



**BEYOND INSURANCE
TO A SUSTAINABLE**

FUTURE

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About this report

Since publishing the first integrated report in 2010, Samsung Fire & Marine Insurance Co., Ltd.(hereinafter, Samsung Fire & Marine Insurance) has been transparently disclosing the company’s systems for sustainable growth and value creation, as well as its main activities and achievements, to stakeholders of both direct and indirect relationships with the company, through these annual integrated reports.

Reporting Principles

The non-financial information included in this Report was prepared in accordance with the requirements of the GRI(Global Reporting Initiative) 2021, the global standard for ESG information disclosure, and reflects the SASB(Sustainability Accounting Standards Board) insurance disclosure standards. The information regarding sustainable finance and climate change-related management is disclosed based on the main pillars of the UN Sustainable Insurance Principles(UN PSI) and the disclosure recommendation of TCFD(Taskforce on Climate-related Financial Disclosure). The report also includes the company’s efforts to implement the UN Sustainable Development Goals(SDGs). The financial information in the report complies with the K-IFRS(Korean International Financial Reporting Standards).

Reporting Scope and Period

This report discloses sustainability-related information at Samsung Fire & Marine Insurance's headquarters in Korea, but also includes matters that occurred in some overseas subsidiaries, branches, offices, and other assets owned by the company. The time scope of ESG information disclosure is from January to December 2023, consistent with the company's financial reporting period under K-IFRS. Key data are compiled for the past three years for yearly comparison. However, some critical information that may affect stakeholders, including matters that occurred in the first half of 2024 are also included with separate annotations.

Report Verification

To enhance the credibility of the information contained in this report, independent(third-party) assurance was conducted by the Korea Productivity Center Quality Assurance. The Independent Assurance Statement can be found at page 129.

Contact

Contact the ESG Secretariat of Corporate Planning Dept. 1 at Samsung Fire & Marine Insurance for enquiries or suggestions.
ESG Secretariat, Samsung Fire & Marine Insurance
14, Seocho-daero 74-gil, Seocho-gu, Seoul, Republic of Korea(06620)
esgnews@samsung.com | 02)758-7578

Restatement of Information

This report contains information from previous year(s) that has been restated due to typos, errors in the unit conversion process, and the changes in accounting standard. Such items are separately noted in comments.

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2024 Samsung Fire & Marine Insurance
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CEO Message

"Samsung Fire & Marine Insurance will always walk alongside our customers, serving as a companion to protect their daily lives."

Dear respected stakeholders,

2023 was a year in which the management environment was more challenging than ever, marked by global inflation, economic recession, increased financial market volatility, and the full-scale introduction of the new international accounting standard, IFRS 17. Nevertheless, Samsung Fire & Marine Insurance recorded a net profit of KRW 1,821.6 billion, a 12% increase from the previous year, and ranked first in customer satisfaction for 23 consecutive years, the longest streak in the insurance industry, making history with the highest level of performance yet. Such feat would not have been achievable without cooperation from all stakeholders, including customers, shareholders, and investors. On behalf of our executives and employees, I would like to express our sincere gratitude.

2024 is anticipated to see deepening uncertainty surrounding global economic recovery, compounded by the overlapping global climate crisis. In addition, demographic changes such as Korea's low birth rate and aging population, along with AI technology innovation, are expected to act as catalysts requiring fundamental changes be made in corporate management. In a rapidly changing environment, Samsung Fire & Marine Insurance seeks to continuously think, challenge, and practice change and innovation in order to maintain a sustainable competitive advantage at the heart of our business performance.

Above all, we will strive to strengthen our business structure and enhance our company value by expanding our global business portfolio and discovering new growth engines.

We are simultaneously pursuing new markets and discovering new growth engines through our equity investment in Canopus, a British Lloyd's non-life insurance company, and expanding business collaborations after establishing a joint venture with China's Tencent aiming to leverage on the capabilities of both parties. In 2024, we are building a foundation for growth in the Asian market with accumulated business experience and transaction networks based on Samsung Re, a local reinsurance platform in Singapore. Now, Samsung Fire & Marine Insurance will focus on transplanting its domestic business capabilities into its global business, internalizing its growth DNA, and conveying the value of insurance on a broader global stage. In addition, we will fundamentally transform the existing business practices and accelerate innovation through cooperation and investment with technology companies in AI, mobility and healthcare, while making our utmost effort to construct a new growth engine for the future of the insurance business

As a member of the global civil society, we will strengthen our ESG management to overcome the global climate crisis.

Samsung Fire & Marine Insurance has established internal goals for fully converting its power source to renewable energy by 2040 and achieving Net Zero by 2050, and is faithfully carrying out environmental management. We minimized our carbon footprint through self-generation of solar power at the Global Campus (training center) site and a conversion of corporate vehicles to zero-emission vehicles, while also laying the foundation for achieving Net Zero Portfolio by measuring emissions of and honing the management system for the assets in which we have invested. In addition, with the goal of expanding the cumulative volume of ESG investment to KRW 10.5 trillion by 2030, we are scaling up investment in hydrogen fuel cells, energy storage devices, and offshore wind power. Furthermore, all executives and employees are actively participating in educational activities concerning sustainability management and partaking in eco-friendly campaigns. In 2023, we joined the global biodiversity initiative, TNFD(The Taskforce on Nature-related Financial Disclosures), to expand the scope of our environmental management. We will continuously seek ways to respond to the climate crisis and consider the positive impact we can initiate toward the ecosystem through investment and insurance.

We will continue to practice financial inclusion with a customer-and market-oriented mindset.

Samsung Fire & Marine Insurance differentiates itself as the first in the domestic insurance industry to respond to customer needs arising from changes in demographic structures. This includes initiatives such as the inception of AI chatbot information agents, the launch of a senior-friendly mobile service, and the creation of consultation panels for international customers. In doing so, the company ensures the provision of exceptional customer value by swiftly responding to customer needs and delivering solutions. Corporate social contribution activities such as the guide dog support project for the visually impaired and the production of disability awareness drama show for youth will be continued, along with the fulfillment of social responsibility to lead changes addressing social challenges such as low birth rate, aging, and population decline. Additionally, we will continue to foster a corporate culture that respects diversity and inclusion.

We, at Samsung Fire & Marine Insurance, will become a company that adheres to the principles of "Transparent Finance".

Recently, customers and the market are increasingly demanding a very high standard of ethics and compliance. Samsung Fire & Marine Insurance was the first domestic non-life insurance company to be externally recognized for its efforts and excellence in information security and customer data protection through ISMS-P certification and ISO 27001 certification. We will strive to further solidify the trust and cooperation of our stakeholders by internalizing a strict level of ethical awareness and compliance management across all executives, employees, subsidiaries, and partner companies, while



also strengthening the internal control system. We will continue to reinforce our ESG management by systematically addressing sustainability-related issues and transparently disclosing financial and non-financial information.

Dear respected stakeholders,

With the future vision of 'Hub of Expedition, Strive for Excellence,' Samsung Fire & Marine Insurance will leap forward to become a top-notch insurance company, more anticipated tomorrow than today, through constant challenge and innovation. In addition, we will not settle for our status quo as Korea's No. 1 non-life insurance company; instead, we aim to become a finance sector leader recognized in the global market. Samsung Fire & Marine Insurance will always walk alongside our customers, and we deeply appreciate your generous support and interest.

Thank you.

Mun Hwa Lee, CEO & President

Mun Hwa Lee

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Company Overview

Samsung Fire & Marine Insurance is Korea's No. 1 non-life insurance company, offering a variety of insurance products and retirement pension products, including fire, marine, automobile, accident, liability, long-term personal protection, and personal pension. We also offer a wide range of business including P&C, automobile, and non-life insurance products to international markets such as China, the US, Indonesia, Vietnam, Singapore, and the UK. We leverage the capital from underwriting business to conduct investment activities that support national projects and general corporate operations, thereby contributing to the balanced development of the national economy and the improvement of people's welfare.

Company Overview

Corporate Name	Samsung Fire & Marine Insurance Co., Ltd.
Business Type	Non-life insurance
Date of Establishment	January 26, 1952
CEO	Mun Hwa Lee
Location of Headquarters	14, Seocho-daero 74-gil, Seocho-gu, Seoul, Republic of Korea
Number of Employees	5,528
Website	www.samsungfire.com
ISIN	KR7000810002

Current Status of Organization

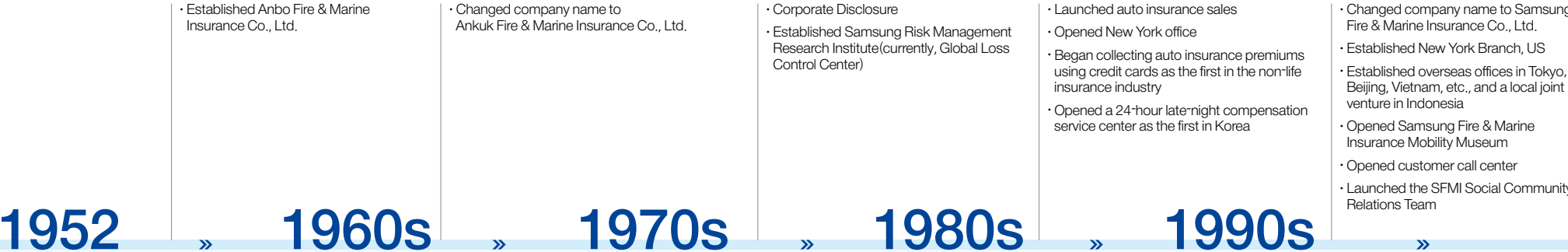
3 Businesses, 4 Headquarters, 2 Divisions, 7 Business Teams, 40 Administrative Teams(including CISO)

Commercial Line Division, Auto Insurance Division, Long-term Insurance Division, Personal Lines Headquarters, Strategic Channel Headquarters, Asset Management Headquarters, Digital Business Headquarters, Corporate Planning Division, Corporate Management Support Division, Audit Committee, Legal Affairs Team, Customer Policy Team, HR Team, etc.

