicate with each other under the leadership of community mentors Regular communication and target-tailored programs more than once a month, both online and offline
Mind class	#Professional counseling #Mental recovery <ul style="list-style-type: none"> Mind-focused classes with a psychiatrist that heal the fear of cancer Online and offline counseling vouchers organized by neuropsychiatrists and first-class psychiatrists
Food class	#Diet improvement #Personalized <ul style="list-style-type: none"> Personalized dietary classes based on cancer types for healthy eating habits Food classes available both online and offline, including practical sessions and Q&A sessions
Social reintegration class	#Future occupation #Value assessment <ul style="list-style-type: none"> An opportunity for participants to identify their values and find a profession that reconnects them with the world Classes for self-assessment, vocational trend education, and entrepreneurship preparation, among other social activities
Healing journey	#Integrated healing #Journey of Growth <ul style="list-style-type: none"> On Jeju Island, a healing space, individuals reflect on themselves through an “integrated journey of healing” Activities include meditation, yoga, walks, and lectures by a psychiatrist



School of Heroes entrance ceremony

Talk concert during the entrance ceremony



Group counseling in psychology

Cooking class



Dietary consultation broadcasting screen

Social reintegration class



Self-help group

Performance viewing activity in a self-help group

Social Contribution Initiatives

Daily Healing

Global Social Contribution

Improvement of Vietnam’s Medical Infrastructure and Protection of Children’s Rights

Hanwha Life is dedicated to assisting residents in areas of Vietnam where medical services are scarce. We have established four health centers in Van Phong, Kim Truy, Lang Gam, and Tra Binh, thereby extending healthcare services to over 1.2 million local inhabitants. Furthermore, to ensure that children and mothers in Krong Bong, Dak Lak province have access to clean and professional medical care, we have built a children’s hospital. In response to the increasing incidents of child abuse, we have instituted a child protection system within Vietnam. From 2022 to the current year, 2023, we have partnered with the Vietnamese government and international organizations to initiate a national campaign. This campaign is designed to raise awareness for child abuse prevention and is linked with the “111 Child Abuse Report Hotline”.

CASE STUDY :: “The HUG—Warm Embrace” Campaign for Preventing Child Abuse in Vietnam

with Vietnam’s Ministry of Labor, Invalids and Social Affairs (MOLISA), Green Umbrella Children’s Foundation Korea/Vietnam, Life Insurance Social Contribution Committee

In response to the escalating issue of child abuse in Vietnam, Hanwha Life launched the “HUG—Warm Embrace” campaign. The Vietnam Ministry of Labor, Invalids, and Social Affairs reports that in 2021, the Child Abuse Report Hotline 111 received an overwhelming 586,571 emergency calls. This data suggests a disturbing reality: approximately 73% of all children in Vietnam have suffered physical violence.

To address this issue, Hanwha Life launched an animated campaign to illustrate the vicious cycle in which victims of child abuse often grow up to become perpetrators of domestic violence. The campaign’s goal was to challenge and change the prevalent misconception in Vietnam that “sparing the rod spoils the child”. This belief equates physical punishment with discipline, a view that affects approximately 68% of Vietnamese children who have experienced physical violence within their families. The campaign’s animation and related content were distributed across various platforms, including television, a Facebook page (<https://m.facebook.com/Caiomamap/>), YouTube, and portal sites. The campaign’s activities directly engaged about 20,000 individuals.

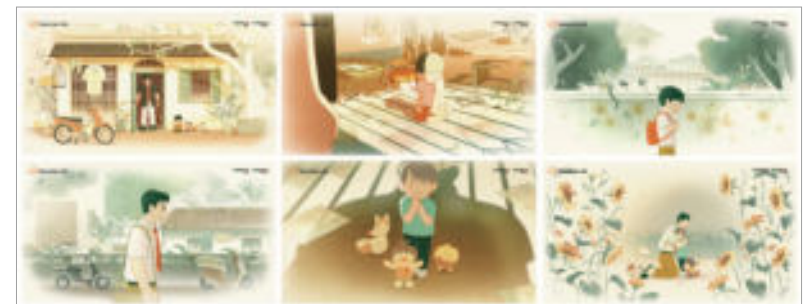
Our live discussion on parenting education, aimed at young parents from the 2030 generation, garnered 1,300 simultaneous connections. This level of participation highlighted the interest parents have in preventing domestic abuse and safeguarding their children’s mental health. As a result of this campaign, the Child Abuse Report Hotline 111 saw a 16.6% increase in consultations compared to the previous year. The initiative also had a profound societal impact, prompting the Vietnamese government to commit to more robust measures for child abuse prevention. Hanwha Life intends to continue its dedication to raising awareness about child abuse prevention into 2023 with “The HUG Campaign Season 2”. This will provide solutions such as education and counseling to support the mental health of children for young parents of the 2030 generation.



Vietnam Child Abuse Prevention Campaign Poster



Vietnam Child Abuse Prevention Campaign SNS Story



Vietnam Child Abuse Prevention Campaign Animation

Social Contribution Initiatives

Daily Healing

Global Social Contribution

Hanwha Life has been carrying out mid-to long-term social contribution activities with the goal of improving the social environment and promoting mental health for children and women in Indonesia. Especially, since 2017, Hanwha Life has been managing four community spaces in downtown Jakarta, Indonesia, specifically designed for children, by repurposing unused land. Jakarta has a significant proportion of children and adolescents, making up about 30% of the total population. However, there is a severe shortage of safe social spaces for this demographic. As a result, Hanwha Life has created spaces that cater to these social needs, incorporating feedback from local residents and the government during the design phase of these child-focused community facilities. These spaces offer physical education, art, and literature classes, providing a nurturing environment for the healthy development of children and adolescents.

In 2021, Hanwha Life successfully established its fourth child-focused community space. Additionally, the company completed the Digital Family Center in Jakarta, a facility dedicated to managing family and child data, as well as providing consultation and education services. Looking ahead to 2023, Hanwha Life is committed to continuously improving our infrastructure, which includes plans to expand the Child Digital Family Center. This expansion aims to offer education focused on the mental health of children and women, and to foster more active community engagement

Goals and Activities of Global Social Contribution (Indonesia)

WHAT TO (Goals)	Improving the social environment and promoting mental health for children and women in Indonesia. (2017 – 2020) Creating community spaces for vulnerable children (2021 – 2023) Creating community spaces for vulnerable children and women
HOW TO (Activities)	(2017 – 2021) Establishment and operation of three eco-friendly complex spaces for children in downtown Jakarta – Supported environment for healthy development of children and adolescents, such as physical education and art education (2022) Established phase 1 space for Digital Family Center in July and held opening ceremony – Management of child/female/family data, counseling, education, etc. (2023) Scheduled to establish phase 2 space for Digital Family Center in October – Providing education and mental health programs with the space for children/women/families,

Sisterhood Activities with Special Education Schools in China The China branch of Hanwha Life is incorporating ESG (environment, social, governance) management by undertaking a variety of cultural and artistic initiatives for children with autism. In Hangzhou, Zhejiang province, where the main office is situated, Hanwha Life has been organizing an annual art exhibition in partnership with the local Education Bureau and special schools since 2016. Additionally, Hanwha runs an art therapy program to foster the healthy growth of students from disadvantaged families. Furthermore, Hanwha has amplified community involvement in social contribution efforts by creating and distributing yearly calendars for the Chinese branch, which highlight artwork displayed in public campaigns themed “10,000 Suns”.

CASE STUDY :: Digital Family Center and Local Child Center in Indonesia

with the Jakarta Pemberdayaan Perlindungan Anak dan Pengendalian Penduduk (PPAPP, Indonesian Women and Child Family Bureau), World Vision Korea/Indonesia, Life Insurance Social Contribution Committee, Save the Children Korea/Indonesia

Hanwha Life has established the “Digital Family Center”, a versatile space dedicated to women and children, located within the Jakarta government office building. This center is an integral part of the Pusat Pelayanan Keluarga (PUSPA, Indonesian Family Welfare Service Center), the official government entity responsible for women’s and children’s welfare in Jakarta. The center combines digital technology with a minimalist design, focusing on features that cater to women and children. It serves as a communication platform for victims of domestic violence, provides online counseling, maintains digital growth records for children from over 500 local child centers in Jakarta, and supports educational programs for women and children. This is achieved through an open studio that is capable of producing and broadcasting educational content.



Social Contribution Initiatives

Daily Healing

Cultural and Artistic Social Contribution

Hanwha has been acknowledged with numerous awards at the Korea Mecenat Conference for its contributions to the development of domestic culture and art through the hosting and sponsorship of various cultural and art projects and events. These accolades include the Creative Award in 2007, the Grand Prize (Presidential Commendation) in 2011, and the Cultural Contribution Award (Minister's Award) in 2019. Furthermore, since 2017, Hanwha has been recognized as an outstanding institution for cultural and arts sponsorship, a status it has maintained to this day¹⁾.

1) A system introduced by the Ministry of Culture, Sports and Tourism in 2014 to encourage and enhance sponsorship in the arts. The system certifies corporations and organizations that demonstrate exemplary commitment to culture and arts sponsorship, based on a rigorous evaluation process.

Hanwha Classic Since 2013, the Hanwha Classic, a premier classical performance event, has annually invited traditional Baroque music performers from around the globe. It provides music enthusiasts with unforgettable experiences through world-class performances and detailed explanations tailored to the audience's level of understanding.

Symphony Festival Since its inception in 2000, the Symphony Festival, sponsored by Hanwha, has grown into a leading platform for classical music in Korea. Annually, it attracts participation from over 20 domestic orchestras, playing a significant role in popularizing classical music across the country. Held at the esteemed Seoul Arts Center, the Symphony Festival features a blend of established musicians and rising stars from the next generation. The festival's mission is to extend the beauty and eloquence of classical music to a broader audience, making it more accessible and enjoyable for everyone.

Hanwha Life e-Sports Hanwha Life oversees the professional gaming team "Hanwha Life e-Sports", which is dedicated to the globally acclaimed online game, "League of Legends". This initiative not only aims to engage Millennials and Generation Z, but also to drive the advancement of e-Sports, making a significant contribution to the vibrancy of this rapidly growing industry.

Seoul World Fireworks Festival Since 2000, the Hanwha Group has consistently spearheaded notable social contribution initiatives, including the Seoul World Fireworks Festival, in collaboration with other leading pyrotechnic companies. Operating under the motto "Igniting Hope Through Fireworks", this festival has become a cornerstone of Korean cultural celebrations, annually delighting and inspiring over a million citizens. Moreover, our committed team of employee volunteers plays a significant role not only in the organization of this festival, but also in maintaining the cleanliness of the surrounding environment, further solidifying its reputation as a community service event.

11 AM Concert The 11 AM Concert, a joint venture between Hanwha Life and the Seoul Arts Center, has been a shining light of classical culture in Korea since it began in 2004. Noted as the first matinee concert ever held in the country, it takes place every second Thursday of the month. This distinctive mix of music and commentary not only enraptures devoted classical music enthusiasts, but also strikes a chord with the broader public, garnering significant praise.

Hanwha Life Concert Since its inception in 2004, the Hanwha Life Concert has been an annual event held in various cities. Each year, it garners positive reactions from the public as a cultural performance that blends artistic quality with popular appeal. Starting in 2021, the "Hanwha Life Concert" embraced the concept of sophisticated popular art and returned with a refreshed and energizing stage. It has evolved into a platform that encourages diverse age groups to interact and connect. In 2022, under the banner "Dream Again", the concert curated a hopeful event aimed at supporting forgotten dreams and revitalizing the performing arts sector, which had been dormant due to the impact of COVID-19. This vibrant concert brought solace to many of its attendees.

Hanwha Life Arts Plus This therapeutic cultural and artistic program has been in operation since 2016, aimed at bolstering the mental health of call center and customer service personnel. Professional art instructors travel to centers across the country, offering a range of customized courses in floral design, calligraphy, folk painting, photography, kalimba, gayageum, and more. Expert evaluations of the program's outcomes have shown a decrease in stress levels among the participating frontline staff. This reduction in stress has led to personal growth and development, as well as enhancements in organizational behavior and customer service outcomes. Furthermore, the program is playing a vital role in rejuvenating the cultural and arts sectors and generating employment opportunities, which is particularly significant given the ongoing impact of the COVID-19 pandemic.



Arts Plus cultural and arts program

Social Contribution Initiatives

Connecting Values

Hanwha Life Volunteer Group

Since its establishment in 2004, the Hanwha Life Volunteer Group has been actively involved in volunteer activities that have a direct impact on community life, prioritizing the active involvement of employees over occasional donations or events. Hanwha encourages each employee to dedicate 1% of their annual working hours to volunteer work, thereby enhancing their participation in societal contributions. In response to COVID-19, we have initiated programs that align with current trends such as ESG and healthcare, thereby fostering shared value by simultaneously creating economic and social value. We also provide opportunities for pro bono contributions in various fields, enabling employees to voluntarily engage in initiatives that bridge social value and business. Hanwha Life promotes the voluntary and sustained volunteering of its employees, making it a daily practice and incorporating sharing into the corporate culture.

In 2023, face-to-face volunteer initiatives, which had been suspended due to COVID-19, officially resumed after a three-year hiatus. This move exemplifies ESG management principles and fosters strong community connections. From 2023 onwards, it is projected that approximately 200 individuals will volunteer each month, amounting to around 2,000 annually. These volunteers plan to engage in a variety of service activities, targeting not only environmental preservation but also local communities and vulnerable groups. The activities will include baking vegan cookies and making homemade snacks for local children's centers, producing cloth menstrual pads for girls worldwide, assisting in the restoration of the Yeouido Saetgang Ecological Park, and creating healthy lifestyle products for single-mother households. Through these diverse volunteering activities, Hanwha Life aims to be a leader in ESG management. This will be achieved by protecting the environment through resource circulation in various volunteer activities and actively practicing sharing with local communities and vulnerable groups.



Restoration of the Yeouido Saetgang Ecological Park

Baking vegan cookies

Making Christmas wreaths and flower cakes

Hanwha Life Employee Volunteer Program

Basic volunteer activities	Volunteer activities linked to social value and business <ul style="list-style-type: none"> • Environment: Ecological protection, upcycling, zero waste, litter picking • Health: Vegan baking, homemade snacks, making healthy lifestyle products
Pro bono volunteer activities	Formation of professional volunteer groups and implementation of talent donations (pro bono) <ul style="list-style-type: none"> • Soul Food, shared by Hanwha Life's cooking specialist volunteer group • Level Up, shared by Hanwha Life's beauty specialist volunteer group • Life Plus Workshop, offered by other specialist volunteer groups of Hanwha Life
Public interest campaigns	Company-wide campaigns for a sustainable Earth and our well-being <ul style="list-style-type: none"> • Donation walking: Donations as per the number of steps taken • Give Green: Donating unused items

CASE STUDY :: Employee Participation in Upcycling and Zero Waste Volunteer Initiatives

In March 2023, Hanwha Life partnered with World Vision, a global humanitarian organization, to launch an "Eco-friendly Product Production and Donation Activity". This initiative involved creating air-purifying plant pots from recycled plastic blocks and donating them to disadvantaged children at the Yeongdeungpo Education Welfare Center. This endeavor, rooted in the principles of "upcycling" and "zero waste", transformed discarded materials into valuable items for underserved communities. This approach created a mutually beneficial situation by promoting environmental conservation through resource recycling and supporting those in need by donating the crafted items to welfare facilities. Hanwha Life's volunteer team intends to sustain these upcycling and zero-waste activities on a monthly basis. They plan to manufacture and donate a variety of eco-friendly items, including electricity-free permanent heat packs, crayons made from expired lipsticks, and kitchen sponges crafted from loofahs and hemp fabric.



Social Contribution Initiatives

Connecting Values

Expanding Employee Engagement in Global Social Contributions

Employees of Hanwha Life are actively involved in social contribution initiatives that address a variety of societal issues, both within Korea and abroad. The branch in Vietnam organizes a multitude of social contribution activities. These include providing aid for victims of COVID-19, offering assistance for housing repairs, supplying medical provisions for underprivileged groups, covering insurance premiums, and granting scholarships to university students. In a similar vein, the Indonesian branch carries out a series of volunteer activities, all aimed at supporting marginalized and financially disadvantaged communities.

Establishment of the Sarangmoa Fund

The Sarangmoa Fund is a philanthropic fund established through the generous donations of employees and financial professionals, which is then matched dollar-for-dollar by the company. This fund powers a variety of social contribution activities, benefiting local communities, public interests, and supporting culture, arts, and sports. As of 2020, the fund has amassed over KRW 10 billion, which is utilized for welfare projects within affiliated organizations and other social contribution organizations.

Details of the Sarangmoa Fund in 2022

Social contribution activity expenses for 2022

1.033 billion won



Cumulative fundraising amount of the Sarangmoa Fund
(as of the end of 2022)

13.1 billion won



Sports Activities for Promoting Health Among Children and Adolescents

Hanwha Life's "Orange Jump School" is a program focused on sports that fosters social connections among children and adolescents, while also promoting their physical health and emotional well-being. The program involves approximately 30 sports professionals, who are primarily physical education students. These professionals are selected, trained, and then paired with local children's centers across the nation to conduct regular physical activities. To support structured sports activities, an illustrative guidebook known as the V Coaching Book has been created and distributed. This guidebook outlines 50 different subjects. The program also promotes healthy eating by supplying balanced food kits and uses smart devices to monitor various physical metrics, such as the number of steps taken, to boost active motivation. In 2022, the program saw participation from a total of 233 children and adolescents. The cumulative step count recorded was 6,324,915 steps. A subsequent effectiveness analysis, which involved 37 children from local children's centers, resulted in a positive rating of over 4.6 out of 5 points.



Orange Jump School Sports Activity

CASE STUDY :: Opening of Hanwha Life's In-House LIFEPLUS CAFE

In 2023, Hanwha Life furthered its commitment to social value creation by launching "LIFEPLUS CAFE", a welfare-oriented in-house cafe, within its main office building in Yeouido. Hanwha Life directly hires individuals with disabilities, ensuring they receive the same benefits as their other employees. The café staff, consisting of eight baristas and one manager, are all individuals with severe disabilities, including auditory and intellectual impairments. These employees have undergone professional barista training at institutions such as the Seoul Customized Training Center and have prior experience working in cafes. To streamline operations and reduce the workload for these employees, the café offers alternatives to traditional in-person ordering, such as kiosks and mobile Naver Pay. Hanwha Life is committed to recruiting individuals with disabilities across various sectors, embodying its social responsibility, and implementing ESG-based corporate initiatives to foster social inclusion and job creation for individuals with disabilities.



LIFEPLUS CAFE

Human Resources Management

Human Resources Strategies

In the face of a rapidly evolving internal and external environment, characterized by heightened competition in the insurance industry, the entry of big tech companies into the insurance sector, increased volatility in the financial market, strengthened regulations, and advanced business models, Hanwha Life has developed and executed human resources (HR) strategies and tasks designed to strengthen the competitiveness of our insurance business and support our future strategic endeavors.