Major Subsidiaries

Company name	Location	Date of establishment (acquisition)	Main business	Share ownership(%)
Samsung Fire & Marine Insurance Service Co., Ltd.	Seoul, Korea	Jan. 30, 1996 (May 28, 2002*)	Claims adjustment service	100
Samsung Claim Adjustment Service Co., Ltd.	Seoul, Korea	Oct. 15, 1998	Claims adjustment service	100
Samsung Fire & Marine Financial Service Co., Ltd.	Seoul, Korea	Mar. 16, 2016	Agency	100
P.T. Asuransi Samsung Tugu	Jakarta, Indonesia	Nov. 07, 1996	Non-life insurance	70
Samsung Vina Insurance Co., Ltd.	Ho Chi Minh, Vietnam	Nov. 14, 2002	Non-life insurance	75
Samsung Fire & Marine Insurance Company of Europe Ltd.	London, UK	Mar. 30, 2011	Non-life insurance	100
Samsung Fire & Marine Management Corporation	New Jersey, US	Jun. 23, 2011	Insurance Consulting	100
Samsung Reinsurance Pte. Ltd.	Singapore	Dec. 09, 2011	Non-life insurance	100
Agency Samsung Fire & Marine Insurance ME and Agency of Africa	Dubai, UAE	Feb. 24, 2016	Agency	100

*Acquisition date



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Recreation as an Unrivaled Financial Company

- Established the company-wide future vision as a <Hub of Expedition, Strive for Excellence> and foundational employee core value <F.1.T>(2024) as a new direction beyond being 'Korea's No. 1 non-life insurance company.'
- Set a close relationship between the company-wide vision and ESG management philosophy, reflecting the company's direction for creating sustainable value

Futurama

Vision

Mission

Strategy
Direction

Employees
Core Values
F.1.T



- Entered Chinese market as the first domestic insurance company (Established Shanghai branch)
- Established the Samsung Traffic Safety Research Institute
- Announced 'Samsung Anycar', a representative auto insurance brand
- Launched Korea's first integrated insurance product 'Samsung Super Insurance'
- Implemented 'Customer Panel' program for the first time in the insurance industry
- Established the Disaster Prevention Research Center(currently, Global Loss Control Center), the first private company in Korea
- Selected as "Asia's Fab 50 Companies" by Forbes

- Joined UNEP FI(2010)
- Published the first Integrated Report(2010)
- Established the first ESG dedicated organization in the insurance industry(2012)
- Established Sustainability Management Committee(2012)
- Enacted <Social Responsibility Management Regulations>(2013)
- Published <Carbon Management> booklet to respond to corporate climate change(2013)
- Joined Principles for Sustainable Insurance(PSI) as the first in Korea(2015)
- Selected as a 'Sustainability Partner' for the Pyeongchang Winter Olympic Games(2018)
- Exceeded 10 million customers(2019)

- Declared "Coal-free" Declaration(2020)
- Declared Joint ESG management by insurance companies(2021)
- Established the ESG Committee(2021)
- Established a joint venture with Tencent(2022)
- Introduced Customer Panel for the Millenials & Gen Z and the senior(2022)

2000s

2010s

2020s

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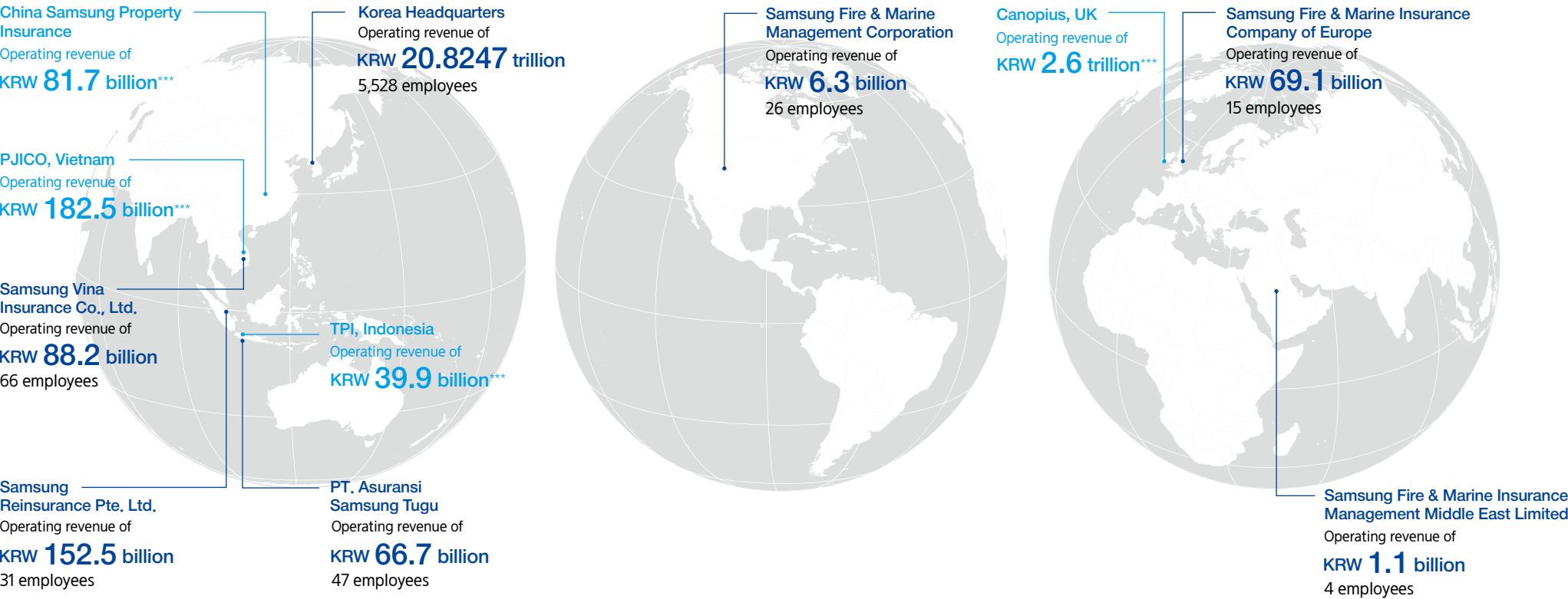
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Global Network

- Starting with the opening of the London office in 1978, Samsung Fire & Marine Insurance has continuously sought new business areas, including expanding overseas bases and discovering overseas markets, to secure future growth engines and become a ‘Global Top-tier P&C Insurance Company’
- The company provides differentiated products and services to target local markets through 18 bases in 8 countries around the world, including the US, Europe, Asia, and the Middle East
- Since 2017, based on the Inorganic strategy(a method for achieving corporate growth through external sources) of investing in or collaborating with local companies, we have expanded our influence in the global market through collaborative relationships with leading global companies
- In 2022, the existing Chinese corporation was converted into a joint venture(with Tencent participating in shares), and ‘Samsung Property Insurance’ was launched, expanding the customer base on the company’s digital and IT capabilities

Major Global Bases, their revenues in 2023* and employees



- Global business sites
- Global network based on inorganic strategy(invested companies and joint ventures)

*Sum of insurance operating profit and investment operating profit in accordance with K-IFRS Article 1117, and the above summary financial information is the amount without offset of internal transactions between companies within the consolidated entity
**Based on full-time employees in office as of Dec. 31, 2023, incl. unregistered executives
***Consolidated financial information of the investee company and its subsidiaries(total operating revenue of the investees)

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Financial Key Performance

Non-Financial Key Performance



Maximum Performance Achievement*

Achieved pre-tax profit of KRW 2,446.5 billion
Achieved net profit of KRW 1,821.6 billion
Maintained an industry-leading of RBC** level of 273%***



#1 in Customer Satisfaction

National Customer Satisfaction Index(NCSI)
Ranked first in the non-life insurance category for 23 consecutive years(first for a financial company and the longest record)

Korea Customer Satisfaction Index(KCSI)
Ranked first in the auto insurance sector for 26 consecutive years and first in the long-term insurance sector for 13 consecutive years

Korea Service Quality Index(KSQI)
Selected as an excellent call center for 20 consecutive years



Membership in Global Initiatives

Expanded the scope of environmental management advancement by joining the TNFD(Taskforce on Nature-related Financial Disclosures)



Social Contribution Projects

Celebrated the 30th anniversary of the guide dog campaign for the visually impaired

Celebrated the 25th anniversary of the opening of the Samsung Transportation Museum Renewed and reopened as Samsung Mobility Museum



Excellent ESG Assessment

S&P CSA(DJSI)
No. 1 score for Asia Pacific Sustainability Indices

MSCI ESG Ratings
Overall A grade

KCGS ESG assessment
Overall A grade; selected as a company with excellent corporate governance





Expansion of ESG Investment

Cumulative ESG investment commitment size of KRW 8.50 trillion(2023)
→ Target to expand to KRW 10.5 trillion by 2030



Conversion of business vehicles to zero-emission vehicles(K-EV100)

Expanded electric vehicles and installed 25 charging stations



Solid Financial Soundness

Acquired A.M.Best A++ for 13 consecutive years
Acquired S&P AA- for 9 consecutive years



Practice of Financial Inclusion

Eco-friendly and inclusive insurance product sales of KRW 4.25 trillion(2023)
→ Target to achieve KRW 5 trillion by 2030



Establishment of a thorough information security and privacy protection system

Acquired ISO 27001 and ISMS-P Certificate



2050 Net-zero Declaration

Incorporated climate risk as a 'material risk' factor in the company-wide risk management system



Expansion of Paperless Work System

Signed more than 90% of insurance contracts without paper

*Based on consolidated financial statements according to the Insurance Supervision Enforcement Regulations, and prepared in accordance with Article 1117 of Corporate Accounting Standards(IFRS-17)
**Fiscal solvency indicator that shows whether the insurance company can pay insurance benefits in one lump sum when a policyholder makes a claim
***Based on K-ICS

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ESG Management System

Samsung Fire & Marine Insurance has established and is operating a broad decision-making system that encompasses all positions and departments, including the board of directors, management, and working-level staff, and is improving performance by holding regular council meetings, discussing related agendas, and identifying and responding to areas for improvement. Furthermore, continuity in promoting ESG management is being strengthened by establishing tasks based on mid- to long-term improvement areas and continuously carrying out related activities.

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Decision-Making System for ESG Management Promotion

- We operate an ESG promotion organization on the BOD, management, and working-level, pursuing balanced and practical ESG management and internalization through organic cooperation between the groups
- Operating the ESG-dedicated, working-level division(2011~) and the Sustainability Management Committee(2012~) chaired by the CEO
- Established the ESG Committee under the BOD to review key issues related to ESG management and to serve as a company-wide control tower for decision-making functions(2021~)

ESG Committee

- Composed of BOD members(two Independent directors and one Executive director)
- Delegated authority from the BOD, as stipulated in the company's internal governance standards to make management decisions that consider macro-level ESG trends and issues as well as sustainable value creation from a mid- to long-term perspective
- Assigning the highest responsibility for the management and supervision of ESG management-related strategies, policies, and the execution of related activities

ESG Management Structure



Sustainability Management Committee

- Composed of seven executives including CEO(chairperson), CFO, head of Corporate Planning Division, head of Long-term Insurance Division, head of HR Team, Chief Compliance Officer, and head of Corporate Planning Dept. 1
- Discusses ESG management status and performance by company and department, major ESG trends within and outside the company, and future direction
- Analyzes the financial impact of climate change based on review of the energy management system and scenario analysis with the CFO participating as a committee member

ESG Working Group

- Composed of heads of major departments and staff in charge of each ESG area, including Risk Management(RM), Business Management, Board Secretariat, HR, and Social Contribution
- Performs tasks and manages goals to promote ESG management by business sector

ESG Secretariat

- A dedicated department for ESG activities
- Integrates management of goals and strategic tasks assigned to each department and their performance in response to related regulations

Major Agenda Items Deliberated by the ESG Committee

Classification	Agenda
Jun, 22, 2023	Reporting on ESG status and plans for the first half of 2023 <ul style="list-style-type: none">- Identification of the areas requiring improvement in each ESG area and establishment of implementation tasks- Reporting on the status of publication of integrated reports reflecting global disclosure standards- Expansion of the scope of application of Policy on Responsible Investment(from coal to fossil fuels)- Performance of internalization activities for executives and employees using ESG content('EuSsuGi' character, executive and employee eco-friendly campaign(Eco+Office), participation in Earth Hour, etc.)
	Reporting on the status of ESG progress in 2023 <ul style="list-style-type: none">- Membership in the RE100 and the establishment of a goal to achieve 100% renewable energy proportion by 2040- Establishment of a disclosure system for financial information related to biodiversity, starting with joining TNFD- Measurement and disclosure of financed emissions based on PCAF methodology- Promotion of environmental management: Calculation of the GHG emissions and promotion of a carbon-neutral portfolio, transition to renewable energy such as starting Korean Green Premium purchases, and conducting other activities to raise ESG awareness among executives and employees, etc.
Dec, 21, 2023	Reporting on ESG promotion plan for 2024 <ul style="list-style-type: none">- Promotion of response to mandatory ESG information disclosure- Promotion of information disclosure in accordance with TNFD recommendations- Planning and publication of the ESG Report based on key issues derived from the double materiality assessment results- Promotion of the achievement of 2050 Net Zero(Scope 1, 2) target: Internal GHG emissions reduction, renewal of ISO 14001 and 50001 certifications, conversion to renewable energy- ESG internalization activities: Expansion of employee participation through eco-friendly projects

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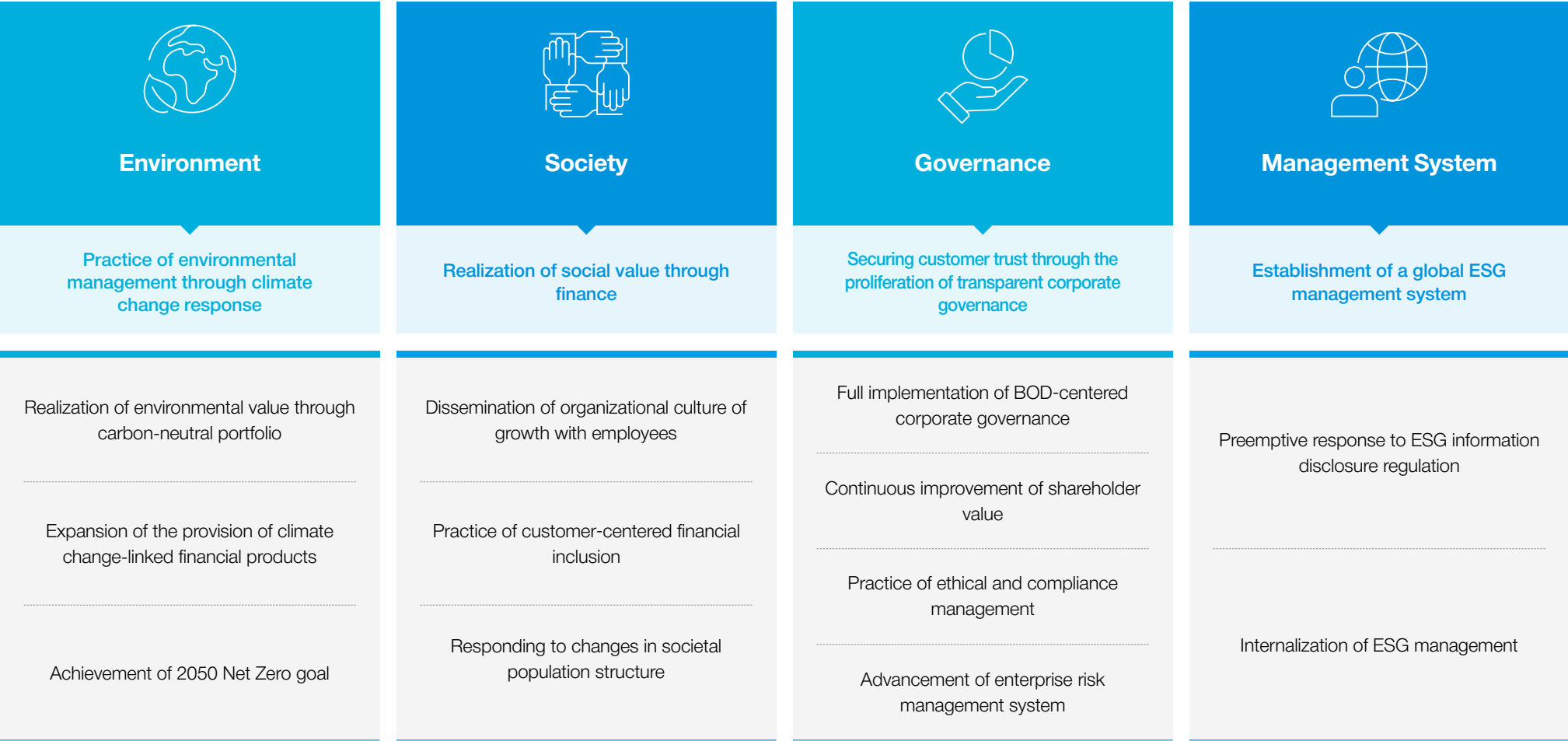
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Company-Wide Strategic Direction of ESG Management

• Identified 12 major tasks focusing on four areas aimed at achieving sustainable growth and mid- to long-term value creation: practice of environmental management through climate change response, realization of social value through finance, securing customer trust through the proliferation of transparent corporate governance, and establishment of a global ESG management system



Business Companion

Samsung Fire & Marine Insurance has direct and indirect relationships with various stakeholders, including employees, customers, partners, shareholders and investors, local communities, and the government. In the future, we will collect opinions from stakeholders and actively reflect them in management decisions through communication activities using various channels as well as integrated reports and the website.