Hanwha Life HR Strategies

Core Talent Recruitment	<ul style="list-style-type: none"> Continually expand the pool of professional talent in relevant fields and establish a system to recruit talent at any time Diversify recruitment channels and strengthen recruitment branding
Employee Experience	<ul style="list-style-type: none"> Design an organizational culture that makes people eager to come to work by focusing on culture, technology, and physical environment Effectively manage Millennials and Generation Z emphasizing values and experiences and improve productivity
Future of Work	<ul style="list-style-type: none"> Implement changes in the work environment to adapt to the era of endemic COVID-19 and transition towards a digital workspace. Ensure the flexibility to work from various locations, including in the office or remotely.
Digital HR	<ul style="list-style-type: none"> Enhance performance by improving efficiency and productivity, and by advancing the human resources system. Improve HR productivity, boost employee satisfaction, and foster business success.
Cost Reduction	<ul style="list-style-type: none"> Independently manage the total number of employees and job position quotas within the framework of recruitment and payroll plans. Optimize labor expenses and streamline the costs associated with HR operations.

Recruitment

Hanwha Life focuses on job skills and competencies in our open recruitment process to attract highly skilled and capable individuals. We are committed to eliminating discrimination based on academic background and gender during recruitment, and are actively promoting a culture of fairness and transparency. Detailed job descriptions and required skills for each position are clearly disclosed in our job postings. We have also introduced an innovative talent recruitment system, which eliminates unnecessary personality tests, allowing applicants to concentrate on honing the job skills relevant to their field of interest.

Employee Recruitment and Coffee Chat

In February 2023, we implemented an employee recruitment system at Hanwha Life to provide transparent and fair information related to recruitment for prospective employees. We selected and trained a total of 80 employees as recruiters, enhancing their skills in areas such as the recruitment process and talent identification. Subsequently, we conducted a virtual recruitment counseling session known as “Coffee Chat”. We disseminated counseling URLs through major employment communities and promotional materials, enabling 1:1 Q&A sessions and counseling for applicants with our trained employee recruiters.

On-Site HR Recruitment at Universities

In our efforts to become a more applicant-friendly corporation, we have conducted in-person visits to 12 universities in the Seoul area, specifically those from which our employee recruiters graduated. During these visits, we held recruitment briefings and provided on-site counseling. We offered information and opportunities for experience to students and graduates interested in Hanwha Life. These opportunities encompassed the overall recruitment process, including company/job introductions, mock interviews, application preparation consulting, and Q&A sessions. Looking ahead, we plan to initiate “Open H-day”, an event that invites university students to our company for recruitment briefings.

New Employee Onboarding Program

Hanwha Life’s onboarding program is designed to systematically help new employees acclimate to the organization. We also provide welcome kits and work guidebooks to facilitate a quick and smooth transition into the workplace. Furthermore, we conduct monthly onboarding sessions to offer regular opportunities for new employees to gain a comprehensive understanding of the company.

Diversity of Employees by Expanding the Employment of Persons with Disabilities

Hanwha Life has proactively hired individuals with disabilities to promote job opportunities and foster economic independence. As a result, we have achieved notable outcomes, surpassing the mandatory employment rate for persons with disabilities by 3.1% in 2023. This is a first in the domestic life and general insurance industry. In alignment with these efforts, we have signed a “Memorandum of Understanding (MOU) to Promote the Employment of Persons with Disabilities to Realize Corporate Social Values and Practice ESG Management” with the Korea Employment Agency for Persons with Disabilities. Guided by this MOU, we aim to cultivate a progressive corporate culture that respects and enhances employee diversity by improving the DEI index¹⁾, which is part of our ESG strategy, and continually increasing the employment of individuals with disabilities.

1) 20% improvement in the DEI index by 2030 (baseline: 2020 = 100)

Human Resources Management

Human Resources Management

Employee Training System

Hanwha Life develops customized training programs and presents a detailed training system for each task and position, aiming to enhance the professional skills of its employees.

Employee Training System

Value and competency	Innovative leader course		
Leadership	CEO	Leader candidates	Leadership assessment for team and team leaders
General	Support for self-development		
	Outside training	International seminars	LIFEPLUS LIBRARY
	Actuary credential course	LIFEPLUS ACADEMY	Language course
Strategic course	Support for major graduate schools in Korea	Support for specialized courses at major international universities	Next-generation leader program
	Group organizational culture assessment	H-Class	Digital academy

Fostering Financial Professionals

Given the unique characteristics of the insurance industry, we offer specialized training programs designed to cultivate talent in the field of finance.

Financial Professional Training Program

Training program	Content	Effect
Digital academy	<ul style="list-style-type: none"> Achieve mid- to long-term objectives by improving the financial expertise of the digital workforce Gain insights into financial and life insurance strategies, as well as the processes involved in the development and advancement of digital products 	Quickly adopting the latest trends and improving employees' competencies in digital-based work
H-Class/Insurance Training Center course	<ul style="list-style-type: none"> Improve employee competencies by educating them about general responsibilities and knowledge Job training programs designed to cultivate experts in insurance, finance, and digital fields 	Reinforcing basic knowledge related to employees' primary responsibilities
Next-generation leader strategy workshop	<ul style="list-style-type: none"> Enhance insights and improve problem-solving capabilities through a multifaceted analysis of the business environment Cultivate the logical thinking capabilities required for leaders and suggest solutions applicable in practice 	Strengthening leadership and response capabilities for leadership candidates

Enhancing Expertise Through Job Rotation

Hanwha Life's "Job Market" is a job rotation program designed to provide employees with a variety of work experiences to enhance their skills and promote growth. This system allows employees to apply for the positions they desire, concentrating on building their self-directed job competency. It also aids in the development of specialized careers in their areas of interest.

Re-Employment Training for Retirees

Hanwha Life offers re-employment training to its retired employees to prepare them for their next career phase. We extend this support and training to non-voluntary retirees who are 50 years old or older. In 2022, we facilitated training for a total of 20 individuals, providing them with opportunities for self-development prior to their retirement.

Human Resources Management

Talent Development

Improving Global, Job, and Leadership Competencies

To cultivate global professionals with a broad worldview and specialized knowledge, Hanwha Life operates educational programs aimed at enhancing global, occupational, and leadership skills.

Training Programs Related to Talent Development

Category	Program	Content
Global	In-house language courses	Purpose: Short-term language level improvement for outstanding employees who need business communication skills ※ English, strategic languages such as Chinese Target: Global talents such as next-generation leaders and expatriate candidates Details: AL/IH ↑ preparation class (communication with native speakers, use of in-house 7F/45F, March-May), IM ↑ preparation class (communication via phone, September-November)
	International expatriate candidate courses	Purpose: Achieving communication and language skills at a level capable of carrying out international projects, such as understanding different cultures ※ Achieving practical skills through involvement in international projects Target: Expatriate candidates Details: Cross-cultural understanding/communication workshop (August), language course for new candidates (September-November)
Job	RPA specialist course	Purpose: Cultivating analysis, design, and development capabilities to spread RPA throughout the company Target: RPA-dedicated personnel and applicants Details: Practical application/practice-oriented group training (in-house, after April, quarterly)
	H-investment academy	Purpose: Improving job competencies through lectures on investment and by investment product experts Target: New employees and applicants in the investment sector Details: Group training by inviting securities companies and asset appraisers (in-house, April-May)
	Actuary preparation course	Purpose: Cultivating actuarial capabilities through acquiring professional credentials Target: Those who passed the 1st round of the insurance actuary exam Details: Online lecture (Insurance Training Center, June-July), Group training (Hanwha Life Park, July)
Leadership	Promoted employee course	Purpose: Raising awareness of changes in roles and strengthening leadership competency by rank ※ Office workers: implemented in the second half of the year Target: Those promoted from assistant manager to deputy general manager Details: Group training (Hanwha Life Park, 3 days 2 nights, April-May)
	Pre-leadership course	Purpose: Cultivating competencies needed to fulfill the leadership role in advance, such as leadership skills and performance management Target: Future leader candidates such as prospective team and team leaders Details: Group training based on individual leadership assessment results (in-house, 3 days, September)
	Next generation leader course	Purpose: Increasing awareness of roles and responsibilities as a next-generation leader Target: Next-generation leaders Details: Group training (Hanwha Life Park, 3 days, May), international company tour (4 days, October)
Swift acclimation	Mentoring for new employees/career onboarding program	Purpose: Early acclimation of new employees Target: New/experienced employees with less than 1 year of employment Details: Mentoring for new employees (second half of the year), career onboarding (quarterly)

Fair Performance Evaluations

Hanwha Life carries out employee performance assessments using fair and transparent criteria, and shares the results to foster employee growth. We encourage individual goal setting that aligns with our company-wide objectives, which are shared among all members of the organization. We also regularly review the progress and achievement of these goals. To maintain the objectivity of the performance assessment, the final evaluation is determined by combining the results of regular assessments and the feedback from the evaluated employees. Following the evaluation, we conduct feedback sessions and interviews with department heads to lay the groundwork for further employee development. Moreover, we are committed to ensuring transparency and fairness in our evaluations by implementing a system for objections toward evaluations.

Human Resources Management

Innovating an Organizational Culture

Work–Life Balance

To foster a work–life balance among its employees, Hanwha Life has implemented innovative well-being systems. These include restrictions on overtime, flexible work schedules, and comprehensive leave policies. We offer numerous opportunities for employees to rejuvenate with their families, with the ultimate goal of enhancing job satisfaction.

Organization Activation Program

In 2023, Hanwha Life intends to offer self-development assistance and therapeutic programs to energize its workforce. To rejuvenate the company’s overall organizational culture, we will also organize a “Culture Day”. This event will feature one-day classes on various topics, including a “Book Talk” (book club) and flower arrangement.

Remote Workplace

Hanwha Life has implemented the Remote Workplace, a system that allows employees to work from locations other than the office, fostering an environment for creative idea generation. The Remote Workplace is situated in Yangyang, and with the easing of social distancing measures due to COVID–19, approximately 702 employees utilized it in 2022. We also offer weekend accommodations for employees and their families, a benefit that was taken advantage of by 469 individuals in 2022. In 2023, we plan to introduce programs such as “Communication Week” to promote departmental harmony, “MZ Networking Week” for assistants, assistant managers, and managers in their 20s and 30s, and “New Employee Onboarding” for those hired through open recruitment in April 2022, along with their mentors at the Remote Workplace. These diverse employee support programs aim to cultivate a flexible corporate culture, providing our employees with a respite from their busy daily routines.

PC–Off	<ul style="list-style-type: none"> • PC control system to comply with 52–hour workweek regulation • PC–on at 08:30 and PC–off at 18:00
One–month sabbatical leave	<ul style="list-style-type: none"> • One–month refresh leave for promoted employees to build a creative and flexible organizational culture
Flexible work arrangements	<ul style="list-style-type: none"> • Flexible work arrangements, one type of flextime, for individual employees or groups in which an average of a 40–hour workweek is planned in advance on a monthly or quarterly basis (limited when necessary for specific jobs or positions)
Leave of absence for personal growth	<ul style="list-style-type: none"> • Leave of absence for self–development including acquiring a degree, job training, and language learning to strengthen expertise and improve work immersion
Paternity leave	<ul style="list-style-type: none"> • Leave to share and fulfill responsibilities of childcare after childbirth
Reduced working hours for pregnant mothers	<ul style="list-style-type: none"> • Shortened working hours by 2 hours per day in the first 12 weeks and after 36 weeks of pregnancy
Reduced working hours for childcare	<ul style="list-style-type: none"> • Reduced working hours to care for children under the age of 8 or under or the second grade of elementary school
Group culture assessment	<ul style="list-style-type: none"> • Company–wide organizational culture assessment by the satisfaction survey from employees and deduction of improvement measures

CASE STUDY :: Establishment of the 63 Fitness Center for Employee Health

In 2023, Hanwha Life inaugurated the 63 Fitness Center, an employee fitness facility offering panoramic views of the Han River and Namsan Mountain, as part of our commitment to providing exceptional well-being benefits. The center is equipped with approximately 60 pieces of state-of-the-art equipment from Techno Gym, a leading fitness brand, including non-motorized treadmills. We also offer tailored exercise programs such as one-on-one personal training and Pilates classes. Beyond fitness, we provide a range of welfare benefits including a library and an in-house cafe, as part of our ongoing efforts to become the company of choice for Millennials and Generation Z. We are striving for “work–life blending”, a concept that goes beyond the traditional “work–life balance”. Our commitment to enhancing employee satisfaction continues, with a focus on promoting the health and creative thinking of our employees to further maximize work efficiency.

Human Resources Management

Expanding Employee Communication

Stimulation of Communication

Hanwha Life is developing a variety of communication channels among the management team, employees, and various departments to foster a flexible organizational culture. Through routine company-wide sharing sessions, we disseminate information on key corporate issues and strategies, fostering a shared understanding between the management team and employees regarding the direction of company-wide initiatives. Furthermore, we publicize the outcomes of organizational surveys to boost transparency and are committed to enhancing our organizational culture through dynamic communication between labor and management.

Employee Relations Council Meetings in 2022

Date	Details
1st quarter (March)	Sharing matters concerning personnel plans (Article 22 of the Act on the Promotion of Employees' Participation and Cooperation ¹⁾)
2nd quarter (June)	Sharing information on the company's economic and financial conditions (Article 22 of the Act on the Promotion of Employees' Participation and Cooperation)
3rd quarter (July)	Discussing the improvement of productivity and distribution of results achieved (Article 20 of the Act on the Promotion of Employees' Participation and Cooperation)
4th quarter (October)	Discussing detailed implementation plans for labor-management agreements

1) Act on the Promotion of Employee's participation and cooperation

Organizational Satisfaction Survey

In the fourth quarter of 2021, we conducted an organizational survey to gather employee feedback on our organizational culture, and we have since made improvements based on this feedback. In the fourth quarter of 2022, we introduced a new survey that included detailed multiple-choice and open-ended questions, allowing employees to provide more specific feedback. Furthermore, we openly share anonymized responses from the open-ended questions and actively solicit feedback through methods such as open voting on the welfare system. This approach helps us to develop and implement practical plans for improving our organizational culture.

Organizational Survey Results in the Fourth Quarter of 2022

Overall average	Mission/strategy	Leadership	Organizational culture
4.3/5.0	4.4/5.0	4.3/5.0	4.3/5.0

Management Issue Briefings

We hold monthly management briefings to improve our employees' understanding of the financial market and Hanwha Life's governance. In these meetings, we discuss key management issues and strategies by sector. This includes the progress and future direction of management innovation tasks, IFRS17 sales strategies, and investment strategies. Our aim is to foster robust internal communication.

Employee Relations Council

We routinely conduct Employee Relations Council meetings, which consist of four representatives – two from the employees and two from the company. These meetings are designed to foster discussion and communication on significant issues concerning employees.

Labor-Related Risk Management

Workplaces and business partners that are determined to have potential risks for serious violations of workers' freedom of forming an association and collective bargaining.

None

Workplaces and business partners that have serious risks related to child and forced labor

None

Employees Subject to Collective Agreement (2022)

Percentage of employees whose working and employment conditions are regulated by collective agreements

(percentage of employees who are subject to the results of collective agreements regardless of whether they are members of a labor union)

97.6%

CASE STUDY :: Open House Event with CEO – “Talk Concert”

In January 2023, Hanwha Life hosted the “Empathy” talk concert with the CEO for 63 new employees at Hanwha Life Park. This event was designed to facilitate offline communication with the CEO. The CEO extended his congratulations to the new members of Hanwha Life, offered words of encouragement, and led a candid 90-minute question-and-answer session. This provided a valuable opportunity to foster mutual understanding.



Talk concert with new employees

Human Resources Management

Employee Complaints

Hanwha Life runs a complaint reporting center, dedicated to actively addressing employee grievances and challenges. The center ensures the utmost confidentiality of the whistleblower's identity and the specifics of their reports. After a thorough verification and review of the received reports, suitable follow-up actions are implemented as needed.

Procedure for Handling Employee Complaints



In-House Counseling

Hanwha Life has implemented a counseling system to combat sexual harassment within the organization. We carefully select counselors who possess key competencies, such as job-related skills, lecturing abilities, and networking skills. These counselors are tasked with safeguarding victims and preventing further victimization. They achieve this through group training sessions aimed at preventing sexual harassment in the workplace, as well as through the swift handling of incident reports, consultations, and investigations. Additionally, we encourage our counselors to complete a credentialing course offered by the Counselors Association to enhance their expertise. We also organize annual workshops for counseling experts to discuss and address sexual harassment in the workplace.

Health and Safety

Basic Safety and Health Guidelines

Hanwha Life has established basic safety and health guidelines, prioritizing protection of safety and life of all employees and visitors. We foster a safety-first work environment and practice safety and health management.

Hanwha Life Safety and Health Guidelines
<ul style="list-style-type: none"> • Hanwha Life shall prioritize the safety and health of all employees and visitors and thoroughly comply with laws and regulations related to safety and health. • Hanwha Life shall promote safety and health awareness through safety and health training and internalize a company-wide safety and health culture. • Hanwha Life shall establish a safety and health plan to ensure the safety and health of employees and visitors and regularly evaluate its implementation, and actively discover and pursue improvements.

Employee Health Management

Hanwha Life annually administers comprehensive health check-ups for all employees through our employee health management program. This proactive approach aids in the prevention of health issues and allows for prompt responses to early detections. We place particular emphasis on supporting annual ultrasound examinations for breast and thyroid cancer, conditions with high incidence rates in women, for our female employees. Moreover, we have broadened our insurance coverage by extending the eligibility for medical expense group insurance to not only employees but also their spouses and direct descendants. Additionally, we offer the "Dreaming Attic", a private space for call center consultants, along with various art therapy programs. These resources are designed to assist our employees in managing their mental health. We also provide financial support for the diagnosis of mental health-related conditions.

Human Resources Management

Health and Safety

Occupational Safety and Health Committee

Since 2016, we have operated the Occupational Safety and Health Committee, which is composed of three employee members and three company members. This committee convenes for both regular and special meetings quarterly to deliberate on issues concerning employee safety and health. In 2022, we established a dedicated organization specifically for safety and health. This organization is responsible for overseeing all tasks related to these areas. Additionally, we engaged an external professional agency to conduct a risk assessment, further ensuring the safety of our employees.

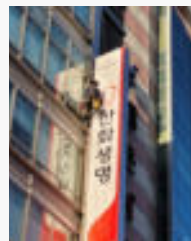
Safety and Health Performance in 2022

- Establishment of a dedicated safety and health organization that comprehensively performs safety and health-related tasks
- Completion of risk assessment by an external professional agency
- Inspection of rest facilities in accordance with the obligation to install rest facilities

CASE STUDY :: Safety Inspection and Management of Outdoor Installations

Replacement of protruding outdoor advertisements (signboards) to prevent the risk of falls

To mitigate the risk of accidents resulting from outdoor advertisements (signboards) being dislodged by strong winds, we carry out safety inspections on these advertisements twice a year, in April and October. Specifically, starting in 2021, we have removed signboards that protrude in areas prone to high winds and replaced them with channel signboards to decrease the likelihood of safety incidents.



Painting and reinforcement to prevent corrosion of the steel frames of the rooftop advertising pillar

To prevent the corrosion of steel frames, which can be caused by the deterioration of rooftop advertising pillars, we carry out routine safety inspections twice a year. We plan to increase the frequency of these inspections to four times a year by 2023 to further safeguard against potential accidents. Additionally, we regularly perform safety checks and apply protective paint to the steel frames to prevent corrosion.

Safety Training

Hanwha Life conducts employee safety training to enhance safety consciousness and establish a secure environment for both our customers and employees. To ensure swift responses to potential disasters, we regularly conduct disaster preparedness training for our staff. In light of the COVID-19 pandemic in 2022, we have diversified our training methods to include both virtual and in-person sessions. We have also created and disseminated disaster preparedness training videos, which provide guidelines on how to behave during a disaster, for all employees to view. Moreover, we provide training aimed at eliminating fire hazards and facilitating efficient firefighting by implementing and managing a fire prevention and response system. Beyond this, we routinely carry out safety training, conduct special inspections for hazardous tasks such as working at heights, welding, painting, and cutting using safety assessment checklists, and perform comprehensive risk assessments for construction sites with high fire risks. Thanks to these measures, we have successfully achieved a record of zero safety incidents. In light of the COVID-19 pandemic, we facilitated an online workshop focused on occupational safety, during which group presentations were delivered on eight key topics. Subsequently, we implemented the most effective preventive measures across all business sites and verified their positive impact on enhancing facility-related safety. Moving forward, we plan to advance safety management and incident prevention through various strategies. These include distributing the presentation materials to all workplaces to cultivate a company-wide culture of safety leadership and awareness, as well as evaluating the most innovative ideas for potential implementation in our workplaces.

Safety Campaigns to Cultivate a Safety Culture

Hanwha Life has launched a safety campaign aimed at increasing accident awareness among all employees and fostering a culture of safety within the company. To prevent serious accidents, we initiated the “2022 Near-Miss Accident Discovery Campaign” for our employees and those of our partners. We solicited reports of incidents where employees, colleagues, or customers narrowly avoided injury due to mistakes made by themselves or others, or due to facility issues, along with suggestions for improvement. A total of 194 participants reported 313 such incidents. From these, we selected the most compelling cases with a high likelihood of recurrence and used them to create a training manual (in PDF format) for our employees and partners. This campaign has successfully heightened interest and awareness in safety, and has had a tangible educational impact by building consensus around safety-related incidents experienced in the field. Drawing from a variety of safety campaigns, Hanwha Life is committed to rejuvenating its comprehensive safety management system and establishing a safety culture.

Human Resources Management

Health and Safety

Safety Drills

In the event of various emergencies, including natural disasters, Hanwha Life carries out emergency response drills. These drills are designed to ensure the safety of visitors and internal partners, as well as to protect facilities. This is achieved through the development of emergency response plans and swift recovery measures.

In 2022, we undertook an evaluation of our building's facilities with a focus on counter-terrorism measures. This included a specialized firefighting inspection overseen by the National Fire Agency, as well as a collaborative drill for high-rise buildings, supervised by the Yeongdeungpo Fire Station. The inspections confirmed the effectiveness of our systematic and specialized approach to building safety management and our proactive disaster response system. In recognition of our commitment to disaster safety management, we were honored with the Seoul Mayor's Commendation and the Yeongdeungpo Fire Chief's Commendation.

In 2022, we carried out seven individual response drills for various scenarios, such as terrorism, fire, power outages, and containment. These drills were conducted for facility management departments, internal companies, business locations, and in-house partners. Through these emergency drills, we enhanced our ability to respond to each situation. We familiarized ourselves with evacuation routes via evaluation drills and studied the first aid manual for cardiac arrest cases. Moving forward, we aim to make the training process more realistic through ongoing improvements and the development of emergency response manuals. We will conduct training that aligns with real-world situations and further enhance our public-private joint drill scenarios.

Safety Drills (2022)

63 Building emergency drills

7 times (one public-private joint drill for high-rise buildings and 6 other drills)



63 Building disaster preparedness training

2 times



Regular emergency response drills for each business site across the nation

409 times at **27** locations



Safety Culture Assessment

Since 2017, we have assessed our employees' safety culture and implemented enhancements to our safety management based on these evaluations. In a survey conducted in 2022, the average safety culture index was 91.8 points. Based on these results, we implemented improvement measures in 21 instances across 8 categories. Looking ahead, Hanwha Life will continue to implement a variety of safety management measures. These include conducting annual safety culture evaluations, disseminating the results throughout the company, and facilitating internal briefings at each business location. In 2023, we plan to incorporate the direction of improvement into our goals and operational plans related to safety culture evaluation. We will persistently improve and manage our SHE (safety, health, and environment) management to quantitatively assess our employees' level of safety culture.

Response to Prevent Transmission of COVID-19

We have signed a contract with a disinfection company to perform both emergency and routine disinfections in our workplaces in the event of confirmed or suspected COVID-19 cases. Furthermore, we are consistently monitoring the temperatures of all individuals entering our business premises using facial recognition thermal imaging cameras. We also regularly procure COVID-19-related supplies, such as hand sanitizers, disinfection films for elevator buttons, and disinfectants, ensuring their constant availability.

Employee Safety Management Status

Category	Unit	2022
Industrial accident rate	Case	1
	%	0.02
Industrial accident mortality rate	Case	0
	%	0
Number and percentage of irrecoverable injuries and injuries that cannot be recovered to the same condition as before the accident within 6 months (excluding deaths)	Case	0
	%	0
Total working hours	Hours	6,307,200

Human Rights Management

Human Rights Management

Our Human Rights Policy

Hanwha Life upholds internationally recognized human rights, including those outlined in the Universal Declaration of Human Rights and the UN Framework and Guiding Principles on Business and Human Rights. We support all relevant standards set by international organizations. Additionally, we adhere to the human rights and labor laws of every country in which we operate, actively working to prevent human rights violations by investigating related issues in each region. In all aspects of our business, we prioritize the human rights of all stakeholders in our value chain. This includes our employees, customers, financial planners (FPs), partners, and subsidiaries. We are committed to preventing human rights violations under any circumstances. Specifically for our employees, we implement a range of company-wide programs and develop policies to ensure that associates and senior associates, who may be vulnerable to human rights violations, are protected from such issues. To further these efforts, we have established and proclaimed our own Hanwha Life Human Rights Policy. This policy is designed to prioritize the human rights of both direct and indirect stakeholders, and to strengthen our commitment to human rights management.

Hanwha Life Human Rights Policy

Human Rights for Employees	<ul style="list-style-type: none"> Do not discriminate against individuals based on gender, age, disability, religion, birthplace, political preferences, etc. Provide opportunities for personal growth training based on employees' capabilities and evaluate and reward individuals based on their performance. Guarantee the right to participate in labor union activities and build a cooperative partnership with labor unions based on mutual trust. Provide a safe and pleasant work environment to improve the health of employees.
Human Rights for FPs, Subsidiaries, and Business Partners	<ul style="list-style-type: none"> Respect FPs and business partners as our equal companions on our journey toward co-prosperity. Ensure fair and transparent transactions with FPs, subsidiaries, and business partners and actively support to promote human rights management. Do not tolerate any form of forced labor or child labor and take measures to prevent such practices.
Human Rights for Customers	<ul style="list-style-type: none"> Respond to customer needs rapidly and accurately and strive to improve customer satisfaction. Continuously improve technical and physical solutions to protect customer information collected for business purposes. Do not offer financial services that discriminate based on gender, ethnicity, religion, political preferences, etc. Develop products and services that meet customers' expectations and offer them through ethical and legitimate methods.
Human Rights for Shareholders and Investors	<ul style="list-style-type: none"> Guarantee shareholders' rights by maintaining accuracy and credibility by providing information transparently. Provide necessary information for shareholders and investors in a prompt and fair manner according to all relevant laws and regulations Respect reasonable requests and suggestions made by shareholders and investors and maintain mutual trust.
Human Rights for Communities	<ul style="list-style-type: none"> Practice inclusive finance for communities and strive to improve access to financial services for vulnerable consumers. Prohibit transactions using fictitious names and borrowed name accounts and other forms of illegal transactions including money laundering, etc. and support building sound and healthy communities. Consider environmental and social issues of communities, comply with domestic and international environment-related laws and regulations, and disclose environment-related information transparently. Protect the human rights of communities, where the headquarters and domestic and international offices locate, and actively contribute to social contribution activities as a responsible member of communities.

Human Rights Training

Hanwha Life offers a variety of human rights training programs to all employees. These programs cover a wide range of topics, including the concept and significance of human rights management, our company's human rights policies, and our activities related to human rights management. They also address international trends in human rights to enhance the sensitivity of all employees towards these issues. Furthermore, we facilitate discussions on human rights action plans for various stakeholders, such as employees, partners, and customers, to foster a greater consciousness of human rights. For example, in 2022, we provided a training course titled "Understanding Human Rights Management". This course focused on our human rights policies and management guidelines, encouraging reflection and improvement in our ESG management. Moving forward, we will continue to offer a diverse range of human rights training programs on a regular basis. We will also provide other necessary resources to increase our employees' awareness of human rights.

Human Rights Training

Training scope	The concept of human rights management and its importance Human rights management activities and human rights policies, etc.
Number of employees who completed training	3,894

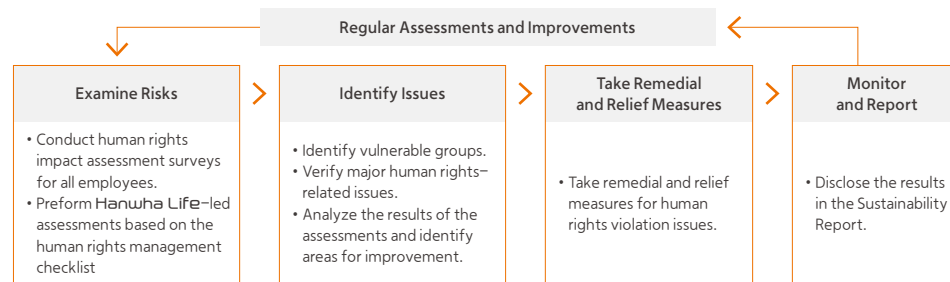
Human Rights Management

Human Rights Management

Human Rights Risk Management

Hanwha Life conducts human rights impact assessments for all employees. This proactive approach allows us to identify potential human rights risks in advance and implement corrective measures swiftly, thereby minimizing the impact of these risks. We have conducted employee surveys to uncover potential human rights risks and identify groups that may be particularly susceptible to human rights violations. We have also implemented strategies to alleviate these risks. Furthermore, we conduct our own audits in line with the human rights management checklist. This allows us to quantify the level of implementation and take the necessary steps to improve areas identified as vulnerable.

Human Rights Risk Management Process



2022 Human Rights Impact Assessment Survey Results

A total of 865 stakeholders from Hanwha, including shareholders, individuals from subsidiaries, and business partners, participated in the 2022 human rights impact assessment survey. The results indicated common areas for improvement such as the work environment, employment discrimination, and issues of workplace harassment and a toxic culture. However, variations were observed among different divisions, positions, and genders. This allowed us to prioritize the issues and focus on improving the work environment and establishing a human rights management system. Moving forward, we will continue to conduct regular human rights impact assessments to foster a culture of respect for human rights and to strengthen our ESG management.

Human Rights Impact Assessment Results Summary

Major Issues	<ul style="list-style-type: none"> • Improvement in the work environment • Prohibition of employment discrimination • Prevention of workplace harassment and toxic work culture
Response Measures	<ul style="list-style-type: none"> • Provide proper measures to major issues such as improving workplace environment or banning employment discrimination. • Prioritize areas for improvement, such as the workplace environment and human rights management systems. • Construct systematic response measures by reviewing surveys and identifying areas for improvement by gender and position.

CASE STUDY :: Human Rights Protection Programs for Call Center Employees

“Heart-to-Heart” initiatives

At Hanwha Life, we protect our call center consultants by providing them with opportunities for meditation and breaks following exposure to verbal abuse, sexual harassment, or other stressful customer interactions. We also offer proactive support to our consultants through the operation of a consulting review committee. This committee scrutinizes escalated issues for potential legal repercussions and implements all necessary measures.

“Saeneul Healthcare Centers”

Starting from 2022, Hanwha Life has been operating healthcare centers, known as “Saeneul”, within call centers in Seoul, Daejeon, and Busan. These centers offer employees professional manual treatments three times a month on a consistent basis. In addition to this, we employ visually impaired individuals, referred to as healing managers within the centers, as part of our commitment to expanding job opportunities for people with disabilities and promoting social values aligned with ESG principles.

“Hanwha Life Art Plus” programs

As part of our commitment to human rights management, we operate “Hanwha Life Art Plus” programs. These programs are designed to provide emotional support to our call center consultants through various art activities. The range of activities includes calligraphy, flower art, wood carving, rattan crafts, ukulele playing, gayageum, and kalimba. These activities are led by professional art instructors and aim to alleviate the stress experienced by our call center consultants. Expert analysis conducted in 2022 has shown a significant reduction in stress levels among our consultants. Additionally, there has been an increase in job satisfaction and positive feelings toward the workplace.

Establishing Sound and Transparent Governance

Governance

ESG

PERFORMANCE

Transparent Governance

Ethics and Compliance Management

Risk Management

Information Security and Personal Information Protection



Transparent Governance

Board of Directors

The Board of Directors consists of 7 directors, among whom 3 are internal directors and 4 are independent directors. The majority of the board is made up of independent directors, which ensures independence through mutual checks and balances among board members. The board has the authority to appoint and dismiss the CEO. Given the nature of the insurance industry, we have enhanced our expertise by appointing directors from diverse fields such as finance, management, economics, and law. The Board of Directors is responsible for resolving key issues related to the fundamental principles of management and the company's long-term growth. It also oversees the execution of directors' duties, appoints the CEO as the board chairperson, and convenes board meetings. To prevent and mitigate potential conflicts of interest that may arise when the CEO also serves as the board chairperson, we appoint a lead independent director in accordance with the Act on Corporate Governance of Financial Companies. This lead independent director convenes and chairs the meetings of the independent directors, supports their efficient performance, and enhances their responsibilities. Furthermore, the Board of Directors is committed to strengthening communication through stakeholder engagement. This is achieved by disclosing information on agenda items, their status (approved or rejected), and the agreement or disagreement of board members on key resolutions. These resolutions include the establishment of the Corporate Governance Charter, amendments to internal compliance standards, and approval of safety and health plans. This information is included in the business report (with a total of 46 cases¹⁾ as of 2022). We have established committees under the Board of Directors to enable efficient and prompt decision-making by directors who are experts in their respective fields. Each committee deliberates and resolves delegated matters related to sustainability management, auditing, executive candidate recommendations, executive compensation, risk management, and internal transactions.

Board of Directors

(As of March 2023)

Classification	Name	Gender	Current term	First appointment	Expertise	Role in the Board of Directors	Career highlights	Relationship with the company	Relationship with the largest shareholder
Internal director	Seung Joo Yeo	Male	March 2023 to 2025	March 2019	• Finance, economics	• Chairperson of the Board of Directors	• Current CEO, Hanwha Life • Former CEO, Hanwha Investment&Securities	N/A	N/A
	Joong Won Kim	Male	March 2023 to 2025	March 2021	• Law	• Compensation Committee member • Internal Transaction Committee member • Sustainability Management Committee member	• Current Head of General Council, Hanwha Life • Former Head of Ethical Management, Hanwha Life	N/A	N/A
	Chung Ho Shin	Male	March 2023 to 2025	March 2023	• Management, economics	• Candidate Recommendation Committee member • Risk Management Committee member	• Current Head of Insurance, Hanwha Life • Former Head of Product Strategy Division, Hanwha Life	N/A	N/A
Independent director	Young Key Hwang	Male	March 2023 to 2024	March 2019	• Finance, economics	• Lead independent director • Audit Committee member • Compensation Committee member • Risk Management Committee member • Sustainability Management Committee member	• Current Chairperson, ChildFund Korea • Former Chairperson, Korea Financial Investment Association • Former Chairperson, KB Financial Group	N/A	N/A
	In Sill Yi	Female	March 2023 to 2024	March 2021	• Management, economics	• Candidate Recommendation Committee member • Audit Committee member • Internal Transaction Committee member • Sustainability Management Committee member	• Current Director, Korean Peninsula Population Institute for Future • Former Professor, Graduate School of Economics, Sogang University • Former Chairperson, Korean Economics Association • Former Director-General, Statistics Korea	N/A	N/A
	Hyeon Chul Joe	Male	March 2023 to 2024	March 2021	• Management, economics	• Audit Committee member • Candidate Recommendation Committee member • Internal Transaction Committee member	• Former Standing Auditor, Kolon Materials • Former Standing Advisor, Kolon Industry • Former Vice-president, Korea Deposit Insurance Corporation	N/A	N/A
	Se Jik Kim	Male	March 2023 to 2024	March 2022	• Management, economics	• Compensation Committee member • Risk Management Committee member • Sustainability Management Committee member	• Current Professor, Department of Economics, Seoul National University • Former Independent Director, Industrial Bank of Korea	N/A	N/A

1) For detailed information on the key resolutions and activities of the committee under the Board of Directors, please refer to pages 549 to 554 of the business report.