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Key Stakeholders

Classification	Stakeholder Participation Direction	Main communication channels	Key issues	Our approach	Location
 Employees	<ul style="list-style-type: none">• Creating an organizational culture of growth with employees• Providing opportunities to grow as a global financial expert	<ul style="list-style-type: none">• CEO-employee meetings and management on-site visits• Satisfaction survey for employees• Grievance handling system• Labor Union Activities	<ul style="list-style-type: none">• Training the best financial experts• Work-life balance• Strengthening employee communication and improving organizational culture	<ul style="list-style-type: none">• Conducting the Samsung Culture Index Survey• Holding CEO-employee communication meetings• Operating the Occupational Safety and Health Committee regularly• Operating the regular Labor Council	77, 78
 Customers	<ul style="list-style-type: none">• Acting as a social safety net through the best products and services	<ul style="list-style-type: none">• Customer Panel• Customer complaint reception and feedback mechanism(VOC)• Website and Official SNS Channels	<ul style="list-style-type: none">• Preemptively identifying and applying needs through customer-centric management• Strengthening financial customer protection• Protecting customer Privacy	<ul style="list-style-type: none">• Operating Customer Rights Protection Committee, Consumer Protection Committee, and Terms and Conditions Improvement Task Force(TF)• Operating Customer Panel, and Senior Dedicated Team• Minimizing incomplete contracts through mystery shopping system	23, 25-26
 Partner Companies	<ul style="list-style-type: none">• Pursuing win-win cooperation and shared growth based on mutual trust	<ul style="list-style-type: none">• Regular meetings between Samsung Fire & Marine Insurance and partner companies• Communicating based on grievance handling channel and internal bulletin board	<ul style="list-style-type: none">• Supporting for partner company capacity building programs such as RC, GA, and vehicle repair shops• Strengthening communication between Samsung Fire & Marine Insurance and partner companies	<ul style="list-style-type: none">• Communicating Partners Code of Conduct with partners• Hosting Samsung Fire & Marine Insurance - Partner Company Meeting	82
 Shareholders and Investors	<ul style="list-style-type: none">• Enhancing shareholder value through stable and sustainable value creation	<ul style="list-style-type: none">• General Shareholders' Meeting• IR meetings such as corporate information sessions and conference attendance• Website and online disclosure system	<ul style="list-style-type: none">• Guaranteeing shareholders' right to know• Enhancing fair and stable shareholder value	<ul style="list-style-type: none">• Hosting and participating in IR events such as Non-Deal Road-Show and conferences• Introducing electronic voting system and proxy voting system	100
 Local Community and Government	<ul style="list-style-type: none">• Presenting best practices and leading sustainable management as a global corporate citizen	<ul style="list-style-type: none">• NGO-linked activities and industry association activities• Activities linked to the National Police Agency, National Fire Agency, and government agencies• Satisfaction Survey	<ul style="list-style-type: none">• Supporting activities for underprivileged groups and expanding inclusive insurance• Spreading advanced traffic safety culture through Samsung Fire & Marine Insurance Mobility Museum, Traffic Safety Academy, etc.• Minimizing environmental impact on local communities	<ul style="list-style-type: none">• Carrying out activities linking the public, private sector, police, and civil society through the Global Loss Control Center• Implementing policy suggestions and improving activities in conjunction with the National Police Agency and the Ministry of the Interior and Safety	24

Business Companion

Samsung Fire & Marine Insurance has declared support for domestic and international sustainability initiatives and industry associations, internalizing ESG management throughout the company, and actively participating as a member company.

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Participation in and Support of Sustainability Initiatives

Initiatives participated

	<p>UNEP FI(United Nations Environment Program Finance Initiative) Public-private partnerships between the UN Environment Plan(UNEP) and financial institutions</p> <p>Year of Joining: 2010</p>		<p>TNFD(Taskforce on Nature-related Financial Disclosures) A global consultative body to prevent nature loss and restore ecosystems led by international organizations such as the United Nations Development Program(UNDP), the United Nations Environment Program Finance Initiative, and the World Wide Fund for Nature(WWF)</p> <p>Year of Joining: 2023</p>
	<p>CDP(Carbon Disclosure Project) An organization that evaluates companies' GHG reduction response activities for major listed companies around the world and provides related information to investors</p> <p>Year of Joining: 2010</p>		<p>PCAF(Partnership for Carbon Accounting Financials) An initiative to provide unified carbon accounting standards when measuring and disclosing GHG emissions resulting from investments and financial transactions by financial institutions</p> <p>Year of Joining: 2023</p>
	<p>PSI(Principles for Sustainable Insurance) International agreement to pursue sustainable management of insurance companies</p> <p>Year of Joining: 2015(first among Korean insurance companies)</p>		<p>K-EV100(Korean Electric Vehicle 100% project) A campaign hosted by the Ministry of Environment that declares to convert 100% of vehicles owned or leased by companies to zero-emission vehicles by 2030 and implements this step by step</p> <p>Year of Joining: 2022</p>
	<p>RE100(100% Renewable Energy Electricity Campaign) Global campaign to achieve 100% renewable energy usage</p> <p>Year of Joining: 2023</p>		

Initiatives supported

	<p>TCFD(Task Force on Climate-Related Financial Disclosures) A task force established by the Financial Stability Board recommending the disclosure of climate change-related information in four areas of governance, strategy, risk management, and metrics & targets</p> <p>Year of Declaration of Support: 2021</p>		<p>UN SDGs(United Nations Sustainable Development Goals) Goals that must be achieved through the participation of governments, businesses, and civil society for sustainable development in all countries</p>
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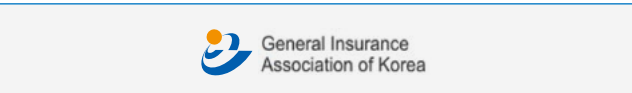
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Major Contributions and Expenses

Trade Association and Think Tanks



General Insurance Association of Korea

- Purpose: To promote sound development and maintain business order in the non-life insurance industry
- Function: Research and suggestions for system improvement related to non-life insurance, disaster prevention, and loss reduction in non-life insurance, policyholder protection, accident prevention, and prevention of insurance fraud
- Association's position on climate change: Requires to strengthen coverage against increasing natural disasters due to climate change
- Samsung Fire & Marine Insurance's position on the association's position: Agree



Korean Fire Protection Association

- Purpose: To contribute to the stability of people's lives by preventing the loss of life and property due to fire through safety inspections, related surveys, and research, and by providing rapid disaster recovery and appropriate compensation for human damage
- Function: Fire prevention safety inspection and insurance work, disaster prevention consulting, investigation and research, calculation of discount rates for fire insurance premium products, self-inspection of firefighting equipment, etc.
- Association's position on climate change: Requires to secure future growth engines for insurance companies through investment and acquisition of new and renewable energy and eco-friendly infrastructure to respond to climate change
- Samsung Fire & Marine Insurance's position on the association's position: Agree

Other Associations



Korea Insurance Development Institute

- Purpose: To provide services to protect insurance customers and develop the insurance industry
- Function: Insurance product development, insurance research and analysis, calculation of fair and reasonable insurance rates, protection of rights and interests of policyholders, efficient management and utilization of insurance-related information, and promotion of healthy development of the insurance industry
- Institution's position on climate change: Requires to pursue long-term profits through asset management by developing eco-friendly insurance products and expanding investment in eco-friendly technologies and companies, while carrying out corporate social responsibility for the environment.
- Samsung Fire & Marine Insurance's position on the association's position: Agree



Korea TCFD Alliance

- Purpose: To promote information disclosure on climate change risks and opportunities by the private sector, including Korean financial companies
- Function: Operation of a private sector consultative body to establish a climate change response system based on TCFD and IFRS climate disclosure standards, collect opinions, and deliver them to legislative bodies
- Alliance's position on climate change: Requires industry support for the establishment of domestic laws and systems based on TCFD recommendations and the introduction of a climate finance system
- Samsung Fire & Marine Insurance's position on the association's position: Agree

Contributions and Donations by Major Associations

Classification		Unit	2021	2022	2023
Trade Association and Think Tank Associations		KRW 100 million	77.0	71.0	87.3
	General Insurance Association of Korea	KRW 100 million	47.9	47.4	52.4
	Korean Fire Protection Association	KRW 100 million	29.1	37.6*	34.9
Other Industry Associations	Korea Insurance Development Institute	KRW 100 million	24.2	23.6*	25.1
Political Contributions**		KRW	0	0	0

*Correction of information due to incorrect data from the previous year
**Pursuant to Article 31 of the Political Funds Act of the Republic of Korea, the company does not provide political funds, election funds, or lobbying funds to specific political groups or political parties

Double Materiality Assessment

Samsung Fire & Marine Insurance conducts a double materiality assessment annually to closely reflect the internal and external management environment and incorporate stakeholders' opinions in the process of establishing a strategic response system and identifying non-financial issues and risks that require top-priority response in ESG management.

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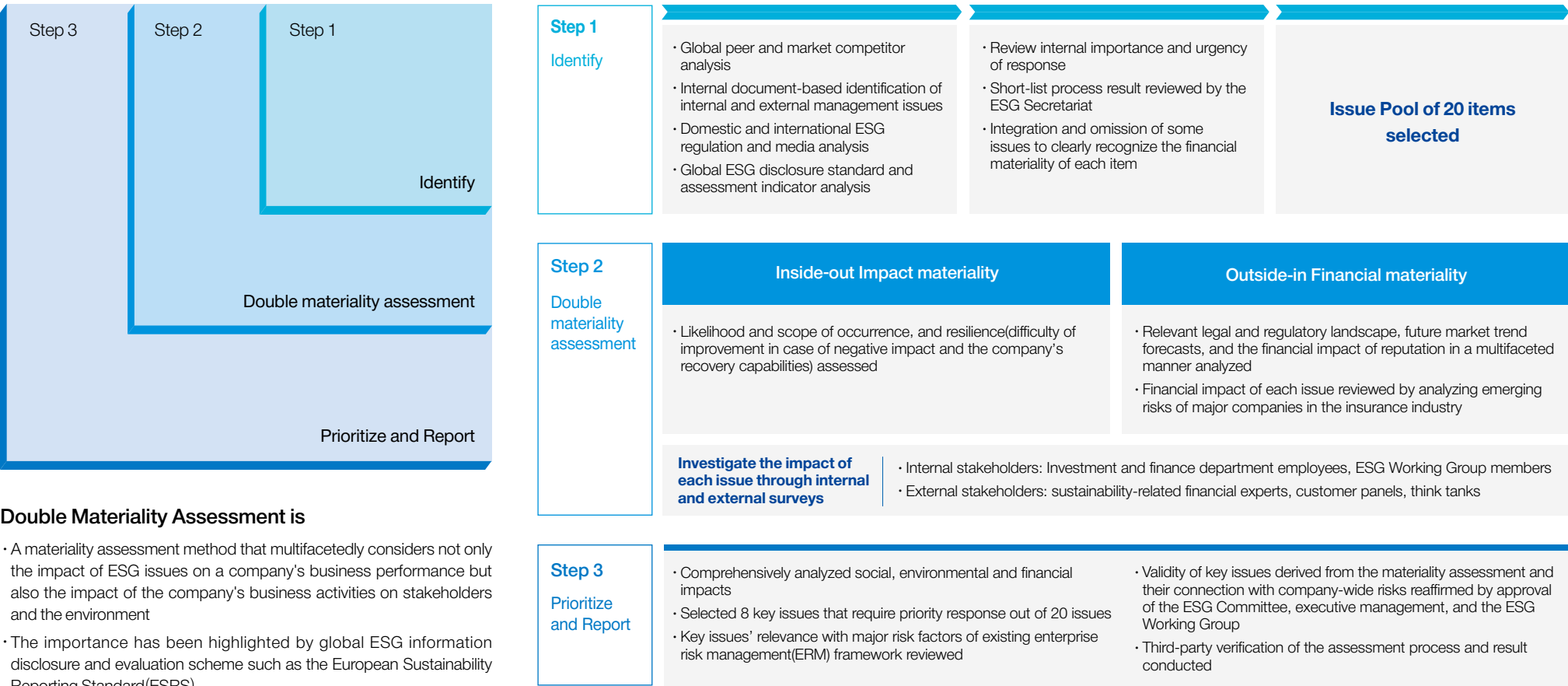
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Double Materiality Assessment Process

- The company has conducted annual double materiality assessments to evaluate the impact of the company's management activities related to key ESG issues on external society and the environment(Inside-out Impact Materiality) and the impact of ESG issues on the company's financial position and performance(Outside-in Financial Materiality) to identify the core issues that needed to be addressed with the highest priority
- The validity and reliability of the process were enhanced by involving a wide range of stakeholders for the double materiality assessment, including financial experts, customer panels, and ESG think tanks, as well as internal employees
- The assessment result has been reviewed by the BOD and executive management to determine key issues of Samsung Fire & Marine Insurance, reconfirming its consistency with their strategic direction



Double Materiality Assessment is

- A materiality assessment method that multifacetedly considers not only the impact of ESG issues on a company's business performance but also the impact of the company's business activities on stakeholders and the environment
- The importance has been highlighted by global ESG information disclosure and evaluation scheme such as the European Sustainability Reporting Standard(ESRS)

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Double Materiality Assessment results

- As a result of the double materiality assessment, ‘Customer-Centric Management’ was selected as the issue with the highest materiality, two levels higher than the previous year, and issues related to customer information protection were selected as the second most material
- Environmental issues include the climate change risk issue, which was a key issue last year and is being addressed as an important company-wide risk, as well as ‘Biodiversity and ecosystem restoration,’ of which importance has recently increased
- ‘Overseas business advancement and global portfolio diversification’ was newly included as a breakthrough in addressing the demographic change issue, which has recently been perceived as a major risk issue in the insurance industry

Material Topics

■ Negative impacts and risks expected due to neglect or inappropriate response to issues
■ Positive impacts and opportunities expected from active and excellent responses to issues

Ranking	Area	Issue Name	Related Stakeholders	Inside-out Impact Materiality Analysis		Outside-in Financial Materiality Analysis		Location
				Negative	Positive	Risks	Opportunities	
1	Society	Customer-centric Management	• Customers	9.36	9.62	9.99	9.65	22-27
2	Society	Information security and privacy protection	• Employees • Customers • Partner companies	8.15	7.35	9.47	7.25	28-31
3	Environment	Enhancement of efforts to achieve carbon neutrality	• Government • Community members	7.75	7.70	7.87	7.44	33-45
4	Business	Overseas business advancement and global portfolio diversification	• Shareholders and investors	7.95	9.40	8.37	9.30	50
5	Governance	Ethics & compliance management	• Government	7.65	7.43	7.61	6.95	56-59
6	Business	Digital innovation	• Customers • Shareholders and investors	7.42	8.26	8.16	8.87	51-54
7	Environment	Biodiversity and ecosystem restoration	• Government • Community members	9.19	8.14	8.75	6.56	46-48
8	Environment	Clear identification of the business impact of climate change	• Government • Community members	7.14	6.20	8.75	5.84	33-45

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General Topics

■ Negative impacts and risks expected due to neglect or inappropriate response to issues
■ Positive impacts and opportunities expected from active and excellent responses to issues

Ranking	Area	Issue Name	Related Stakeholders	Inside-out impact materiality analysis		Outside-in financial materiality analysis		Location
				Negative	Positive	Risks	Opportunities	
9	Governance	Establishment of a integrated risk management system	• Employees • Shareholders and investors	8.14	5.32	7.94	6.97	101-107
10	Governance	Enhancement of the role and function of the Board of Directors	• Employees • Shareholders and investors	7.07	4.82	7.38	6.64	91-99
11	Business	Sustainable investment	• Shareholders and investors • Investees	7.13	5.23	6.89	7.36	109, 115
12	Society	Promotion of employee expertise and diversity	• Employees	6.59	4.42	6.55	6.00	69-74
13	Governance	Fair trade and preventing incomplete contracts	• Customers • Partner companies	7.81	4.99	7.77	6.60	56-59
14	Society	Human rights management	• All stakeholders	7.29	4.30	6.84	6.03	66-68
15	Society	Expansion of inclusive insurance products	• Customers • Community members	7.39	4.82	7.98	7.51	113-114
16	Society	Sustainable supply chain management	• Customers • Partner companies	6.62	4.43	6.12	5.90	80-82
17	Business	ESG insurance underwriting	• Customers	7.29	5.47	6.75	7.39	64, 110, 113
18	Society	Community participation and performance diversification	• Community members	6.78	4.51	4.74	5.34	82-88
19	Governance	Whistleblowing and grievance handling mechanism	• All stakeholders	6.59	4.26	6.28	5.34	59
20	Environment	Internalization of environmental management and stakeholder participation	• Employees • Customers • Community members	6.37	3.57	5.97	4.56	62-63

2023 Materiality Matrix



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Double Materiality Assessment

- Samsung Fire & Marine Insurance comprehensively analyzed the social, environmental and financial impacts of 20 issues and derived 8 key issues.
- In the ‘Sustainability Core Values’ section of this integrated report, the eight major issues are categorized into four areas: environment, society, governance, and sustainable business, and the response system, strategies, and major achievements are intensively disclosed.