Transparent Governance

Board of Directors

Committee under the Board

(As of June 2023)

Committee	Composition			Key roles	Deliberation/resolution	Reporting
	Chairperson	Internal director	Independent director			
Sustainability Management Committee		Joong Won Kim	Young Key Hwang In Sill Yi Se Jik Kim	Establishes ESG strategies and supervises the implementation of sustainability management	<ul style="list-style-type: none"> Establishment of ESG strategies and policies Establishment of mid- and long-term ESG goals Supervision of implementations of ESG initiatives 	<ul style="list-style-type: none"> Implementation of ESG initiatives Results of key external evaluation related to ESG
Audit Committee	Young Key Hwang		In Sill Yi Hyeon Chul Joe	Assesses adequacy of and improves the internal control system, and evaluates and improves management achievement	<ul style="list-style-type: none"> Supervision of performance of directors and executives Selection and supervision of external auditors Decisions on delegations to the head of the audit subsidiary organization Review of financial statements and assessment of the internal accounting management system 	<ul style="list-style-type: none"> Results of audits Results of financial year-end settlement audit Operational status of the internal accounting management system
Candidate Recommendation Committee		Chung Ho Shin	In Sill Yi Hyeon Chul Joe	Recommends, screens, and selects candidates for independent directors, auditors, and the CEO	<ul style="list-style-type: none"> Recommendation of candidates for the CEO, independent directors, and auditors 	<ul style="list-style-type: none"> Status of CEO succession Management of candidates for independent directors
Compensation Committee		Joong Won Kim	Young Key Hwang Se Jik Kim	Deliberates and resolves performance evaluation criteria and evaluation results for full-time executives	<ul style="list-style-type: none"> Matters concerning determination and payment methods of compensation Preparation and disclosure of annual reports on compensation Design, operation, and adequacy assessment of the compensation plan Decision-making procedure of compensation policies Determination of recipients of variable compensation such as executives, financial investment managers Determination of employees for deferred performance compensation 	<ul style="list-style-type: none"> Ongoing inspection of a financial company's compensation system, financial status, linkage with risks, and compliance with laws and regulations
Risk Management Committee	Young Key Hwang	Chung Ho Shin	Se Jik Kim	Establishes basic guidelines for risk management and approves risk limits	<ul style="list-style-type: none"> Establishment of basic guidelines and strategies for risk management Determination of affordable risk levels Approval of caps on appropriate investment and loss Establishment and amendment of risk management standards 	<ul style="list-style-type: none"> Results of risk analysis Risk management status of a financial group
Internal Transaction Committee	In Sill Yi	Joong Won Kim	Hyeon Chul Joe	Reviews internal transactions between affiliates	<ul style="list-style-type: none"> Deliberation on agendas related to internal transactions between affiliates Supervision of internal transactions between affiliates 	<ul style="list-style-type: none"> Transactions of routine goods and services Changes in key content of existing internal transactions

Transparent Governance

Appointment of Directors

Fair Director Appointment Process

Hanwha Life conducts a fair and thorough election process to appoint directors who possess the necessary expertise. The finalization of the Board of Directors is achieved through a resolution at the general shareholders' meeting. This entire election process adheres strictly to the Act on Corporate Governance of Financial Companies. Additionally, an annual governance report is made public in accordance with this Act. The Candidate Recommendation Committee, which operates under the Board of Directors, is responsible for managing the candidates for the positions of independent directors and the CEO. The committee recommends candidates based on their expertise, impartiality in performing duties, ethical responsibilities, integrity, and compliance with related laws. The committee's recommended candidates for independent directors and auditors are then selected as the final candidates by the Board of Directors. Internal directors are also recommended and chosen by the Board of Directors. The CEO is elected by the Board of Directors, based on the recommendation of the Candidate Recommendation Committee, from among the directors appointed at the general shareholders' meeting. Furthermore, we conduct an annual review of the adequacy of CEO succession plans and report the findings to the Board of Directors. This ensures that our governance remains transparent.

Independence of the Board of Directors

Hanwha Life prioritizes the independence of the Board of Directors to enhance the company's operational efficiency and facilitate more balanced decision-making. In line with our internal governance regulations, we ensure that independent directors, who meet the qualifications stipulated in relevant laws such as Article 6 of the Act on Corporate Governance of Financial Companies, make up the majority of the board. To guarantee the autonomy of auditors, we have structured the Audit Committee to consist solely of independent directors. This supports their ability to perform autonomous audits, independent of the Board of Directors and controlling shareholders. Furthermore, we safeguard the independence of other committees under the Board of Directors by appointing independent directors as the chairperson of each committee and ensuring that each committee is composed primarily of independent directors.

Expertise and Diversity of Directors

Hanwha Life forms its Board of Directors with a focus on enhancing the interests of various stakeholders. We carefully consider expertise and diversity to ensure rational decision-making. We are committed to promoting diversity and do not discriminate based on gender, race, ethnicity, nationality, or age. In 2021, we appointed a female independent director to further ensure gender diversity. Moreover, we form our Board of Directors by considering industry-specific career experiences and expertise. We aim to appoint experts with extensive knowledge and experience in various fields such as finance, insurance, and management, which are relevant to our industry. To bolster the expertise of our Board of Directors, we appoint independent directors by thoroughly considering their expertise and practical experiences in finance, management, economics, law, accounting, consumer protection, and information technology. Currently, our independent directors comprise 4 financial and economic experts (Young Key Hwang, In Sill Yi, Hyeon Chul Joe, and Se Jik Kim). Our internal directors include 2 insurance and management experts (Seung Joo Yeo [CEO] and Chung Ho Shin), as well as 1 legal expert (Joong Won Kim).

Board Skills Matrix

Category	Young Key Hwang	Hyeon Chul Joe	In Sill Yi	Se Jik Kim	Seung Joo Yeo	Chung Ho Shin	Joong Won Kim
Finance/Economy	○	○	○	○	○	○	○
Financial/Accounting	○	○	○	○	○	○	
ESG/Consumer Protection	○		○	○	○	○	○
Law					○		○

Operation of the Board of Directors

Operational Status of the Board of Directors

Hanwha Life holds regular board meetings on a quarterly basis, as well as special meetings as needed. Decisions on agendas are made with the approval of a majority of the directors present. However, in compliance with applicable laws and regulations, issues involving directors' misappropriation of the company's business opportunities, or transactions between directors or major shareholders and the company, require the approval of at least two-thirds of the directors. Furthermore, resolutions concerning credit facilities and the acquisition of shares or bonds exceeding KRW 1 billion must be unanimous.

Operational Status of the Board of Directors

(as of the end of 2022)

Category	2020	2021	2022
Number of meetings	10	10	12
Submitted agenda items	46	57	70
Attendance rate of internal directors (%)	97	100	100
Attendance rate of independent directors (%)	100	100	97.9

Transparent Governance

Operation of the Board of Directors

Support for Independent Directors' Engagement in Management and Skill Development

Hanwha Life prepares agendas ahead of time and conducts discussions and training for the Audit Committee. This is done to enhance the proficiency of independent directors and aid their logical decision-making and successful execution of responsibilities. Before board meetings, we organize preliminary briefing sessions to thoroughly review agendas and distribute materials beforehand. Furthermore, to assist independent directors in their professional decision-making, we guarantee that they can request any necessary materials and information for management-related decisions. We then supply these requested materials promptly, adequately, and impartially.

Training for Independent Directors

Category	Key agenda items	
Advance presentation for independent directors (Feb. 17, 2022)	Advance briefing for the Audit Committee	<ul style="list-style-type: none"> Business performance and financial statements (including operating profits)
Advance presentation for independent directors (Feb. 18 to 21, 2022)	Advance briefing on board meeting agenda items including the 2021 year-end settlement	<ul style="list-style-type: none"> Market trends and performance report Amendment of the internal control standards
Advance presentation for independent directors (May 25 to 31, 2022)	Advance briefing on board meeting agenda items including performance in the first quarter of 2022	<ul style="list-style-type: none"> The first quarter performance and issue report
Advance presentation for independent directors (May 27, 2022)	Advance discussion for the Audit Committee	<ul style="list-style-type: none"> Market trends and performance report
Advance presentation for independent directors (Aug. 8 to 12, 2022)	Training for anti-money laundering	<ul style="list-style-type: none"> Online training on anti-money laundering for employees
Advance presentation for independent directors (Feb. 17, 2022)	Advance discussion for the Board of Directors	<ul style="list-style-type: none"> Advance discussion for the Board of Directors including performance in the first half of 2022
Advance presentation for independent directors (Sep. 15, 2022)	Advance briefing on board meeting agenda items	<ul style="list-style-type: none"> Advance briefing on board meeting agenda items
Advance presentation for independent directors (Oct. 17 to 18, 2022)	Advance briefing on board meeting agenda items	<ul style="list-style-type: none"> Briefing of transaction with Hanwha REIT Co. Ltd.
Advance presentation for independent directors (Nov. 28 to 29, 2022)	Advance briefing on board meeting agenda items	<ul style="list-style-type: none"> Briefing of 2023 business plans, budget, and transactions with affiliates

Evaluation and Compensation of the Board of Directors

To ensure the effective operation of the Board of Directors, Hanwha Life conducts annual evaluations every February. These evaluations review and assess the board's composition and operation. We examine whether the board's roles and responsibilities have been carried out in accordance with laws and internal regulations, and we use the evaluation results to continually improve compliance and operations. To increase the transparency of board operations, our evaluations include assessing the level of communication among board members, the enhancement of expertise, the process and provision of advance agendas for board meetings, the frequency and adequacy of meeting duration, the timeliness of issues deliberated and resolved, and the effectiveness of management oversight.

The contributions of independent directors, including their participation in board meetings and their suggestions for improvement, are evaluated annually. The results of these evaluations are disclosed in the annual governance report to aid in enhancing the future performance of the independent directors.

The remuneration for our directors is administered within the confines of the compensation limit approved at the general shareholders' meeting. This compensation comprises a base salary and performance-based incentives, which are disbursed in accordance with the executive compensation plan and management performance, both of which are approved by the Board of Directors. The maximum compensation approved at the 2022 general shareholders' meeting was set at KRW 6 billion in total, with the actual disbursed amount totaling KRW 2.64 billion.

Annual report on the Hanwha Life governance and compensation system (Feb. 28, 2022)

Evaluation and Compensation of the Board of Directors

(as of the end of 2022)

Category	Number of people ¹⁾ (persons)	Total payment (KRW million)	Average payment per person (KRW million)
Registered directors (excluding independent directors and Audit Committee members)	3	2,293	764
Independent directors (excluding Audit Committee members)	2	86	43
Audit Committee members	3	252	84

1) The number of people is based on registered executives from January to December 2022 (including retired executives).

Ethics and Compliance Management

Ethics and Compliance Management System

Hanwha Life has established and implemented an Ethics Charter and Code of Ethics. These serve as guidelines for our employees' appropriate conduct and ethical decision-making. We actively engage in ethical and compliance management to foster a transparent and ethical corporate culture, achieved through strict adherence to laws and regulations. Furthermore, we are committed to meeting our ethical obligations to our internal and external stakeholders, as well as to our country and society at large. Our ethics management system and policies are designed and implemented in line with the Insurance Business Act, the Act on Corporate Governance of Financial Companies, the Financial Investment Services and Capital Markets Act, and the oversight standards of the Financial Supervisory Service.

Ethics Management Policies

Ethics Charter	<p>A declaration of our determination to create a health-focused company trusted by our nation and society through fair and transparent management grounded in "Trust and Loyalty"</p> <hr/> <ul style="list-style-type: none"> • Create value for customer happiness • Respect employees' autonomy and creativity • Uphold ethical values and practice them in work • Maximize shareholder value through transparent management • Comply with laws and regulations • Contribute to the development of the country and society
Employee Code of Ethics	<p>The Code of Ethics prioritizes corporate ethics in business activities and provides detailed guidelines for employees to implement transparent and fair business practices. These practices are considered from the viewpoint of all stakeholders impacted by the company's policies. This includes shareholders, investors, employees, customers, partners, local communities, and the environment.</p> <hr/> <ul style="list-style-type: none"> • Provides employees with ethical judgment standards • Provides information on ethics-related considerations including management strategies, execution plans, and training • Provides grounds for refusing superiors' instructions if they violate the Code of Ethics • Prevents issues related to corporate ethics
Employee Code of Ethics Guidebook	<p>A guidebook explaining ethical practices with empirical examples to enhance employees' understanding of the Code of Ethics</p>

Internal Compliance Organization

The Hanwha Life Board of Directors appoints a compliance officer who is tasked with overseeing the comprehensive operation of the internal compliance system, in line with the Act on Corporate Governance of Financial Companies. We guarantee the independence of the compliance officer to ensure impartial performance. The compliance office carries out an initial review of daily tasks for compliance with relevant laws and regulations, oversees and monitors the operational status of the internal compliance system, and communicates the evaluation results to the Board of Directors through the deliberation of the Internal Compliance Committee. To strengthen our commitment to internal compliance, we have established a dedicated organization to support the work of the compliance officer. Each department assigns an internal compliance manager to aid the compliance office in its duties, thereby enhancing the effectiveness of our internal compliance efforts. To maintain transparency, internal compliance managers independently verify adherence to internal compliance standards and address any shortcomings, separate from their primary responsibilities.

Internal Compliance Organization



Ethics and Compliance Management

Ethics and Compliance Monitoring

Hanwha Life employs a Three Line Defense strategy to oversee the internal compliance activities across all divisions. We have developed a balanced and autonomous compliance management system by enhancing the control function through reciprocal checks among the business departments, internal compliance department, and audit department. Furthermore, we spearhead ethics and compliance monitoring activities by developing work manuals for critical tasks and internal compliance checklists. This approach helps to minimize the risk of legal infractions and effectively manage compliance violations.

Violations of Laws and Regulations

Legal measures regarding unfair trade practices, including anti-competitive behavior and monopolistic practices	None
Violations of environmental laws and regulations	None
Violations of regulations related to marketing communication	None

Monetary and Non-monetary Sanctions (2021–2022)

Total number and details of non-compliance with laws and regulations	
i. Fines	1 case
ii. Non-monetary sanctions	1 case
Number of fines paid and total amount of fines for non-compliance with laws and regulations	
i. Fines for non-compliance with laws and regulations in the current reporting period (2022)	KRW 481 million
ii. Fines for non-compliance with laws and regulations in the previous reporting period (2021)	None

Anti-corruption Violations (2022)

Refer to page 626 of the business report.

Creating an Ethics and Compliance Culture

Ethics and Compliance Training

Hanwha Life provides tailored training for employees using remote learning materials, which have been significantly enhanced since the onset of COVID-19. These materials, including card news and videos, are designed to facilitate easy understanding and access to ethics management. Furthermore, we are committed to promoting a culture of ethics management. We encourage active participation in training through our internal compliance managers in each department, with the aim of boosting participation rates.

Ethics and Compliance Training (2022)

Target	2,557 employees
Contents	Vigilance against bribery and illicit entertainment and favors, the importance of documentation, corporate information security and prohibition of its leakage, internal reporting system, and prohibition of conflicts of interest
Number of participants	2,513

Ethics and Compliance Campaigns

Every year, Hanwha Life reaffirms its company-wide dedication to ethical management through the Ethics and Compliance Pledge. We aim to promote ethical values and enhance the sense of responsibility among our employees. This includes everyone, from the CEO to the newest junior hire. We foster voluntary participation by creating and sharing videos related to the Ethics and Compliance Pledge.

Anti-money Laundering System

Since 2001, Hanwha Life has been operating an anti-money laundering system¹⁾ to prevent the laundering of illicit funds through financial transactions, thereby continuously bolstering its reputation as a reputable financial institution. This system serves as a fundamental barrier against illegal and criminal activities. Furthermore, we have implemented the “risk-based company-wide money laundering risk assessment (RBA²⁾)” in line with the recommendations of the Financial Action Task Force (FATF), an international anti-money laundering organization. This measure is designed to enhance the transparency of our financial system.

1) Anti-money laundering system: This is a comprehensive management system designed to detect and prevent illegal money laundering both domestically and internationally. It integrates the judicial system, financial system, and international cooperation. In South Korea, this system also encompasses activities related to tax evasion and illegal property.

2) Risk based approach (RBA): an anti-money laundering measure

Ethics and Compliance Management

Fair Trade Compliance Program

The Fair Trade Compliance Program (CP) is a self-regulated system that corporations voluntarily implement to adhere to laws and regulations pertaining to fair trade. Since 2006, Hanwha Life has utilized the CP to foster fair trade and promote mutual growth with its partners by safeguarding their tangible and intellectual property rights. Following a resolution by the Board of Directors, we designate a compliance manager, formulate CP operational regulations and comprehensive guidelines, and create and disseminate a CP manual to enhance its effectiveness. Furthermore, we offer fair trade guidance and training to all employees, bolster a culture of fair trade compliance by reviewing the CP implementation status of relevant departments based on their CP performance and annual plans, and refine the internal monitoring system.

Online Fair Trade Training for Employees (2022)

Target	2,557 employees
Content	Purpose and scope of the Monopoly Regulation and Fair Trade Act, introduction of the Fair Trade Compliance Program, major fair trade issues
Number of participants	2,513

Internal Reporting System

Hanwha Life safeguards its employees and fosters a robust corporate culture by encouraging the disclosure of violations or early warnings of potential violations through various internal reporting channels. These channels allow anyone to report unfair trade practices or other irregularities via multiple methods, including mail, email, and online. We have also established a “Report Compliance Violations” channel to make the reporting process more convenient. The identities of whistleblowers are kept anonymous, and all report details are strictly confidential. Importantly, no negative repercussions will occur as a result of making a report. If an employee is found to have violated ethical standards after a review of the received reports, we will take disciplinary action against the individual involved.

How to Report Violations

Reporting via the company website (PC/mobile)	<ul style="list-style-type: none"> • Home > About Us > Ethics Management > Report Violation (https://www.hanwhalife.com/company/main/intro/ethics/CI_EMVN000_T20000.do)
Reporting via Outlook and external email	<ul style="list-style-type: none"> • Outlook: Send an email to the “Ethical Management Practice Secretariat” • External email: send an email to hli6262@hanwha.com

In line with Article 59 of our Internal Compliance Standards, which governs the operation of our internal reporting system, we enforce disciplinary actions against individuals who knowingly overlook and fail to report violations. This policy is designed to deter intentional non-reporting of violations and discourage involvement in instruction, collusion, or concealment of such violations.

Internal Reporting System Status (2022)

Category	2022
Number of reports	6
Number of valid cases	4
Number of disciplinary cases	1

Ethics and Compliance Management

Fair Trade and Co-prosperity with Partners

Fair Trade with Partners

Hanwha Life is committed to promoting a culture of fair trade through the transparent and equitable selection of partners. We adhere to the principle of “fair and transparent contracting”, managing our partners in accordance with our contract affairs process regulations. To facilitate this, we have implemented the Hanwha Life General Affairs Purchase System (HGAPS), an electronic procurement system that allows all employees to participate in the bidding process. We strive to ensure the fairness of our partner selection process in a variety of ways. For instance, evaluators can directly input the assessment results of our partners into HGAPS. To maintain the integrity and fairness of the transaction process, we require our bidding partners to provide an “Integrity Commitment Pledge”. We believe in active communication with our partners and operate a continuous channel to hear and discuss their concerns, complaints, and suggestions. The feedback we receive is incorporated into future contracting systems and processes, allowing for ongoing improvements in our communication channels.

1) HGAPS: Hanwha Life General Affairs Purchase System



Pop-up alert for ethical standards for business partners

Promotion of ESG management of Partners

Hanwha Life supports our partners in improving ESG management awareness and strengthening the skills necessary for their effective implementation of ESG management. Our aim is to contribute to the development of a sustainable supply chain and promote sustainability values throughout the industry. We routinely assess the ethical standards of our partners who participate in bidding via HGAPS, encouraging them to uphold their workers' human rights and adopt ethical business practices. Furthermore, we mandate that all prospective partners carry out self-assessments using the “Self-Checklist for Ethical Standards for Business Partners” within HGAPS. These assessments, which cover human rights and ethics management in five areas, are factored into new or renewed contracts. To further support our partners in their voluntary implementation of human rights and ethics management, and to heighten ESG management awareness, we have set up a pop-up alert for “Ethical Standards for Business Partners” within HGAPS.