Key Material Issue Analysis

Key Issues	Customer-Centric Management	Information Security And Privacy Protection	Enhancement of efforts to achieve carbon neutrality
Type of issue	• Innovation management	• Customer relationship management	• Climate transition and physical risks
Business impact	• Business impact: Opportunity(Revenue) → Maximizing customer value through development and launch of insurance products and services tailored to customer needs, increased sales due to long-term retention of existing customers and increased likelihood of attracting new customers	• Business impact: Risk → Reputation loss due to a company’s customer sensitive information leak, additional marketing costs, etc. → Incurring lawsuits and fines due to customer information leakage	• Business impact: Risk • Social losses arising as a result of acceleration of climate change due to lack of greenhouse gas reduction strategy → Deterioration of profit and loss structure due to the increase in frequency and scale of insurance claims resulting from social losses → Increased burden of expenses due to the deterioration of profitability and the rise in emission permit prices, caused by investment assets becoming stranded assets*
Business strategy	• Enhancing the efficiency of handling customer complaints by appointing a Chief Customer Officer(CCO) directly under the CEO and operating ‘Customer Protection Centers’ in each region nationwide • Proactively identifying customer needs and areas for improvement through regular(twice a year) ‘Customer Panel’ program operations • Providing insurance services that anyone can easily and conveniently access by developing communication services tailored to the needs of the customer group	• Appointing Chief Information Security Officer(CISO) and advancing company-wide information security system through operation of committees related to information security and protection • Implementing differentiated information security internalization training by position and job group • Conducting regular and frequent security inspections to determine compliance with company regulations and laws related to information security	• Established ‘2050 Net Zero’ and ‘2050 Zero Portfolio Emissions’ goals • Implementing phased renewable energy conversion activities • Restricted acquiring and investing in industries and products that negatively impact climate change and the environment when underwriting and investing
Business cases	• Improved approximately 79.0% of 1,071 tasks presented by a customer panel in 2023 • Established a proactive response system in 2023 to identify and respond to customer requests and demands in advance rather than reacting to issues as they arise, through the establishment of a consultation system for each call case • Provided a differentiated experience not only to senior customers but also to those who prefer easy business processing by launching the ‘Senior-Friendly Mobile Service’(2023)	• The risk related to privacy protection and information security has been increasingly highlighted, as financial sector companies hold countless number of customers’ private information, meanwhile a number of which pioneering into Fintech or IT markets • The risk may lead to not only legal & litigation risk but also reputation risk by external stakeholders • Due to our information security framework and activities to protect private information, the company has yet to be subject to any risk occurring in business operation	• Started procurement of renewable energy electricity through the Korean Green Premium System in 2023, in addition to existing solar power generation(at the Global Training Campus, 2018~) • Deployed 2 additional zero-emission electric vehicles and installed 25 new electric vehicle charging stations by the end of 2023
KPI areas linked to executive compensation**	• Improving customer-oriented service quality level across the company • Enhancing and improving customer experience • Diversifying customer contact service point • Achieved first place in the external customer satisfaction evaluation for the longest period of time → Ranked first in the National Customer Satisfaction Index(NCSI) for 23 consecutive years → Ranked first in the Korean Customer Satisfaction Index(KCSI) in the auto insurance sector for 26 consecutive years, and achieved first place in the long-term insurance category for 13 consecutive years	• Implementing activities to improve employee awareness regarding privacy protection • Upgrading the information security system and achieving zero security incidents • Acquiring and maintaining international information security certification → Acquired and maintained ISMS certification(2014~) → Acquired ISMS-P certification for the first time in the domestic non-life insurance industry(2023) → Acquired ISO 27001 certification(2023)	• Establishing environmental management goals • Responding to climate change, such as resource use and pollution reduction activities • Joining the global initiative and receiving international certification • Cumulative ESG investment scale increased by KRW 10.5 trillion in 2030 → 81% of target achieved in 2023

*Assets that are written off or converted to liabilities due to a decline in asset value caused by environmental & climate changes

**Target year for the KPIs: 2023

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Double Materiality Assessment

Identification and Measurement of External Impacts

Key Issues		Customer-Centric Management	Digital Innovation
Type of issue		• Positive	• Positive
Cause of the impact		• Own operations	• Own operations
		• Products & services	• Products & services
External stakeholder & impact area evaluated		• Society	• Customers
		• Customers	
External impact		• Samsung Traffic Safety Research Institute contributes to the role of insurance companies as an overall safety net for society, extending beyond the needs of insurance policyholders, through research activities aimed at reducing traffic accidents and social costs and the development of various traffic safety consulting services	• Anyfit Pro supports users' health management according to customer needs as a non-face-to-face digital health management platform exclusively for corporate employees → Provides three types of services: chronic disease management(hypertension, diabetes, dyslipidemia, fatty liver), weight and obesity management(overweight, obesity), and mental health management programsSupporting for self-management of health habits in daily life → Provides multiple benefits, including disease prevention and health promotion for individual employees, preventing the worsening of existing conditions, and improving overall productivity by preventing diseases and illnesses within the company
		• The institute encourages the insurance subscribers to drive safely by offering incentives such as discount benefits through the application of the know-how accumulated in research and consulting activities to insurance products, with the specific goal of improving road traffic safety	
Quantitative measurement of external impact		• The social cost of traffic accident amounts KRW 26.2833 trillion, converting the cost of human and material damage caused by such accidents and the cost of social institutions into monetary value, according to a study by the Korea Road Traffic Authority as of 2022	• Improvement of approximately 10.0% for major indicators such as blood pressure and blood sugar shown as a result of assessing the improvement in health status among users who continued intensive management with Anyfit Pro for 3 months
		• 14.4% of the accident rate for special contract subscribers and 17.0% for non-subscribers resulted in a 2.6%p reduction in the accident rate, as observed from comparing the traffic accident rates between subscribers and non-subscribers of the company's 'T-Map Safe Driving Discount Ride' → Social costs of traffic accident avoided amounts to KRW 680 billion	• High customer satisfaction with the service, ranging between 80% and 90%

SUSTAINABILITY CORE VALUES

At Samsung Fire & Marine Insurance, Korea's No. 1 non-life insurance company, the value of 'future orientation' has always been at the center of our management philosophy. Rather than settling for the present, we are pursuing our vision of 'Recreation as an Unrivaled Financial Company' and endeavoring to establish leadership in the financial industry on a global stage, transcending the Korean insurance industry.

Recently, the pace of seismic changes in the business environment, such as the intensifying climate change issue, the emergence of new customer groups like the Millennials and Gen-Z(MZ Generation), and the deepening regulations on financial soundness and ESG, is accelerating, yet predictability is decreasing. Today, it is essential for companies to respond sensitively to these seismic changes and find breakthroughs for their survival.

However, we do not settle for simply finding countermeasures. To emerge as a leader in integrated financial services that transcends the insurance industry, it is crucial to listen to stakeholders' opinions and further address critical societal challenges. Considering the risks and opportunities of this year's key issues selected as a result of the double materiality assessment, the company-wide internalization of ESG is no longer an option but a necessity for our sustainable growth and value creation.

Accordingly, we will clearly identify the impact of our business activities on climate change and the environment. Based on this understanding, we will strive to minimize any negative impacts and enhance the positive impacts by continuously investing in sustainability-related areas in an active manner. We will always prioritize customer satisfaction by promptly identifying the needs of diverse customers, meanwhile actively integrating new technologies such as Big Tech and AI into our operations. While pursuing balanced expansion in existing and global business areas, we will also establish a robust ethics and compliance management system to achieve integrity management and be renewed as a company that stakeholders truly trust.



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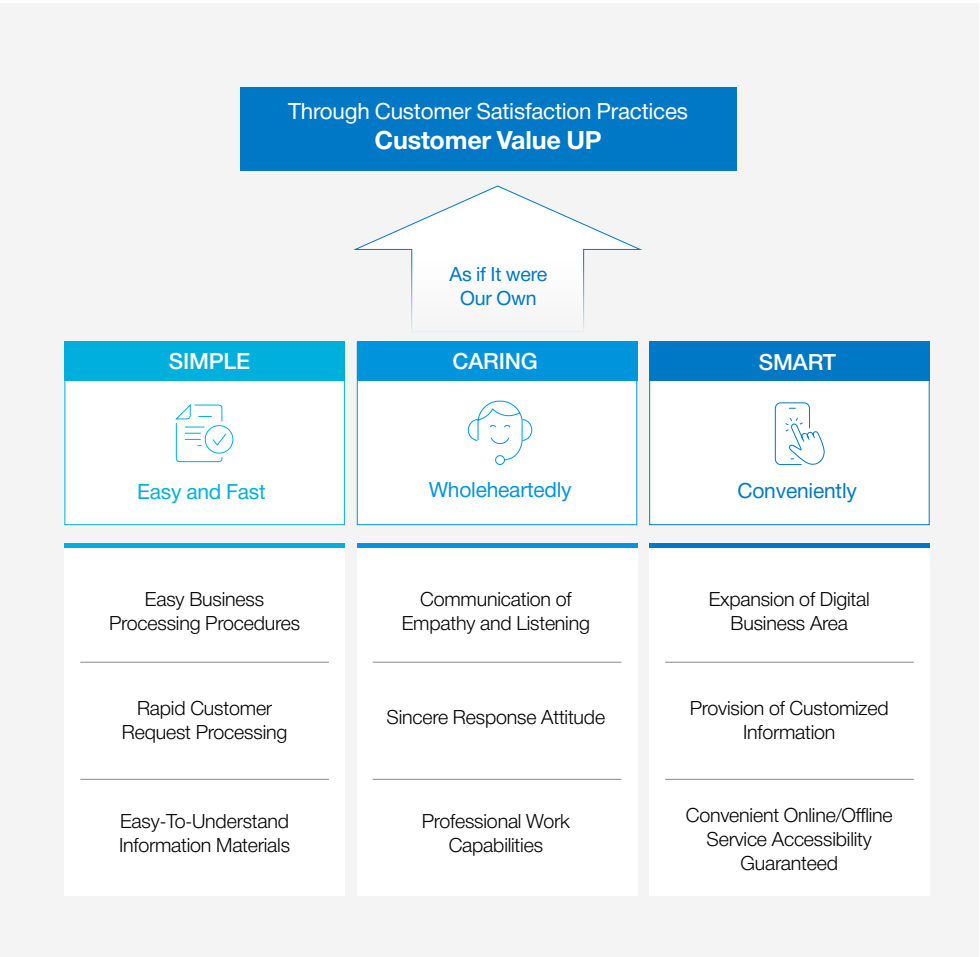
Customer-Centric Management

Samsung Fire & Marine Insurance always places customers at the center of its management activities. We serve as a partner in safeguarding customers' daily lives, actively listening to their voices, proactively identifying their needs, and are committed to integrating these insights into our management activities. In the future, we will strive to enable more customers to be able to access financial services without inconvenience, aiming to create lasting inspiration beyond satisfaction.

Customer-Centric Management Framework

Customer-Centric Management and Customer Protection Vision

Customer Protection Principles



Customer-Centric Management and Customer Protection Policy

- Elaborated on contingency plans for each external situation including maintaining protocols for special circumstances, such as inclement weather
- Established standard guidelines to respond to frequent or highly complex customer requests, such as renewal insurance premiums, refunds, and auto insurance discount surcharges

Customer Protection Charter	As a partner dedicated to shaping a better future for our customers, we approach our work with a commitment "as if it were our own", striving to protect financial customers and ensure customer satisfaction. We aim to grow together with our customers and contribute to the development of society and humanity.					
Commitment to Customer Protection	We respond to customer requests "easy and fast," with a "wholehearted" attitude, and "conveniently" through digital means, impressing customers with differentiated practices that enhance customer satisfaction and taking the lead in protecting financial customers by adhering to the Six Conduct Rules*.					
The Six Principles of Sales	Six principles that financial companies, including Samsung Fire & Marine Insurance, must adhere to when selling financial products to customers					
	<table><tr><td>1 The Principle of Suitability</td><td>2 The Principle of Appropriateness</td><td>3 Duty to Explain</td></tr><tr><td>4 Prohibition of Unfair Sales Practice</td><td>5 Prohibition of Improper Solicitation</td><td>6 Advertisement Regulations</td></tr></table>	1 The Principle of Suitability	2 The Principle of Appropriateness	3 Duty to Explain	4 Prohibition of Unfair Sales Practice	5 Prohibition of Improper Solicitation
1 The Principle of Suitability	2 The Principle of Appropriateness	3 Duty to Explain				
4 Prohibition of Unfair Sales Practice	5 Prohibition of Improper Solicitation	6 Advertisement Regulations				

*Six principles that financial companies must adhere to when selling financial products to customers as stipulated in Korean Act on the Protection of Financial Consumers

Customer-Centric Management

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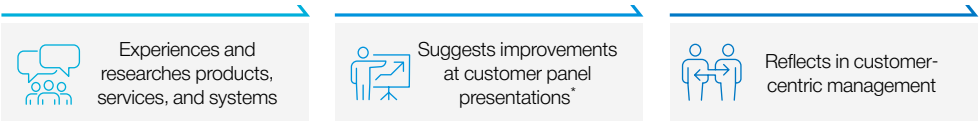
Customer-Centric Management Decision-Making System

- Appointed Chief Customer Officer(CCO) directly under the CEO and the establishment of 'Customer Protection Centers' in eight regions across the country to promptly address customer complaints on-site and monitor the handling process in real-time
- Contributing to improving unreasonable internal systems and practices from the customers' perspective by allowing them to be reflected in the company system, deriving customer inconveniences or suggestions as improvement tasks through the operation of the Consumer Protection Committee(2014~)
- Established the Customer Rights Protection Committee, a dedicated organization for handling insurance disputes(2009), which operates regularly six times a year
 - Enhances objectivity and transparency in insurance payment procedures by mediating or providing solutions for complex and difficult-to-judge insurance disputes that arise between the company and customers
 - All members comprised external experts, including current university professors, lawyers, and medical specialists, to deliberate and handle disputes from an objective and neutral standpoint

Establishment of a Communication System Tailored to Customer Needs

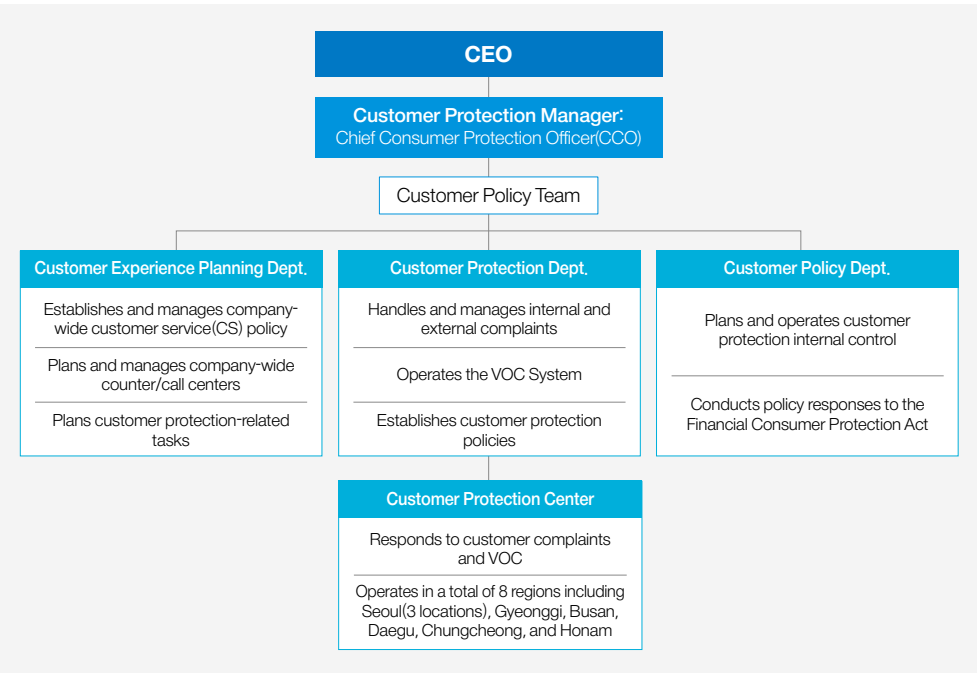
- Introduced the 'Customer Panel' program for the first time in the non-life insurance industry(2005~), a system that collects and reflects results after customers directly experience products and services, and operated a total of 34 groups by the end of 2023
 - Launched the Senior Customer Panel(2021~), comprised of customers aged 60 or older, and the Millenials & Gen-Z("MZ") Customer Panel, comprised of customers in their 20s and 30s(2022~)
 - Improved approximately 79.0% of the 1,071 tasks presented by the customer panel as of 2023
- Operating a dedicated team for each customer group such as seniors, VIPs, and MZ customers
 - Established and operates a 'Senior Call Dedicated Team' to conduct phone consultations for customers over 65 years of age in simple terms to ensure customer satisfaction regarding products and terms and conditions, enhancing their understanding(2022~)
- Established a proactive response system to identify and respond to customer requests and demands in advance rather than reacting to issues that arise by establishing a consultation system for each call case(2023)

Customer Panel System Operation Process

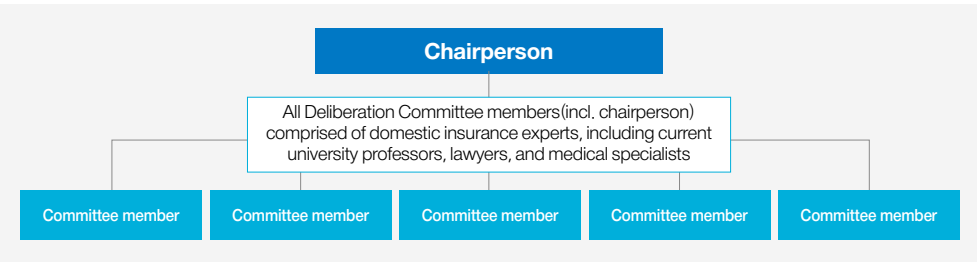


*All key executives, including the CEO, attend to enhance the connection between customer panel suggestions and reflection on management activities

Organization for Customer Protection



Customer Rights Protection Committee



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Specialized Businesses Linked to Risk Management of our Customers & Clients

Samsung Traffic Safety Research Institute

- Conducts research activities and various traffic safety consulting services to reduce traffic accidents and social costs
- Contributed to the revision of a total of 50 laws, including introducing the 'variable speed limit' system in collaboration with transportation authorities and supporting the '5030*' policy in collaboration with the National Police Agency
- Conducts research on auto repair, damage, new technology, and safety through operating an auto insurance R&D center, and providing win-win support training to strengthen employee expertise and improve the technological capabilities of partner companies(2014~)
 - Obtained ISO 9001(Quality Management System) certification for repair technology research and education services(2015)
- Established and operating the 'Traffic Safety Policy Advisory Committee,' involving NGOs, government agencies, the National Assembly, public and research institutions, and academia (April 2022~)