Self-Assessment Checklist for Ethical Standards for Business Partners

- Respect for labor rights and compliance with laws and regulations
- Safety and health
- Environmental protection
- Compliance with the fair competition rules and co-prosperity with business partners
- Compliance with the Ethical Standards for Business Partners

Co-prosperity with Partners

Hanwha Life implements various co-prosperity programs with its partners to promote fair trade and cultivate a culture of shared success. With the recent surge in digital transformation within the insurance industry, the majority of insurance transactions have been computerized. This shift has underscored the importance of customer privacy. In order to foster a robust digital financial ecosystem, we provide pertinent training to our partners. This training aims to heighten their understanding of personal information protection and prevent any potential leaks. We have provided training on customer privacy protection, ethics, and compliance to all employees of our partners who are involved in the maintenance and repair of computer systems and equipment. Additionally, we carry out regular inspections and evaluations on personal information protection for partners who handle customer information management. These reviews assess the personal information protection systems and the training of relevant managers.

We operate a variety of startup support programs through the DREAMPLUS center, aimed at fostering the growth of innovative technology startups and broadening their business partnerships with Hanwha financial affiliates. We are committed to continuing our diverse range of support programs that promote co-prosperity and embody our values of shared success.

CASE STUDY :: Rapid Support for Business Partners by Applying RPA Technology to the Purchase System

Since 2022, we have implemented Robotic Process Automation (RPA)¹⁾ within the dashboard of our purchasing system. This system oversees the contracting process with our partners, and the use of RPA helps to prevent delays, ensuring timely business transactions. By utilizing RPA, we aim to proactively mitigate any potential inconveniences or complaints from our partners. This is achieved by automatically sending email notifications to the designated contact person, updating them on the progress of the bidding and contracting processes.



1) Robotic Process Automation (RPA): A technology that uses robotic software to automate repetitive tasks.

Risk Management

Risk Management System

Hanwha Life strives to enhance corporate value by proactively identifying and preventing potential uncertainties or losses that may arise from the rapidly evolving financial landscape and business practices. We evaluate risk levels and establish tolerance thresholds in line with our risk appetite, ensuring that available capital is maintained within a certain range. Furthermore, we implement pre- and post-risk management procedures in the development and investment of insurance products. As part of our medium to long-term risk management strategy, we employ Asset and Liability Management (ALM). This asset management strategy takes into account the unique characteristics of insurance products in our business and asset management plans, aiming to minimize volatility in the mismatch of assets and liabilities. In addition, we carry out quarterly stress tests to assess our capital adequacy and enhance our financial stability. We manage risks systematically, tailoring our response strategy to each stage of a crisis. We prioritize risk factors that could have a significant impact on available capital in a crisis situation.

Risk Management Process

Identify risks

- Major financial risks relate to insurance, interest rates, credit, market, operation, and liquidity, and non-financial risks encompass operations, regulation, and reputation. Other risks include subsidiary risks.
- In addition to the above risks, constant monitoring is carried out to identify areas that require management



Quantify risks

- Quantify the risk levels for each type based on the characteristics of assets and liabilities
- Quantify the risks of abnormal sudden changes as well as temporary fluctuations in the business environment



Monitor and control risks

- Set a tolerance limit for each risk type
- If the tolerance limit is exceeded or likely to be exceeded, report the details and response measures to the Board of Directors and execute prompt measures



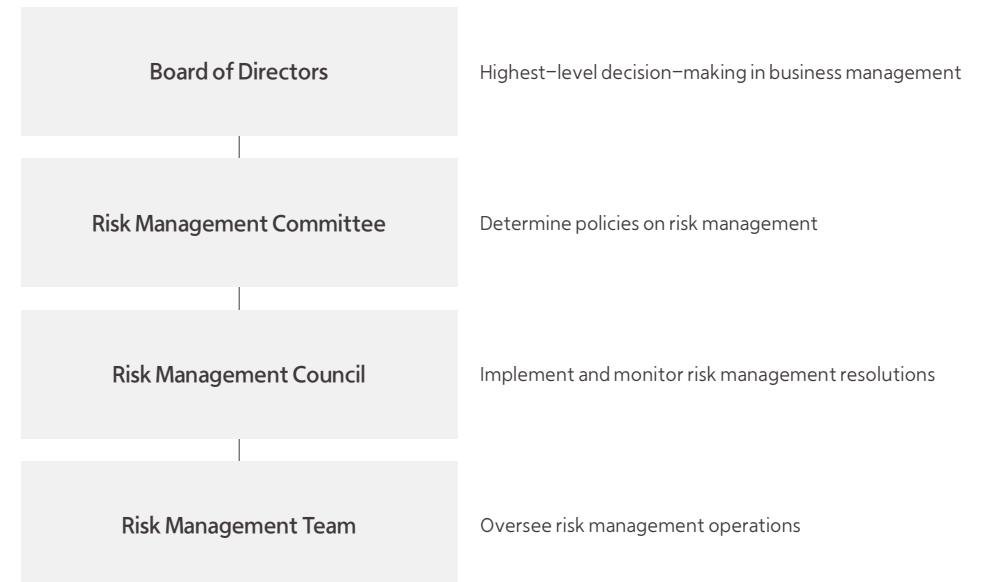
Report risks

- Report risk monitoring status to the management team and Risk Management Committee in accordance with risk-related regulations

Risk Management Organization

Hanwha Life has instituted the Risk Management Committee, a specialized body for risk management, under the Board of Directors to carry out systematic risk management across the company. This committee is tasked with making crucial decisions related to risk management and is granted autonomy to ensure a balance of power in company-wide operations. To ensure the committee's expertise, at least one member with experience in finance, accounting, and treasury from a financial or corporate company is appointed. Furthermore, committee members receive training on risk management, including systems, fundamental policies, and strategies. The Risk Management Team supervises risk management tasks and communicates the results of the Own Risk and Solvency Assessment (ORSA), key decisions, risk status, and significant issues from the Risk Management Committee meetings to the Board of Directors.

Risk Reporting System



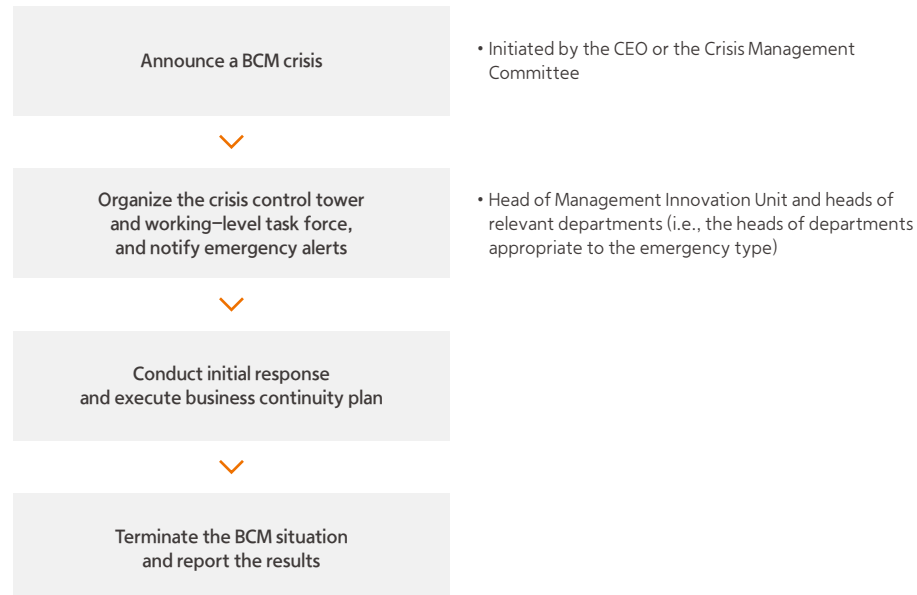
Risk Management

Business Continuity Management

Emergency Response System

Hanwha Life has implemented and maintains an emergency response system to ensure the continuity of sales and customer support, even in the event of a disaster. This system is designed to safeguard critical business operations and guarantee the smooth functioning of our systems and processes. We have also created a comprehensive emergency response manual that organizes and manages the response system according to the stages of an emergency, including prevention, control, and recovery. In 2013, we were the first life insurance company to achieve ISO22301 certification, an international standard for business continuity management (BCM), and we successfully renewed this certification in 2014. Furthermore, during the COVID-19 pandemic, we have been executing our “Pandemic Business Continuity Plan” to minimize financial losses, safeguard our customers’ assets, and maintain stable customer services through swift business adaptation.

Disaster Response System by Stage



Disaster Drills

Every year, we carry out disaster drills that involve our IT staff, field teams, and office personnel. The aim is to ensure a swift recovery from any potential disaster and to maintain business continuity. In September 2022, Hanwha Life successfully implemented a new system for its core insurance business. Additionally, on March 8, 2023, we carried out a disaster drill that included the development of a disaster recovery system. Throughout 2023, we plan to conduct more realistic disaster drills to enhance our disaster recovery system.

Details of Disaster Drills

Category	Content	Interval
Malware response drills	Improve employees’ capabilities to respond to cyberattacks such as the spread of malware and inspect the processes	3 times a year
Security accident emergency drills	Reinforce countermeasures against hacking and information leakage affecting the company’s major systems	Once a year
System disaster drills	Develop capabilities to rapidly recover systems and verify data consistency in the event of a disaster	Once a year

Risk Management

Countermeasures for Key Risks and New Systems

Key Risk (Financial and Non-financial) Management

Category	Impact of risk	Countermeasures
Financial risks	Insurance risks Risks arising from the inherent business of insurance companies including underwriting of insurance contracts and solvency	<ul style="list-style-type: none"> Quantifying insurance risks using the Financial Supervisory Service (FSS) standard approach and regularly reporting tolerance limits and control measures to the management team Managing reinsurance by considering the level of risk exposure and efficient risk distribution to enhance solvency
	Interest rate risks Risks of economic losses arising from fluctuations in future market interest rates and differences in the maturity structure of assets and liabilities	<ul style="list-style-type: none"> Quantifying interest rate risks using the FSS standard approach and regularly reporting tolerance limits and control measures to the management team Setting mid- and long-term portfolios based on investment strategies matching assets and liabilities and reflecting the characteristics of liability case flow
	Credit risks Risks of losses arising from default by the counterpart or a credit downgrade	<ul style="list-style-type: none"> Quantifying credit risks using the FSS standard approach and regularly reporting tolerance limits and control measures to the management team Conducting pre- and post-analysis of individual borrowers and investment products and imposing investment limits for each product type
	Market risks Risks of losses arising from unfavorable fluctuations in interest rates, share prices, and foreign exchange rates	<ul style="list-style-type: none"> Quantifying market risks using the FSS standard approach and regularly reporting tolerance limits and control measures to the management team Setting loss limits for high-risk assets
	Liquidity risks Risks losses arising from differences in the maturity structure of assets and liabilities or sudden fluctuations in cash flow	<ul style="list-style-type: none"> Setting tolerance limits on liquidity and establishing a contingency plan
Non-financial risks	Operational risks Risk of losses arising from inadequate internal processes, human resources, system or external incidents, reputation, laws, and regulations	<ul style="list-style-type: none"> Quantifying operational risks using the FSS standard approach and regularly reporting tolerance limits and control measures to the management team Accumulating quarterly data on losses arising from internal and external fraud, employment, safety, customers, products, and business processes and estimating statistical (un)expected losses accordingly to include them in the solvency capital requirement
	Legal risks Risks arising from legal disputes or lawsuits due to non-financial risks	<ul style="list-style-type: none"> Monitoring the quarterly number of new lawsuits and emergencies among key risk indicators and preparing countermeasures according to the appropriate stage
	Reputational risks Risks with negative impacts on the company's reputation due to complaints and unfavorable reports by mass media	<ul style="list-style-type: none"> Monitoring the quarterly number of unfavorable media reports among key risk indicators and preparing countermeasures according to the appropriate stage

Risk Management

Countermeasures for Key Risks and New Systems

Countermeasures for New Systems

New systems	Countermeasures	Implementation status
K-ICS and IFRS17	<ul style="list-style-type: none"> Establishing a system and operating a control process for the introduction and soft-landing of the system 	<ul style="list-style-type: none"> Established and currently stabilizing the IFRS actuarial system Conducting impact assessment of K-ICS and preparing guidelines for solvency ratio
Integrated supervision of financial groups	<ul style="list-style-type: none"> The Financial Services Commission presented the “best practice guidelines for comprehensive supervision of financial conglomerates in 2018”. Act on the Supervision of Financial Conglomerates was enforced on June 30, 2021 The Financial Services Commission designated six financial conglomerates including Hanwha on July 13, 2021 Together with its major financial affiliates, Hanwha General Insurance and Hanwha Investment and Securities, Hanwha Life operates an internal control and risk management system. 	<ul style="list-style-type: none"> As the flagship financial company of the Hanwha Financial Group, Hanwha Life conducts activities related to internal control, risk management policies, and soundness management, regularly reports to the Financial Services Commission through its business reports, and discloses the information to the public. To establish basic guidelines for internal control and risk management across the Hanwha Financial Group, we have implemented financial group internal control standards and financial group risk management regulations.
Introduction of ORSA	<ul style="list-style-type: none"> The supervisory authority introduced the Own Risk and Solvency Assessment (ORSA) system to improve the risk management framework according to the introduction of K-ICS and IFRS17/ Hanwha Life reviews and conducts “processes and procedures that self-assess and manage the adequacy of the risk management system and current and future solvency” including requirements from the supervisor authority. 	<ul style="list-style-type: none"> A self-assessment of risks and solvency is reported to the Board of Directors every year.

Information Security and Personal Information Protection

Information Security Management System

To ensure the secure handling of personal and credit information, Hanwha Life has established an Information Security Council and appointed a Chief Information Security Officer (CISO). The CISO is tasked with advancing our information security management system. Their responsibilities include comprehensive planning, coordination, and oversight of all matters related to information security. The Information Security Council, on the other hand, is responsible for discussing and promoting best practices in information security. Their goal is to proactively prevent and swiftly respond to any threats to information security and personal information protection.

Information Security Reporting System



Data protection	Security planning, security policies, business plans, response to external agencies, response to infringements, risk analysis and assessment, and mock hacking
Personal information protection	Establishment of personal information protection systems, prevention and control of leaks, inspections, and training
Security control	Security reviews, security solutions operation, and 24/7 security control
Information Security Council	Support for efficient implementation of various activities to protect our information assets, integration and coordination of information security practices by field, and deliberation and coordination of related matters
Personal Information Protection Working Group	Regular meetings of information security managers from 13 departments to discuss major issues, effective responses to current issues, and key issues related to personal information processing

Information Security and Personal Information Protection Practices

Information Security

Recent changes in the financial landscape, brought about by the merging of finance and IT, have given rise to new security threats. As a result, operational risks related to information security are on the rise. Specifically, the introduction of punitive fines for security breaches in financial firms has increased the cost of losses, making it essential to approach information security from a financial standpoint. In response to this, Hanwha Life carries out a range of information security activities. These are designed to proactively address security risks, increase awareness of information security threats, and deliver safe and convenient financial services to our customers. Furthermore, we have achieved ISO27001 certification, which is the international standard for information security management systems. To uphold and manage this certification, we have developed and are currently operating a world-class information security system.

Information Security Activities

Preemptive response to security risks	• Analysis and assessment of IT risks → Analysis and assessment of 250 control items in 11 categories
Information security certification	• Obtained ISO27001:2013 certification, the international standard for information security management systems (maintains certification through post-assessments twice a year)
Financial information protection	• Establishment of a system to respond to AI and multi-layer based cyberattacks → Incident response drills (once a year), web and application mock hacking (twice a year), risk analysis and assessment (once a year), analysis and assessment of asset vulnerability (once a year), and project security review
Information security awareness	• Establishment of information security and personal information protection regulations → 18 IT security guidelines in addition to the information security regulations → 3 personal information protection guidelines in addition to the personal information protection regulations • Information security training and campaigns to raise awareness
Information security liability system	• Obtaining liability insurance for personal information protection and electronic financial transactions

Information Security and Personal Information Protection

Information Security and Personal Information Protection Practices

Customer Information Protection

Incidents of financial security, including personal information leaks, can lead to reputational risks, such as a decline in public opinion. Given the nature of financial companies, which hold vast amounts of customer information, these incidents can result in relatively large-scale financial risks. As a result, Hanwha Life conducts various training programs to bolster cybersecurity and personal information protection, and to increase the security awareness of its employees. We also implement technical protection measures, such as encrypting personal information and strengthening information access authority, to prevent leaks.

Personal Information and Information Security Management System (ISMS-P)

Hanwha Life is planning to conduct its inaugural ISMS-P review in July 2023, with the aim of ensuring both internal and external customer security in an autonomous security system. This is part of our strategy to effectively establish and operate a personal information protection certification system. The ISMS-P certification comprises 102 inspection criteria and 392 detailed inspection items. Through this process, we will actively verify and enhance our compliance with the recently enacted and amended laws and regulations, including the Credit Information Use and Protection Act, the Personal Information Protection Act, and the Regulations on Supervision of Electronic Financial Transactions. Our goal is to advance the operation of the personal information protection certification system, thereby aligning with the DTC Platform Activation Roadmap. Ultimately, we will assess management, physical, and technical areas based on the ISMS-P certification criteria, in order to establish and improve our protective measures.

Customer Information Protection Activities in 2022

Security training	<ul style="list-style-type: none"> Conducted personal information protection training for all employees and financial planners (FPs) 14,678 participants at 30 minutes/person in 2022
Sharing security issues	<ul style="list-style-type: none"> Shared the latest security issues and incidents via emails or pop-up alerts (e.g., phishing emails and ransomware)
Security inspections	<ul style="list-style-type: none"> Prohibited unauthorized customer information inquiries Reported on-site inspection results to the CEO

Complaints Related to Customer Information Protection

Substantiated complaint of breach of customer information protection and loss of customer information	1 case
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Information Security Audits

Hanwha Life routinely carries out information security audits to assess our security levels, identify potential risks, and proactively implement necessary measures to bolster our company-wide information security. Twice annually, we evaluate our progress towards achieving goals in areas such as information security training, emergency response exercises, security control services, and improvements to our information security policy. Additionally, we conduct an IT risk analysis and assessment once per year. Our evaluations encompass 250 items in the physical and managerial domains, in accordance with the most recent laws and regulations pertaining to information security. We also set 20 information security objectives in technical areas, including information processing systems, information and communication networks, and website management. Through these regular audits and emergency response exercises, we are enhancing our cyber resilience. As a testament to our efforts, we successfully prevented any information leaks in 2022.

Fostering an Information Security Culture

We implement a variety of training programs and campaigns aimed at enhancing our employees' awareness of security and fostering a culture of information security. Each month, we hold information security inspection days, offer information security training, and provide regular online training for all staff members. Additionally, we organize an annual information security campaign to further promote a culture of information security within our organization. To prevent incidents and bolster response capabilities, we also offer job-specific information security training. For our IT operations and development personnel, we conduct annual pseudonymized information protection training and information security training for web managers. We also regularly provide specialized training, such as financial security on-site training, for our IT security personnel, both internally and through commissioned programs. Furthermore, we offer training to prepare for a range of information breaches, including malware attacks via email, DDoS attacks, and server hacking.

Employee Information Security Training Participants

Category	Unit	2020	2021	2022
Number of participants	Persons	3,998	2,496	2,605

Hours of Employee Information Security Training in 2022

Category	Unit	Executives	Business departments	IT	Information security
Training time per person	Hours	9	12	14	15



APPENDIX

Materiality Assessment

Stakeholder participation

Hanwha Life defines its key stakeholders as employees, customers, business partners, local communities, government entities, shareholders, and investors. We operate a variety of communication channels tailored to the unique characteristics of these stakeholders, ensuring that their valuable insights are incorporated into all areas of our management for sustainable operations. Furthermore, we are committed to enhancing our communication with stakeholders through a diverse range of efforts, which include active engagement and attentive listening, as well as the sincere acceptance of innovative ideas and constructive feedback.

Category	Customers	Employees	Business partners (FPs, suppliers)	Shareholders and investors	Government, public agencies, and associations	Local communities
Major communication channels	<ul style="list-style-type: none"> • Call centers • Customer centers • Hanwha Life website • SNS channels • Consumer portal • Hanwha Life APP • FGI system • Hanwha Talk Talk 	<ul style="list-style-type: none"> • Business strategy meetings • Company-wide sharing sessions • In-house broadcasting • HRD Monthly Letter • Employee Relations Council • Employee satisfaction survey • Occupational Safety and Health Committee 	<ul style="list-style-type: none"> • FP training • LIFEPLUS ACADEMY • Annual awards ceremony • Invitational events • Support for partnership activities • E-purchasing system (HGAPS) • Building a Happy Place to Work (CS training for partners) • Security training 	<ul style="list-style-type: none"> • Annual Business Reports • Sustainability Reports • General Shareholders' Meetings • Management disclosure • Investment briefing • Earnings reports and IR meetings • Global conferences 	<ul style="list-style-type: none"> • Korea Life Insurance Association • Financial Supervisory Service • Financial Services Commission • Korea Insurance Development Institute • Korea Insurance Research Institute 	<ul style="list-style-type: none"> • Measurement of social contribution performance and value • Hanwha Life Volunteer Group • Hanwha Life Happy Friends • Local welfare organizations • NGOs • Social enterprise
Key issues	<ul style="list-style-type: none"> • Development of customer-centered insurance products • Provision of accurate information • Continuous service improvements • Protecting customer information 	<ul style="list-style-type: none"> • Fair performance evaluations • Support for self-development • Work-life balance • Culture of respecting human rights 	<ul style="list-style-type: none"> • Expertise development • Benefits • Co-prosperity with partners • Fair trade compliance 	<ul style="list-style-type: none"> • Stable dividends • Establishment of sound governance • Business diversification and market expansion 	<ul style="list-style-type: none"> • Management disclosure • Fair trade compliance • Transparent tax policy 	<ul style="list-style-type: none"> • Revitalization of local communities • Social contributions for socially marginalized people and communities • Co-prosperity with social enterprise • Environmental conservation of local communities

Materiality Assessment

Double Materiality Assessment

Double Materiality Assessment Process

Double materiality is a concept that evaluates both financial and sustainability impacts from internal and external viewpoints. It assesses the influence of ESG issues on a company's financial health from an internal perspective, as well as the social and environmental effects of a company from an external perspective. Hanwha Life has adopted this concept of dual materiality and has carried out analyses to enhance the reliability of identifying ESG material issues and disclosing related information. As a result, we have identified 10 ESG material issues that take into account financial, social, and environmental impacts, based on the feedback from various stakeholders. We will proactively identify the material risks associated with each issue and incorporate them into our management activities in a forward-thinking manner.

Step 1. Issue Pool

We organized a pool of 23 issues through internal and external analysis including Hanwha Life's strategic task analysis and media analysis.



Step 2. Materiality Assessment

We analyzed financial, environmental, and social impacts based on the pool of 23 issues.



Step 3. Material Issues Identification and Report

Through a comprehensive review of financial, environmental, and social impacts, we identified 10 material issues facing Hanwha Life in 2022.

- Analyzing domestic and international ESG disclosure guidelines (GRI Standards, SASB, and TCFD), initiatives (UNGC, UN SDGs, PSI), and assessments (KCGS, DJSI, MSCI)
- Benchmarking global ESG disclosure leaders and same companies in the same industry
- Analyzing media
- Analyzing insurance/bank industry issues and global ESG issues

Financial Materiality (Financial impact analysis)

- Analyzing financial disclosure standards and ESG assessments
- Conducting surveys of shareholders and investors
- Analyzing up-to-date global regulations and policy trends

Impact Materiality (Social and environmental impact analysis)

- Analyzing disclosure standards and ESG initiatives
- Conducting surveys of 1,676 stakeholders including employees, business partners, customers, shareholders/investors, and ESG experts
- Analyzing 444 active news items in 2022
- Benchmarking 9 ESG leaders in the insurance and bank industry

Category	Issue
Society	Improving customer satisfaction and protecting customer rights
Governance	Implementing ethics and compliance management
Environment	Responding to climate change
Economy	Securing future growth engines*
Governance	Strengthening financial and non-financial risk management*
Governance	Strengthening customer information protection and cybersecurity
Economy	Developing ESG products and services
Economy	Expanding ESG investments*
Society	Pursuing social contributions based on the insurance industry*
Environment	Minimizing environmental impacts*

* Newly identified material issue in 2022

Materiality Assessment

Double Materiality Assessment

Dual Materiality Assessment Results

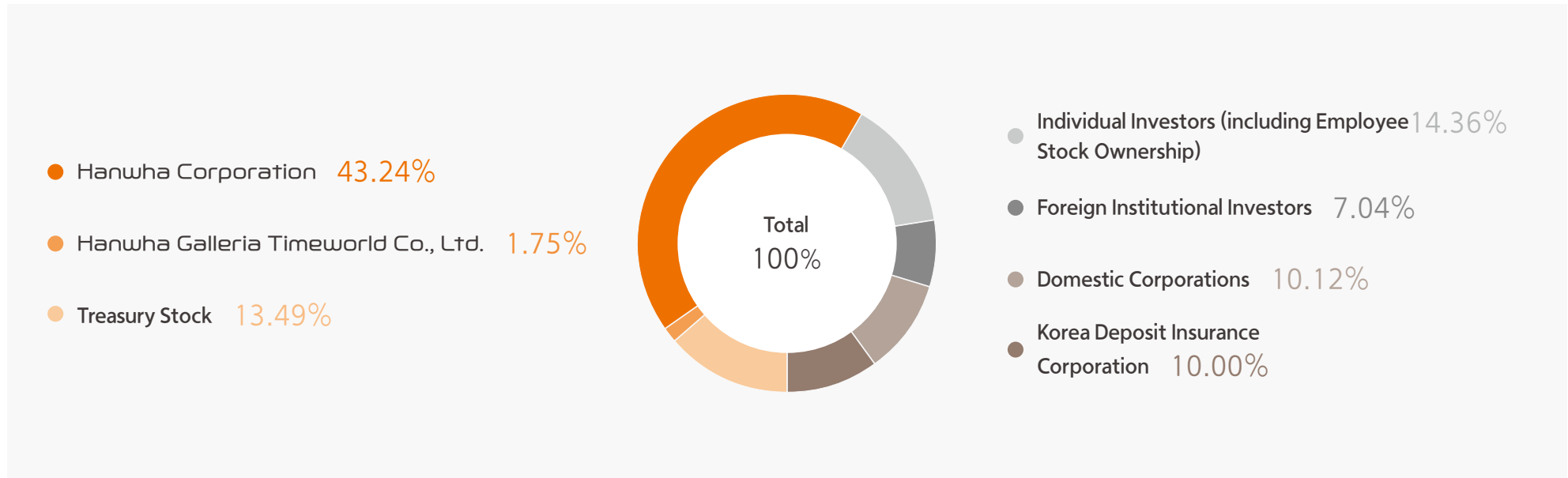
In the 2022 materiality assessment, Hanwha Life conducted an analysis of the financial, social, and environmental impacts of ESG issues, as well as the influence of major stakeholders. From this, we identified 10 key issues. The most significant issue remains unchanged from 2021, which is “improving customer satisfaction and protecting customer rights”. Additionally, we have identified five new key issues: “securing future growth engines”, “strengthening financial and non-financial risk management”, “expanding ESG investments”, “pursuing social contributions based on the insurance industry”, and “minimizing environmental impacts”. To ensure sustainable growth, we incorporate environmental considerations, social responsibility, and transparent governance into all aspects of our management. The results of our materiality assessment process are reported annually to the Sustainability Management Committee, which is under the Board of Directors. These results are then integrated into all ESG risk reviews, including our sustainability management initiatives. By continually improving our dual materiality assessment methods, we aim to identify more reliable material issues and effectively communicate these to our stakeholders.

ESG material issues (*newly identified material issues in 2022)		Impact		Stakeholders					Approach	Index	
Category	Issues	Financial	Social and Environmental	Employees	Partners	Customers	Shareholders and Investors	Local Communities	Initiatives	Pages	GRI Index
Environment	Responding to climate change	●	●	●	●	●	○	●	We reduce the carbon footprint of our asset portfolio by implementing various climate change responses and managing climate change risks/opportunities.	35-39	201-2, 302-1, 302-3, 305-1-4
	Minimizing environmental impacts*	○	●	●	●	○	○	●	We are committed to reducing our environmental impact by conducting endangered animal conservation campaigns, eco-friendly forestation campaigns, and establishing a paperless environment.	40-42	303-3, 304-3-4
Society	Improving customer satisfaction and protecting customer rights	●	●	●	●	●	●	●	Based on our customer satisfaction strategy, we plan to increase customer satisfaction by operating various communication channels and strengthening customer information protection through the Personal Information and Information Security Management System (ISMS-P).	49-51, 84-85	417-3, 418-1
	Pursuing social contributions based on the insurance industry*	○	●	●	●	○	○	●	We are implementing various programs to cultivate talents in the areas of blockchain and AI finance and social contributions for underprivileged children and youth.	52-54	203-1, 413-1
Governance	Implementing ethics and compliance management	●	●	●	●	●	○	●	Through the operation of the Three Line Defense, we strengthen mutual checks between departments to ensure the soundness of our internal compliance management system.	76-78	206-1
	Strengthening financial and non-financial risk management*	●	●	●	●	●	○	○	We operate risk management governance and processes to effectively assess and manage financial and non-financial risks.	80-83	Non-GRI
	Strengthening customer information protection and cybersecurity	●	●	●	●	●	○	●	We are reinforcing company-wide security by promoting the acquisition of ISMS-P and conducting regular security inspections, drills, and training.	84-85	418-1
Economy	Securing future growth engines*	●	●	●	●	●	○	○	Based on various customer needs analyses, we are developing customer-centered products and services to enhance customer satisfaction and convenience.	13-23	Non-GRI
	Developing ESG products and services	○	●	●	●	○	●	●	We have developed a variety of products and services to protect and improve accessibility for financially vulnerable groups, foster startups, and build a paperless work environment.	25-29	203-1
	Expanding ESG investments*	●	●	●	●	○	○	●	We have declared divestment from coal financing and will issue ESG bonds of \$750 million (KRW 904.1 billion) to support environment-friendly and pro-social investments.	30-31	203-2

Business–Economic Performance

Shareholders

(As of December 31, 2022)



Credit Rating

Domestic



Year	NICE Investors Service	Korea Ratings	Korea Investors Service
2022	AA+/Stable	AA+/Stable	AA+/Stable
2023	AA+/Stable	AA+/Stable	AA+/Stable

Overseas



Year	S&P	Moody's	Fitch
2022	A/Stable	A2/Stable	A/Stable
2023	-	-	A/Stable

Business–Economic Performance

Organization

Category	Unit	2020	2021	2022
Domestic entities*	Entities	566	1	1
International entities	Entities	192	196	194

* With the spin-off of Hanwha Life Financial Service in 2021, domestic entities are limited to the headquarters.

Summary of Consolidated Financial Statement

Category	Unit	2020	2021	2022
Assets				
I. Case and cash equivalents	KRW million	1,051,931	1,336,124	2,537,531
II. Deposits	KRW million	506,330	1,263,132	1,848,261
III. Securities	KRW million	80,601,553	91,143,314	86,768,899
IV. Investment in affiliates and joint ventures	KRW million	257,086	367,916	537,516
V. Loans	KRW million	29,596,267	31,406,446	32,466,431
VI. Premises and equipment	KRW million	1,901,702	1,884,292	1,633,757
VII. Investment property	KRW million	2,550,620	2,497,974	2,701,401
VIII. Intangible assets	KRW million	1,133,974	1,161,795	1,115,180
IX. Licensed assets	KRW million	80,950	124,833	170,378
X. Derivative assets	KRW million	1,050,529	181,066	966,604
XI. Net defined benefit assets	KRW million	4,714	25,369	35,722
XII. Current tax assets	KRW million	145,445	16,887	194,582
XIII. Deferred tax assets	KRW million	9,178	138,928	1,761,867
XIV. Other financial assets	KRW million	1,536,070	2,571,857	2,386,203
XV. Other assets	KRW million	3,026,294	3,289,958	3,715,380
XVI. Special account assets	KRW million	25,322,141	26,181,482	22,395,830
Total assets	KRW million	148,774,784	163,591,373	161,235,542

Summary of Consolidated Financial Statement

Category	Unit	2020	2021	2022
Liabilities				
I. Insurance contract liabilities	KRW million	104,954,593	108,406,648	111,106,045
II. Policyholders' equity adjustment	KRW million	1,208,302	348,386	17,888
III. Financial liabilities at fair value based on profit or loss	KRW million	–	1,356,666	2,769,310
IV. Borrowings and debentures	KRW million	552,557	6,987,337	9,380,330
V. Current tax liabilities	KRW million	4,493	65,401	128,813
VI. Deferred tax liabilities	KRW million	750,305	585,246	200,261
VII. Derivative liabilities	KRW million	184,680	989,411	2,295,237
VIII. Net defined benefit liabilities	KRW million	167,036	287,991	256,224
IX. Provisions	KRW million	76,211	89,667	125,571
X. Other financial liabilities	KRW million	1,910,771	4,075,087	3,573,464
XI. Other liabilities	KRW million	203,645	233,646	175,000
XII. Special account liabilities	KRW million	25,607,557	26,746,306	23,192,241
Total liabilities	KRW million	135,620,150	150,171,792	153,220,384
Equity				
Equity attributable to owners of the controlling company				
I. Capital stock	KRW million	4,342,650	4,342,650	4,342,650
II. Additional paid-in capital	KRW million	(454,117)	(452,755)	3,010
III. Hybrid Tier 1	KRW million	2,056,344	2,056,344	1,558,370
IV. Other equity	KRW million	2,680,982	244,555	(4,868,320)
V. Retained earnings	KRW million	3,251,081	5,083,054	5,741,733
Non-controlling interests	KRW million	1,277,694	2,145,733	1,237,715
Total Equity	KRW million	13,154,634	13,419,581	8,015,158

Business–Economic Performance

Summary of Consolidated Statements of Comprehensive Income

Category	Unit	2020	2021	2022
I. Operating revenues	KRW million	26,223,053	27,173,625	33,701,386
II. Operating expenses	KRW million	25,879,352	25,821,650	32,986,672
III. Operating income	KRW million	343,701	1,351,975	714,714
IV. Non–operating income	KRW million	(68,780)	306,522	115,937
V. Income before income tax expense	KRW million	274,921	1,658,497	830,650
VI. Income tax	KRW million	66,674	409,337	14,199
VII. Net income of the year	KRW million	208,247	1,249,160	816,451
VIII. Other comprehensive income	KRW million	(160,481)	(2,502,963)	(6,117,113)
IX. Total comprehensive income of the year	KRW million	47,766	(1,253,803)	(5,300,662)
X. Attribution of net income of the year	KRW million	208,247	1,249,160	816,451
Owners of the controlling company	KRW million	202,114	1,191,311	733,365
Non–controlling interests	KRW million	6,133	57,849	83,086
XI. Attribution of total comprehensive income of the year	KRW million	47,766	(1,253,803)	(5,300,662)
Owners of the controlling company	KRW million	62,779	(1,238,849)	(4,365,389)
Non–controlling interests	KRW million	(15,013)	(14,954)	(935,273)

Financial Performance

Category	Unit	2020	2021	2022
APE*	KRW million	1,837,844	1,573,145	2,143,188
Protection APE*	KRW million	1,130,993	964,577	1,144,507
RBC ratio	%	238.3	184.6	162.2

* APE: Annualized Premium Equivalent, Based on separate financial statements

* Based on separate financial statements

Customer Retention Rate*

Category	Unit	2020	2021	2022
Retention rate	13–month retention	83.2	84.8	84.1
	25–month retention	60.2	64.6	68.5
Protection persistency rate	13–month persistency	83.0	84.1	83.5
	25–month persistency	60.2	65.3	68.3

* The data from 2020 to 2021 has been changed to reflect differences in the calculation criteria.

Business–Economic Performance

Tax Strategy

Tax Policy

As one of the three pillars of the national economy, it is incumbent upon companies to meet their tax obligations in order to sustain the country and its public institutions. **Hanwha Life**, being a company that is subject to external tax adjustments and required to prepare consolidated financial statements, dutifully meets our tax obligations in compliance with both domestic and international tax laws.

Tax Information Disclosure

Hanwha Life ensures transparency and objectivity through external audits, and as a publicly traded company, it openly discloses pertinent tax information to meet its tax obligations. The disclosed information includes calculations of income tax, deferred tax assets and liabilities, a breakdown of income tax expenses, and tax rates.

DART by the Financial Supervisory Service

Tax Risk Management

To proactively identify and manage diverse tax risks, **Hanwha Life** consistently monitors and responds to the enactment and amendment of both domestic and international tax regulations, statutes, precedents, and shifts in government policies. Furthermore, we enhance the reliability and accuracy of tax adjustment and accounting processes through our internal compliance system. In instances where tax laws may be unclear or subject to contradictory interpretations, we engage external tax experts to minimize potential tax risks.

Category	Unit	2020	2021	2022
Income tax paid	KRW million	28,051	253,292	189,091
Deferred tax changes due to temporary differences*	KRW million	40,328	153,122	(131,776)
Income tax expenses directly included in capital	KRW million	(1,705)	2,923	(43,116)
Income tax expenses*	KRW million	66,674	409,337	14,199

* The data from 2020 has been changed to reflect differences in the calculation criteria.

Economic Value Distribution

Category	Unit	2020	2021	2022	
Shareholders Cash dividend	KRW million	22,542	–	–	
Customers Claims paid	KRW million	12,349,442	12,784,776	17,830,392	
Operating expenses New contract and maintenance costs	KRW million	2,015,486	1,763,225	1,873,637	
Employees	Salaries and bonuses	KRW million	571,849	558,359	560,682
	Benefits	KRW million	133,935	113,721	105,413
	Severance pay	KRW million	92,348	60,641	99,761
Government Income tax expenses*	KRW million	66,674	409,337	14,199	
Local communities Social contribution expenses**	KRW million	3,428	3,376	10,333	

* The data from 2020 has been changed to reflect differences in the calculation criteria.

** Based on separate financial statements

Business–Economic Performance

Economic Performance by Channel

Category		Unit	2020	2021	2022
Affiliated agents' APE	Protections	KRW million	908,294	727,532	796,373
	Pensions	KRW million	69,648	52,573	38,571
	Savings	KRW million	6,874	7,009	119,832
Independent agents' performance	Bancassurance channel APE	KRW million	542,202	462,978	726,020
	GA channel APE	KRW million	252,229	266,604	410,331

Asset Management Performance

Category		Unit	2020	2021	2022
Invested assets		KRW billion	98,557	100,393	99,553
Rate of investment return		%	3.47	3.59	2.81

ESG Investment Performance

ESG Investment Performance			Unit	2020	2021	2022
Green investment	Renewable energy	Solar power	KRW million	1,020,534	820,623	758,046
		Wind power	KRW million	284,308	219,234	201,057
		Other (e.g., fuel cells)	KRW million	73,611	29,372	96,884
	Total		KRW million	1,378,454	1,069,229	1,055,987
Water resources and sewage management (desalination plants, sewage processing, and sewage conduits)		KRW million	462,640	430,529	400,220	
Prosocial investment	Schools and cultural facilities	Schools	KRW million	129,962	122,458	90,263
		Cultural facilities	KRW million	15,336	12,623	10,538
	Total		KRW million	145,299	135,080	100,801

Social Performance

Employees

(As of December 31st of the year)

Category		Unit	2020	2021**	2022
Total employees		Persons	4,078	2,663	2,628
Gender	Male	Persons	2,195	1,494	1,438
	Female	Persons	1,883	1,169	1,190
Age	Under 30 years	Male	163	76	74
		Female	264	173	186
	30 to 50 years	Male	1,264	798	736
		Female	1,529	922	885
	Over 50 years	Male	768	620	628
		Female	90	74	119
Diversity	People with disabilities	Persons	35	27	37
	Percentage of female managers*	%	6.7	9.4	8
Employment type	Executives	Male	64	54	55
		Female	3	5	6
	Full-time	Male	2,073	1,388	1,323
		Female	1,853	1,140	1,144
	Indefinite contract	Male	58	52	60
		Female	25	24	40

* Female manager: female employees in a deputy general manager or higher position

** Due to the spin-off of Hanwha Life Financial Service in 2021, the number of employees decreased.

Employee Distribution by Position

Category		Unit	2020	2021	2022	
Position	Executives	Male	Persons	64	54	54
		Female	Persons	3	5	6
	Deputy general managers to general managers	Male	Persons	1,084	720	673
		Female	Persons	86	80	85
	Managers	Male	Persons	514	413	400
		Female	Persons	174	167	188
	Assistant managers to staff	Male	Persons	482	261	265
		Female	Persons	331	292	318
	Other	Male	Persons	5	46	46
		Female	Persons	1,289	625	593

Non-employee* Status**

Category	Unit	2020	2021	2022
Number of workers performing work for Hanwha Life but not employed by Hanwha Life	Persons	1,963	1,969	1,792

* Non-employees: Personnel for IT, call centers, and facility management

** Based on the Business Reports

Social Performance

Recruitment and Retirement

Category		Unit	2020	2021	2022	
New employees	Gender	Total	Persons	181	125	253
		Male	Persons	120	70	147
		Female	Persons	61	55	106
	Age*	Under 30 years	Persons	-	-	77
		30 to 50 years	Persons	-	-	172
		Over 50 years	Persons	-	-	4
Diversity*	People with disabilities	Persons	-	-	14	
Turnover rate	Total turnover rate		%	3.9	39.5**	13.1
	Voluntary turnover rate***		%	2.8	37.5	6.3
	Gender*	Total	%	-	-	100.0
		Male	%	-	-	69.3
		Female	%	-	-	30.7
	Age*	Under 30 years	%	-	-	5.3
		30 to 50 years	%	-	-	55.3
		Over 50 years	%	-	-	39.4
	Diversity*	People with disabilities	%	-	-	11

* This indicator has been tracked and managed since 2022.

** Calculation included employees who transferred out with the spin-off of Hanwha Life Financial Service on April 1, 2021

*** Excludes involuntary turnover (executive retirement, honorary retirement, retirement under the age limit, contract expiration, disciplinary dismissal, and ex officio dismissal)

Parental Leave

Category	Unit	2020	2021	2022
Return-to-work rate after parental leave	%	91.7	90.0	91.6
12-month retention rate after parental leave	%	100.0	60.0*	78.5

* Includes employees who transferred out with the spin-off of Hanwha Life Financial Service

Employee Safety Management

Category	Unit	2020	2021	2022
Industrial accident rate*	%	0.1	0.1	0.02

* Includes factors in simple commuting accidents not obligated to be reported under relevant laws including the Occupational Safety and Health Act

Employee Training

Category		Unit	2020	2021*	2022
Total training expenses**		KRW 10,000	268,277	233,805	240,401
Total number of participants		Persons	3,999	2,571	2,612
Total training hours		Hours	207,088	23,572	133,092
Number of employees with key qualifications		Persons	167	143	130
Ethics management	Training hours	Hours	15,449	9,107	5,304
	Number of training sessions	Sessions	35	24	25
	Number of participants	Persons	All employees	All employees	All employees
Fair trade compliance(CP)	Training hours	Hours	1 (online)	1 (online)	1 (online)
	Number of participants	Persons	All employees	All employees	All employees
Sexual harassment prevention	Training hours	Hours	1	1	1
	Number of participants	Persons	All employees	All employees	All employees
Average training hours per person (gender)***	Male	Hours	-	-	52
	Female	Hours	-	-	50
Average training hours per person (position)***	Chief manager (C-level)	Hours	-	-	38
	Middle managers	Hours	-	-	59
	New employees	Hours	-	-	37
Average training hours per person (duty)***	Office worker	Hours	-	-	51

* Due to the spin-off of Hanwha Life Financial Service in 2021, training data decreased.

** The data from 2020 has been changed to reflect differences in calculation criteria.

*** This indicator has been tracked and managed since 2022.

Social Performance

Labor Union

Category	Unit	2020*	2021	2022
Labor union membership	%	58.7	44.5	37.8

* The data from 2020 has been changed to reflect differences in calculation criteria (include all employees below the director level, excluding employers and agents).

Participation in Training Programs

Category	Unit	2020	2021	2022
Information security for employees	Persons	3,998	2,496	2,605
Security and ethics management training for contractors	Persons	103	103	103

Performance Evaluation

Category	Unit	2020	2021	2022
Percentage of employees who received performance evaluations*	%	96.6	96.9	97
Performance management (OKR): Clarify individual objectives aligned with higher-level organizational goals and systematically manage performance**	%	96.6	96.9	97
Multi-faceted performance evaluation	%	41.0	56.1	55.3
Ranking based on comparative analysis between employees in the same position	%	100.0	100.0	100

* Excludes experienced new employees in general affairs (second half of the year) and new employees

** Changed from management by objectives (MBO) to management by objectives and key results (OKR) in 2020

Mis-selling Frequency

Category	Unit	2020*	2021	2022
Hanwha Life Financial Service (formerly financial planners)	%	0.06	0.06	0.03
HLL	%	0.11	0.13	0.12
General Agency	%	0.19	0.12	0.08
Bancassurance	%	0.03	0.03	0.03
Direct to consumer	%	-	-	-

* The data from 2020 has been changed to reflect differences in organizational structure.

Complaints

Category	Unit	2020	2021	2022
Internal complaints	Cases	1,485	1,355	1,334
External complaints*	Cases	1,992	1,556	1,451
Total	Cases	3,477	2,911	2,785

* Complaints received from other organizations, such as the Financial Supervisory Service, that have transferred or requested verification inquiries. However, complaints handled directly by the relevant organization without referral or verification are excluded.

Customer Satisfaction

Category	Unit	2020	2021	2022
National Customer Satisfaction Index (NCSI)	Points	77	79	79
Korean Standard-Service Quality Index (KS-SQI)	Points	73	73.9	73.4
Korean Service Quality Index (KSQI) (customer center)	Ranking	Tied for first place	Tied for first place (96 points)	Tied for first place (98 points)
Korean Service Quality Index (KSQI) (call center)	Ranking	Tied for first place	Tied for first place (97 points)	Ranked No. 1 in excellent call centers (98 points) Ranked No. 1 in customer satisfaction call centers (86 points)

Social Performance

Wage Equality*

	Category	Unit	2020	2021	2022
Gender equality in salaries	Male to female	%	-	-	57.62
Percentage of general new employee starting salary relative to the minimum wage	Male	%	-	-	232.09
	Female	%	-	-	232.09
Percentage of median total annual compensation of all employees except the CEO relative to the CEO's total annual compensation	Median total annual compensation of all employees except the CEO (a)	KRW	-	-	85,165,365
	CEO's total annual compensation (b)	KRW	-	-	1,159,853,838
	a/b	%	-	-	7.34

* This indicator has been tracked and managed since 2022.

Total Annual Compensation in Relative Terms*

	Category	Unit	2020	2021	2022
Percentage of median total annual compensation of all employees except the highest-paid person to total annual compensation of the highest-paid person in the organization	Total annual compensation of the highest-paid person in the organization (a)	KRW	-	-	1,159,853,838
	Median total annual compensation of all employees (except the highest-paid person) (b)	KRW	-	-	85,165,365
	a/b	%	-	-	1,361.88
Percentage of median total annual compensation growth rate of all employees except the highest-paid person to total annual compensation growth rate of the highest-paid person in the organization	Annual total compensation growth rate of the highest-paid person in the organization (a)	%	-	-	128.64
	Median total annual compensation growth rate of all employees (except the highest-paid person) (b)	%	-	-	104.73
	a/b	%	-	-	122.83

* This indicator has been tracked and managed since 2022.

Social Performance

Employee Retirement Pension

Category	Unit	2020	2021	2022
Defined benefits (DB)	KRW million	291,385	207,629	203,717
Defined contribution (DC)	KRW million	145,388	121,009	141,399
Subscription rate	%	93.6	99.8	100

Value of Financial Products' Contributions to Social Value

Category	Unit	2020	2021	2022	
"Gomduri" Protection Insurance for customers with disabilities*	Cumulative number of customers	Persons	1,378	1,386	1,387
	Cumulative sales	KRW million	131	132	132
"Hope & Love" Insurance**	Cumulative number of children supported	Persons	7,516	7,516	7,516
	Cumulative sales	KRW million	6,780	6,780	6,780
"Together-and-Far" Donation Insurance***	Cumulative number of children supported	Persons	53	53	53
	Cumulative sales	KRW million	19	19	19
"We will protect you" Health Insurance****	Cumulative number of customers	Persons	395	1,222	1,282
	Cumulative sales	KRW million	33	105	111
"Mom's Care" Savings Insurance*****	Cumulative number of children supported	Persons	-	16	40
	Cumulative sales	KRW million	-	186	486

* Product for people with disabilities

** Product for low-income people

*** Supports the subscription of 10-year protection term insurance for children leaving protective custody; sales closed in 2020

**** Product for military personnel

***** Supports coverage including KRW 10 million at 3-year term and surgery for children leaving protective custody; launched in 2021

Social Contributions

Category	Unit	2020	2021	2022	
Amount	Expenses for social contributions	KRW million	3,428	3,376	10,333
Type	Cash donations	KRW million	3,428	3,376	10,333
	In-kind donations	KRW million	-	-	-
	Business expenses (management expenses)	KRW million	-	-	-
Fundraising	Amount of funds raised by employees	KRW million	424	180	261
	Amount of funds raised by financial planners*	KRW million	98	-	-

* Due to the spin-off of Hanwha Life Financial Service in 2021, the amount of funds raised by financial planners has been excluded.

Internal Reporting System

Category	Unit	2020	2021	2022
Number of reports	Cases	5	1	6
Number of valid reports	Cases	5	1	4
Number of disciplinary events	Cases	3	1	1

Environmental Performance

Greenhouse Gas Emissions*(Scope 1&2)

Category			Unit	2020	2021	2022
Business sites	Headquarters (63 Building)	Scope 1	tCO ₂ eq	2,104.27	2,224.80	2,510.52
		Scope 2	tCO ₂ eq	9,284.56	10,728.47	11,829.89
	Janggyo Building	Scope 1	tCO ₂ eq	443.82	463.08	461.43
		Scope 2	tCO ₂ eq	2,737.40	2,721.50	2,603.45
Total greenhouse gas emissions			tCO ₂ eq	14,570.05	16,137.85	17,405.29
KRW unit standard (premium income)**			KRW billion	14,775	14,745	18,628
Greenhouse gas emissions per KRW unit***			tCO ₂ eq/KRW billion	0.99	1.09	0.93
Scope 3 emissions****	Scope 3 emissions of major upstream/downstream		tCO ₂ eq	11,648	11,263	17,242

* Based on headquarters and Janggyo Building as major sites of greenhouse gas emissions (the greenhouse gas assurance statement covers 42 business sites). The data from 2020 has been changed to reflect differences in calculation criteria (the data in 2020 was adjusted in accordance with the establishment of the greenhouse gas inventory in 2021, and corporate vehicles have been included from 2020)

** Based on separate financial statements

*** Greenhouse gas emissions are based on Scope 1 + Scope 2 emissions, and the KRW unit standard is based on Scope 1 + Scope 2 emissions and premium income.

**** Calculated from 2022

2021 Asset Portfolio Financial Emissions*(Scope 3)

Product Category	Assets (unit: KRW trillion)	Financial Emissions (unit: 10,000 tCO ₂ eq)	Emissions Intensity (unit: 10,000 tCO ₂ eq/KRW trillion)
Listed equity/corporate bonds	36.6	444.7	12.1
Unlisted equity/business loans	8.1	162.6	20.1
Project financing (PF)	4.5	137.7	30.8
Commercial real estate	4.1	2.6	0.7
Mortgages	5.3	4.6	0.9
Government bonds	25.3	539.9	21.3
Total	83.8	1,292.1	15.4

* Based on the company as of 2021 and limited to assets owned by the company or for which data is available out of the seven asset classes for the Partnership for Carbon Accounting Financials (PCAF).

Environmental Performance

Energy Consumption*

Category		Unit	2020	2021	2022
Headquarters (63 Building)	Direct	TJ	38.712	42.388	47.957
	Indirect	TJ	191.167	224.186	247.202
Janggyo Building	Direct	TJ	8.727	9.114	9.080
	Indirect	TJ	56.363	56.869	54.402
Total energy consumption		TJ	294.969	332.557	358.641
KRW unit standard (premium income)**		KRW billion	14,775	14,745	18,628
Energy consumption per KRW unit		TJ/KRW billion	0.020	0.023	0.019

* Based on headquarters and Janggyo Building as major sites of greenhouse gas emissions (Greenhouse gas assurance statement covers 43 business sites). The data from 2020 has been changed to reflect differences in calculation criteria (the data in 2020 was adjusted in accordance with the establishment of greenhouse gas inventory in 2021, and corporate vehicles have been included from 2020)

** Based on separate financial statements

Water Usage and Discharge*

Category	Unit	2020**	2021	2022
Waterworks usage	Ton	52,161.79	37,772.42	45,306.12
Treated water usage	Ton	41,538.68	39,579.20	39,157.26
Wastewater usage	Ton	93,700.47	77,351.63	84,463.38

* Based on headquarters and Janggyo Building

** The data from 2020 has been changed to reflect differences in the calculation criteria.

Copy Paper Usage*

Category	Unit	2020	2021	2022
Copy paper usage	Box	76,599	2,443	1,975

* Includes headquarters and other business sites (branches, regional groups, and regional headquarters)

Green Product Purchase

Category	Unit	2020**	2021***	2022
Purchase of green supplies (e.g., furniture)*	KRW million	1,209	954	1,283

* Based on the use of eco-friendly materials E0, E1 (formaldehyde-free)

** Due to COVID-19, the overall volume of furniture purchases decreased, including green products, in 2020.

*** Due to the spin-off of Hanwha Life Financial Service in 2021, the amount of purchases decreased.

GRI Index

Universal Standards

Topic	Disclosure	Indicator	Page & Note
GRI 2 : General Disclosures 2021	2-1	Organizational details	5
	2-2	Entities included in the organization's sustainability reporting	2
	2-3	Reporting period, frequency and contact point	2
	2-4	Restatements of information	No significant change
	2-5	External assurance	111–112
	2-6	Activities, value chain and other business relationships	5, 6, p3–21 of 2022 Business Report
	2-7	Employees	95–96
	2-8	Workers who are not employees	95
	2-9	Governance structure and composition	72–74
	2-10	Nomination and selection of the highest governance body	72, 74
	2-11	Chair of the highest governance body	72
	2-12	Role of the highest governance body in overseeing the management of impacts	9, 72–74, 80
	2-13	Delegation of responsibility for managing impacts	9, 80
	2-14	Role of the highest governance body in sustainability reporting	9, 73
	2-15	Conflicts of interest	74–78
	2-16	Communication of critical concerns	72–73
	2-17	Collective knowledge of the highest governance body	72, 74
	2-18	Evaluation of the performance of the highest governance body	75
	2-19	Remuneration policies	75
	2-20	Process to determine remuneration	75
	2-21	Annual total compensation ratio	98
	2-22	Statement on sustainable development strategy	4
	2-23	Policy commitments	9, 34, 46, 69, 76, 79, 83
	2-24	Embedding policy commitments	9, 34, 46, 69, 76, 79, 83
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	2-29	Approach to stakeholder engagement	87
	2-30	Collective bargaining agreements	65, 97

GRI Index

Material Topics

Topic	Disclosure	Indicator	Page & Note
GRI 3: Material Topics 2021	3-1	Process to determine material topics	87–88
	3-2	List of material topics	89
Responding to climate change			
GRI 3: Material Topics 2021	3-3	Management of material topics	35–39
GRI 201: Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	36
GRI 302: Energy	302-1	Energy consumption within the organization	101
	302-3	Energy intensity	101
GRI 305 : Emissions	305-1	Direct (Scope 1) GHG emissions	100
	305-2	Energy indirect (Scope 2) GHG emissions	100
	305-3	Other indirect (Scope 3) GHG emissions	100
	305-4	GHG emissions intensity	100
Minimizing environmental impacts			
GRI 3: Material Topics 2021	3-3	Management of material topics	40–42
GRI 303: Water	303-3	Water withdrawal	101
GRI 304: Biodiversity	304-3	Habitats protected or restored	41
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	41
Improving customer satisfaction and protecting customer rights			
GRI 3: Material Topics 2021	3-3	Management of material topics	49–51, 84–85
GRI 417: Marketing and Labeling 2016	417-3	Incidents of non-compliance concerning marketing communications	77
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	85
Pursuing social contributions based on the insurance industry			
GRI 3: Material Topics 2021	3-3	Management of material topics	52–60
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	52–60
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	52–60

GRI Index

Material Topics

Topic	Disclosure	Indicator	Page & Note
Implementation of ethics and compliance management			
GRI 3: Material Topics 2021	3-3	Management of material topics	76-79
GRI 206: Anti-Competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	77
Strengthening financial and non-financial risk management			
GRI 3: Material Topics 2021	3-3	Management of material topics	80-83
ESG product and service development		Maintenance and continuous improvement of the ISO 22301 certification	81
Strengthening customer information protection and cybersecurity			
GRI 3: Material Topics 2021	3-3	Management of material topics	84-85
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	85
Securing future growth engines			
GRI 3: Material Topics 2021	3-3	Management of material topics	13-22
Organization-specific index		Customer-oriented product development	14
		Maximizing sales channel effectiveness	16
Developing ESG products and services			
GRI 3: Material Topics 2021	3-3	Management of material topics	25-29
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	25-29
Expanding ESG Investments			
GRI 3: Material Topics 2021	3-3	Management of material topics	30-31
GRI 203: Indirect Economic Impacts	203-2	Significant indirect economic impacts	30-31

SASB Index

Industry: Insurance

Topic	Code	Metric	Page
Transparent Information & Fair Advice for Customers	FN-IN-270a.1	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	Information on ongoing litigation may be referenced on p614–615 of 2022 Business Report.
	FN-IN-270a.2	Complaints-to-claims ratio	97
	FN-IN-270a.3	Customer retention rate	92
	FN-IN-270a.4	Description of approach to informing customers about products	44–47
Incorporation of Environmental, Social and Governance Factors in Investment Management	FN-IN-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment management processes and strategies	8, 30–31
Policies Designed to Incentivise Responsible Behaviour	FN-IN-410b.2	Discussion of products or product features that incentivise health, safety or environmentally responsible actions or behaviours	25–29
Physical Risk Exposure	FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	Not applicable as Hanwha Life is a life insurance company
	FN-IN-450a.2	Total amount of monetary losses attributable to insurance pay-outs from (1) modelled natural catastrophes and (2) non-modelled natural catastrophes, by type of event and geographical segment (net and gross of reinsurance)	Not applicable as Hanwha Life is a life insurance company
	FN-IN-450a.3	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of entity-level risks and capital adequacy	Not applicable as Hanwha Life is a life insurance company
Systemic Risk Management	FN-IN-550a.3	Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	80–83

TCFD Index

Thematic Area	Recommended Disclosures	Page
Governance	a) Describe the board’s oversight of climate-related risks and opportunities.	34–35
	b) Describe management’s role in assessing and managing climate-related risks and opportunities.	34–35
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	36–37
	b) Describe the impact of climaterelated risks and opportunities on the organization’s businesses, strategy, and financial planning.	36–37
	c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario.	36
Risk Management	a) Describe the organization’s processes for identifying and assessing climate-related risks.	36
	b) Describe the organization’s processes for managing climate-related risks.	36
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	36–37
Metrics and Targets	a) Disclose the metrics used by the organization to assess climaterelated risks and opportunities in line with its strategy and risk management process.	36–38
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	38, 100
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	38–39, 100–101

Principles for Sustainable Insurance

Hanwha Life has pledged to follow the Principles for Sustainable Insurance (PSI) under the United Nations Environment Programme Finance Initiative (UNEP FI). We are committed to advancing sustainability management within the insurance industry. We incorporate ESG factors into all aspects of our business operations, engage in a variety of ESG activities in collaboration with multiple stakeholders, and contribute to the growth and widespread adoption of innovative risk management and insurance solutions.







Principle	Content
<p>Principle 1 We will embed in our decision-making environmental, social, and governance issues relevant to our insurance business.</p>	<p>Hanwha Life has developed and implemented an ESG governance system, which includes the Sustainability Management Committee, the Sustainability Management Team, and the Sustainability Management Working Group. The Sustainability Management Committee serves as the primary decision-making body, aiding in the development of a system that encourages ESG management from a long-term perspective. Furthermore, the Sustainability Management Team, a specialized ESG team, and the Sustainability Management Working Group have been established to improve the proficiency of operational-level officers and the company's overall execution abilities. Leveraging this ESG management system, we have incorporated the metric of "strengthening ESG management to build a sustainable management foundation" into our company-wide performance evaluation using objectives and key results (OKR). This allows us to take into account practical ESG factors in our management process.</p>
<p>Principle 2 We will work together with our clients and business partners to raise awareness of environmental, social, and governance issues, manage risk and develop solutions.</p>	<p>Hanwha Life actively encourages ESG investments by augmenting our investment in eco-friendly assets. This includes a formal declaration of divestment from coal financing, making investment decisions that consider ESG factors, and the establishment of ESG investment guidelines. In an effort to disseminate the value of sustainability throughout the industry, we also endorse the "Self-Assessment Checklist for Ethical Standards for Business Partners" for suppliers involved in bidding processes. Moreover, we persistently strive to increase awareness of ESG issues by offering training to our employees on topics such as ethics management, sexual harassment prevention, information security, and personal information protection.</p>
<p>Principle 3 We will work together with governments, regulators, and other key stakeholders to promote widespread action across society on environmental, social, and governance issues.</p>	<p>Hanwha Life is actively engaged in a range of ESG (Environmental, Social, and Governance) initiatives, working in collaboration with the government and key stakeholders. In 2021, we took part in the National Assembly ESG Forum, a platform created to foster the development of ESG policy projects and to aid in the legislative process. Furthermore, we attended the "Declaration of Support for Climate Finance to Achieve Carbon Neutrality in 2050". This event, organized by the Korea Sustainability Investing Forum and the National Assembly Forum on Climate Change, allowed us to express our commitment to achieving carbon neutrality and addressing climate change.</p> <p>We routinely conduct ESG meetings with affiliates of Hanwha Financial. During these meetings, we discuss the current status and future plans for ESG implementation. Our goal is to promote the adoption of ESG management practices within our affiliate companies.</p> <p>We actively engage in a variety of social contribution initiatives through partnerships with the government, local communities, and volunteer groups. The Hanwha Life Volunteer Group, established in 2004, carries out diverse programs focused on environmental sustainability, healthcare, and support for socially disadvantaged groups. We also offer specialized services through pro bono activities, leveraging the skills of professional volunteers. Furthermore, we foster eco-friendly and socially beneficial values through company-wide campaigns centered on employee health and resource recycling.</p>
<p>Principle 4 We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.</p>	<p>Hanwha Life provides useful information through a variety of communication platforms, including its website, Instagram, Facebook, blog, and Naver Post. It also regularly publishes sustainability reports, annual governance reports, and business reports to transparently share its ESG management activities.</p>

WEF IBC Stakeholder Capitalism Metrics Index

Pillar	Theme	Core Metrics	Page(s) and Notes
Governance	Governing purpose	Setting purpose	5
	Quality of governing body	Governance body composition	72–74
	Stakeholder engagement	Material issues impacting stakeholders	87–89
	Ethical behavior	Anti-corruption	76–79
		Protected ethics advice and reporting mechanisms	76–79
	Risk and opportunity oversight	Integrating risk and opportunity into business process	37–38, 80, 82–83
Planet	Climate change	Greenhouse gas emissions	38–39, 100
		TCFD implementation	35
	Nature loss	Land use and ecological sensitivity	41, 59
	Fresh water availability	Water consumption and withdrawal in water-stressed areas	101
People	Dignity and equality	Diversity and inclusion	61, 95–96
		Pay equality	98
		Wage level	93
		Risk for incidents of child, forced, or compulsory labor	65, 69
	Health and wellbeing	Health and safety	66–68
	Skills for the future	Training provided	62–63
	Prosperity	Employment and wealth generation	Absolute number and rate of employment
Economic contribution			91–94
Financial investment contribution disclosure			94
Innovation in better products and services		Total R&D expenses	Total R&D expenses in 2022: KRW 9,545 million
Community and social vitality		Total tax paid	93

Global Initiatives

Hanwha Life strives to realize sustainability management by participating in various global ESG initiatives and strengthening internal ESG management.

Initiative	Description
 <p>UNEP FI (United Nations Environmental Programme Finance Initiative)</p>	<p>A partnership between UNEP and financial institutions that recognizes financial institutions as core contributors to sustainable development and aims to implement various programs for sustainable development</p>
 <p>UNEP FI PSI (Principles for Sustainable Insurance)</p>	<p>The Principles for Sustainable Insurance, as declared by UNEP FI, which are designed to identify, assess, manage, and monitor risks and opportunities and pertain to environmental, social, and governance issues that occur throughout the insurance value chain, including interactions with stakeholders.</p>
 <p>TCFD (Task Force on Climate-Related Financial Disclosure)</p>	<p>A consultation launched in 2015 by the Financial Stability Forum (FSB) upon the request of the G20 regarding the disclosure of climate change-related information, recommending that companies incorporate climate change-related risks and opportunities into their risk management and decision-making through the disclosure of information on climate change-related governance, business strategies, risk management, and climate change management indicators and targets.</p>
 <p>UNGC (United Nations Global Compact)</p>	<p>The world's largest voluntary corporate citizenship initiative, encouraging companies to internalize the UNGC's 10 core values in the areas of human rights, labor, environment, and anti-corruption into their operations and business strategies, thereby promoting sustainable management and corporate citizenship, and providing practical measures</p>
 <p>CDP (Carbon Disclosure Project)</p>	<p>A global climate change project that urges companies to disclose environmental information such as greenhouse gas emissions, risks and opportunities due to climate change, and carbon management strategies</p>
 <p>UN SDGs (Sustainable Development Goals)</p>	<p>An agenda resolved by the 70th UN General Assembly in 2015 to be achieved by 2030, with the slogan "Leave no one behind", comprising 17 goals and 169 targets to guide humanity in five areas: people, planet, prosperity, peace, and partnership.</p>

Global Initiatives

United National Global Compact (UNGC)

Hanwha Life robustly supports and strictly adheres to the UNGC’s ten principles, which are based on four core values: human rights, labor, environment, and anti-corruption. This commitment is part of our ongoing effort to fulfill our social responsibilities.

Category	Content	Page(s)
Human rights	Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and	69
	Principle 2 make sure that they are not complicit in human rights abuses.	69–70
Labor	Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	65
	Principle 4 the elimination of all forms of forced and compulsory labor;	65, 69
	Principle 5 the effective abolition of child labor; and	65, 68
	Principle 6 the elimination of discrimination in respect of employment and occupation.	61, 69–70
Environment	Principle 7 Businesses should support a precautionary approach to environmental challenges;	34–42
	Principle 8 undertake initiatives to promote greater environmental responsibility; and	34–42
	Principle 9 encourage the development and diffusion of environmentally friendly technologies.	39
Anti-corruption	Principle 10 Business should work against corruption in all its forms, including extortion and bribery.	76–79

United Nations Sustainable Development Goals (UN SDGs)

The Sustainable Development Goals, established by the 70th UN General Assembly in 2015 with the aim of fulfillment by 2030, comprise 17 goals and 169 targets. As a participant in the global community, Hanwha Life is striving to actualize these SDGs through a range of activities.

Goal	Content	Relevant Case
SDG 3 Ensure health lives and promote well-being for all at all ages		Improvement of Vietnam’s Medical Infrastructure and Protection of Children’s Rights Hanwha Life is committed to aiding residents in regions of Vietnam where medical services are limited. We have founded four health centers and constructed a children’s hospital, thus enhancing the accessibility of healthcare services for local residents. In an effort to increase societal awareness of child abuse, we are implementing various initiatives. These include the production of an animation aimed at eradicating child abuse and the provision of educational programs for young parents from the 2030 generation.
SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all		Hanwha Life Financial Literacy Class and Educational Support for Children Under Protective Care Hanwha Life generates a range of social impacts by offering economic education specifically designed for children and teenagers. This initiative aims to help shape a correct economic perspective. The educational content is developed in partnership with the Financial Supervisory Service and Hanwha Life. Additionally, we provide play therapy for preschool-aged children in protective care, which helps to alleviate symptoms and enhance emotional stability.
SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all		Fintech startup incubator, Hanwha DREAMPLUS Hanwha Life expands young people’s opportunities to integrate into society by promoting housing stability and economic independence, thereby fostering shared prosperity. We also contribute to the creation and invigoration of the future innovation ecosystem by providing growth and international expansion opportunities for startups. To date, we have nurtured approximately 340 startups, and we aim to facilitate the creation of high-quality jobs by supporting startups across various industries, fields, methods, and scales, without any restrictions.
SDG 10 Reduce inequality within and among countries		Development and provision of inclusive financial products and engagement in social contribution activities Hanwha Life offers tailored insurance products aimed at enhancing the security of socially and financially disadvantaged groups. We operate various systems to improve financial accessibility, including the “Designated Representative Claimant System” and the “Exclusive Insurance Tax Deduction for Individuals with Disabilities”. These systems provide financial assistance to the elderly, individuals with disabilities, and victims of disasters. Furthermore, we carry out global social contribution initiatives to combat human rights inequality in local communities within Vietnam, Indonesia, and China.

Third-party Assurance Statement

Dear Management and Stakeholders of Hanwha Life

Introduction

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

Independence

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

Assurance Standards and Level

This Assurance Engagement followed the AA1000AS v3 assurance standards to provide Moderate Level assurance. We checked the four principles of inclusivity, materiality, responsiveness and impact in combination with information credibility of the Report. We also reviewed Universal Standard and Topic Specific Standard whether the Report content was created in accordance with the GRI Standards.

Assurance Type and Scope

Assurance Provider performed Type 1 assurance that assessed compliance with four principles of AA1000AP (AccountAbility Principles) 2018, as well as the accuracy and reliability of performance information contained in the report.

The assurance scope is from January 1 2022 to December 31 2022 and the assurance focused on systems and activities including policies and goals, businesses and programs, standards, and achievements of the Company’s sustainability management. While the company’s environmental and social data as well as financial data was verified, the scope of review concerning stakeholder engagement was limited to the materiality assessment process.

Assurance Methodology

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

- Confirmation of Hanwha Life’s stakeholder participation and materiality assessment process by sustainability expert.
- Analyses of articles related to Hanwha Life’s sustainability management published by domestic media outlets
- Review of the consistency between the financial performance data and the company’s audit report/publicly announced data by Certified Public Accountant.
- Verification of consistency between environmental information disclosure data and information provided by the environmental specialist.
- Examination of internal documents and basic materials

Assurance Results and Opinions

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

Inclusivity

- Has Hanwha Life engaged its stakeholders in strategically responding to sustainability?

KSA believe Hanwha Life is aware of the importance of stakeholder participation and is making an all-out effort to establish a process that will increase their participation. Hanwha Life has selected stakeholders including Customers, employees, business partners (FPs, business partners, etc.), shareholders and investors, government and public institutions/associations, local communities and has communication channels for each group to receive diverse feedbacks and opinions.

Materiality

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

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

Responsiveness

- Has Hanwha Life appropriately responded to stakeholder requirements and interest in this Report?

We verified that Hanwha Life responded stakeholders’ needs and interests through reflecting stakeholders’ opinions in the Report. We are not aware of any evidence that Hanwha Life’s response to significant issues of stakeholders was reported inappropriately.

Impact

- Has Hanwha Life appropriately monitored its impact on the stakeholders?

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

GRI Standards Disclosure

We confirmed that this Report was prepared in accordance with GRI Standards. Based on data Hanwha Life provided, we also confirmed a validity of the contents related to Universal Standards and Topic Standards.

June 2023
Myung-Soo Kang KSA Chairman & CEO



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

GHG Verification Statement

Hanwha Life Insurance Co., Ltd.

Place of business subject to verification : 63 Building and 36 other offices

The Korea Management Registrar Inc.(hereinafter “KMR”) has conducted the verification on the greenhouse gas (hereinafter “GHG”) emission (Scope 1,2&3) of Hanwha Life (hereinafter “the Company”) in 2022.

Scope

Verification of places of business and emission facilities under the control of the Company.

Standards

- ISO 14064–1:2006, ISO 14064–3:2006
- WRI/WBCSD GHG Protocol
- IPCC Guidelines for National Greenhouse Gas Inventories (2006)
- Guidelines for Reporting and Certification of Emissions in the Greenhouse Gas Emissions Trading Scheme

Limitations

The verification has inherent limitations that may arise in the process of applying standards and methods.

Results

- GHG verification has been performed to meet the limited assurance level according to the verification standards.
- We express that no significant errors were found in the calculation of emissions during the verification process, and that relevant activity data and evidence were appropriately managed and calculated. As a result, we express an “qualified” opinion.

GHGs Emission	Direct Emission (Scope1)	Indirect Emission (Scope2)	Corporate Value Chain (Scope3)	Total (tCO ₂ -eq)
2022	5,603.937	31,391.485	17,242.174	54,220

Energy Consumption	Fuel	Electricity	Steam	Total (TJ)
2022	107.882	653.119	3.678	746

※ Total emissions are summed by company after cutting the decimal point at the workplace.

※ SCOPE3 Category : CAT 1 / 2 / 3 / 5 / 7 / 8

May 23th, 2 023
Authorized By CEO Eun Ju Hwang



E J Hwang

Key Awards and Recognitions

Recognized as a Customer-Centered Management (CCM) excellence company for nine consecutive years by 2023, and honored with an award by the Fair Trade Commission in 2022.

Fair Trade Commission and Korea Consumer Agency

The Customer-Centered Management (CCM) certification, administered by the Fair Trade Commission and assessed by the Korea Consumer Agency, evaluates and certifies the implementation and consistent enhancement of the CCM system every two years. Hanwha Life first achieved this certification in 2007, in recognition of its ongoing improvements in CCM. By 2023, Hanwha Life had been recognized as a CCM excellent company for nine consecutive years and was subsequently inducted into the “Hall of Fame”. In 2022, Hanwha Life was honored with the Fair Trade Commissioners’ Award for CCM excellent companies.



Ranked No. 1 call center and No. 1 customer center in the 2023 Korea Service Quality Index (KSQI) for 12 and 13 consecutive years, respectively

Korea Management Association Consultants (KMAC)

The Korean Service Quality Index (KSQI) offers a measure of service quality, as perceived by customers. It evaluates and indexes the quality of service delivered through both face-to-face and non-face-to-face channels, which convey the value of a company’s products and services, in terms of service fulfillment rate. Hanwha Life, through its persistent efforts to enhance service quality, has achieved notable recognition. It has been chosen as an outstanding call center for 15 years in a row, and has secured the top spot for 12 consecutive years. Additionally, it has been awarded the title of a platinum call center for five straight years, and has been ranked first in customer satisfaction for two years running. Furthermore, it has been recognized as a leading customer center for 13 consecutive years.



Awarded Grand Prize for 8 consecutive years at the Korea Service Grand Prix in 2017 and Inducted into the “Hall of Fame”

Korean Standards Association

The Korean Standards Association bestows the “Hall of Fame” honor upon companies that have consistently won the Korea Service Grand Prix for five consecutive years. This recognition is due to their exceptional performance and commitment to customer-centric service quality management activities. In 2017, Hanwha Life earned the Korea Service Grand Prix for life insurance for the eighth consecutive year. This achievement led to its induction into the “Hall of Fame”, acknowledging its remarkable abilities as a customer-focused company.





Hanwha Life
Sustainability Report 2023

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Place of Issue Hanwha Life
Address 50, 63-ro, Yeongdeungpo-gu, Seoul, Republic of Korea
TEL +82.02.789.8072
E-mail seyeon0527@hanwha.com