Samsung Traffic Safety Research Institute's 2023 Activity Results

Classification	Performance Details
Traffic Safety Media Report(6 times)	<ul style="list-style-type: none">• Characteristics and measures of the winter slippery traffic accident(Jan.)• Factors and prospects for increasing traffic accidents among seniors(Mar.)• Current status and measures for apartment basement flooding prevention facilities(Jun.)• Status of rear seat belt wearing and accident risk(Sep.)• Need to lower the maximum driving speed of electric kickboards(Nov.)• Need to improve safety of small trucks(Dec.)
Cooperation projects with relevant public institutions on establishing traffic safety policies(twice)	<ul style="list-style-type: none">• Road Environment Improvement Project for Major Accident Risk Points(Ministry of Land, Infrastructure and Transport)<ul style="list-style-type: none">→ Target Selection and Improvement Measures for Major Accident Recurrence Risk Points• Elderly Driver Traffic Safety Council(National Police Agency)<ul style="list-style-type: none">→ Developed traffic safety policy for older drivers and draw improvement measures for current issues
Contribution to law revision(twice)	<ul style="list-style-type: none">• A total of 4 initiatives, including the expansion of senior citizen protection zones in traditional markets and hospitals, and the mandatory temporary stopping of right turns at red lights• Contributed to the revision of the bill to strengthen administrative punishment for drivers and participants in intentional traffic accidents(as of Jan 2024)
Operation of the Traffic Safety Policy Advisory Committee	<ul style="list-style-type: none">• Support for policy development and promotion through discussions on current issues related to traffic safety<ul style="list-style-type: none">→ Jointly operated by private and public entities, including the Ministry of Land, Infrastructure and Transport, Ministry of Public Administration and Security, National Police Agency, Seoul National University, University of Seoul, Citizens' Coalition for Safe Living, and others
Joint planning reports on traffic safety in conjunction with media outlets(20 times)	<ul style="list-style-type: none">• Provide expert advice for joint projects with media outlets, such as "Drunk driving: Blocking the Source with Advanced Technology"(Apr.), "AI Technology to Reduce Two-Wheeler Accidents"(Jun.), and "School Zone AI Safety Management System"(Nov.)

*Policy to adjust the basic speed limit of the urban department to 50 km/h and the speed limit on pedestrian-oriented roads such as residential roads to 30 km/h

Global Loss Control Center

- Quantifies the risk of natural disasters by region through the development and operation of Global Risk Map(GRM) Korea's first professional tool for natural disaster assessment
 - Predicting the expected level of damage from natural disasters to acquired goods on a regional basis through cumulative natural disaster risk management* and minimize losses
- Promotes the mutual exchange of know-how within the industry by conducting seminars and workshops with major insurance companies in neighboring countries(Japan and China) in response to the exponential increase in damages due to the enlargement of natural disasters
- Develops integrated safety consulting(fire, construction, logistics/transportation, natural disasters, industrial/ life safety, etc.), targeting large customers to support the enhancement of operational stability within their business processes, aligning with the trend toward larger and more complex business sites

2023 Performance by Global Loss Control Center Consulting Type

Classification	Details of Consulting Program	Consulting Performance	
		unit	Performance in 2023
Risk Survey	Comprehensively analyzes current or potential risks at business sites to provide suitable insurance programs for customers and prevent safety-related accidents	Cases	558
	Suggests safety management solutions, including recommendations for improvements		
Underwriting(U/W) Survey	Investigates the information necessary to acquire and hold insurance contracts, calculates insurance premiums, and analyzes and evaluates the risks at business sites	Cases	681
Special accident prevention inspection	Conducts intensive risk inspections and provides suggestions for mitigation/prevention solutions in the areas of winter fires, summer storms, and floods	Cases	55
Disaster Prevention Consulting	Proposes customized response plan solutions for each area, such as fire safety, chemical plant risk diagnosis, life safety, electrical safety, construction safety, earthquake/flood/tsunami/strong wind preparedness, logistics safety, and business continuity management	Cases	176

*A system that monitors regional natural disaster risks and converts them into data to manage risks

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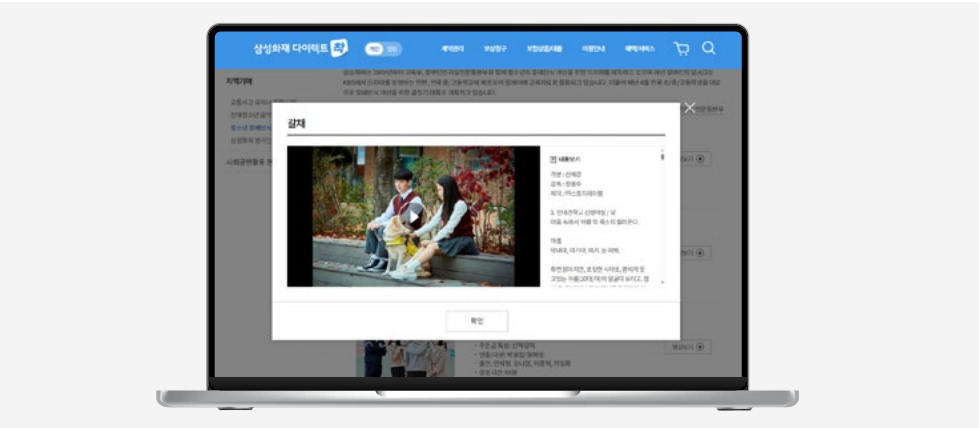
Customer-Centric Management

Customer-Tailored Communication and Service

Communication Service Tailored to Customer Needs

- Operating 'Senior-friendly service' (January 2023~)
 - Converting to a senior-friendly mobile service through the 'large font' button on the mobile homepage and application
 - Applying only one function per screen, with a large font and ample margins, to improve readability and reduce the possibility of accidentally pressing the wrong button
 - Improving convenience for seniors by providing clear guidance through interactive messages, such as "Whose insurance are you filing a claim for?"
- Operating a consultation center and website exclusively for foreigners(2012~)
 - Supporting the understanding of complex product terms and services by deploying simultaneous interpretation counselors in English and Chinese
- Enhancing the understanding of hearing-impaired customers in the insurance consultation process, which involves a lot of technical terminology, by deploying sign language counselors and offering video consultation services(2013~)
- Improved the website to meet Korean Web Content Accessibility Guidelines to ensure information accessibility for various customers, including those with disabilities and senior customers
 - Providing subtitles for all videos on the website and enhancing the video player functionality for keyboard control
 - Improving accessibility for customers who have difficulty distinguishing differences based on color alone(such as color blindness or weakness) by designing diagrams, such as graphs, to differentiate colors based on brightness

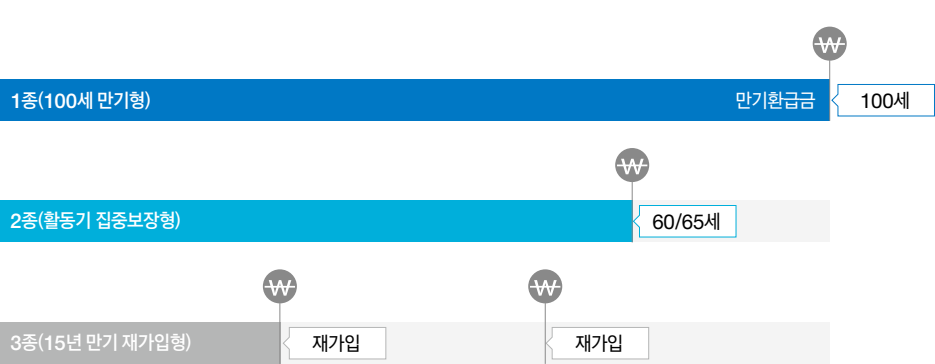
Provision of Video Subtitle Service on Website for the Hearing Impaired



Example of Senior-Friendly Mobile Service Usage



Provision of Design for Customers Who Have Difficulty Distinguishing Between Colors



Customer-Centric Management

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Financial Customer Protection

Operating the Terms and Conditions Improvement Task Force(TF)

- Established the 'Terms and Conditions Improvement Task Force(TF)' to proactively clarify and improve terms and conditions, as social demand for customer protection increases, including issues such as incomplete contracts and disputes over the interpretation of terms and conditions, aiming to prevent unnecessary disputes with customers(2020)
- Improved approximately 79 types of terms and conditions as of Dec. 2023 to enable easy understanding

Strengthening the Provision of Customer Information in Connection With Digital Transformation

- Signed a business agreement(MOU) on 'Application of AI technology to non-life insurance business' with Wecover, an American company specializing in generative AI, and introduced generative AI service for the first time in the domestic insurance industry(March 2023)
- Increasing accuracy, preventing incomplete contracts, and reducing the time required to process customer requests by comprehensively reviewing complex insurance terms, conditions, and special provisions through an AI chatbot
- Diversifying services based on 'Smart Link*' for customers to be able to check the information they need during the insurance contract process and compensation request process, thereby enhancing work processing efficiency

Strengthening Prevention of Voice Phishing and Financial Accidents

- Strengthening the identity verification process by introducing a physical ID authentication system in the insurance contract loan process at the call center(March 2024)

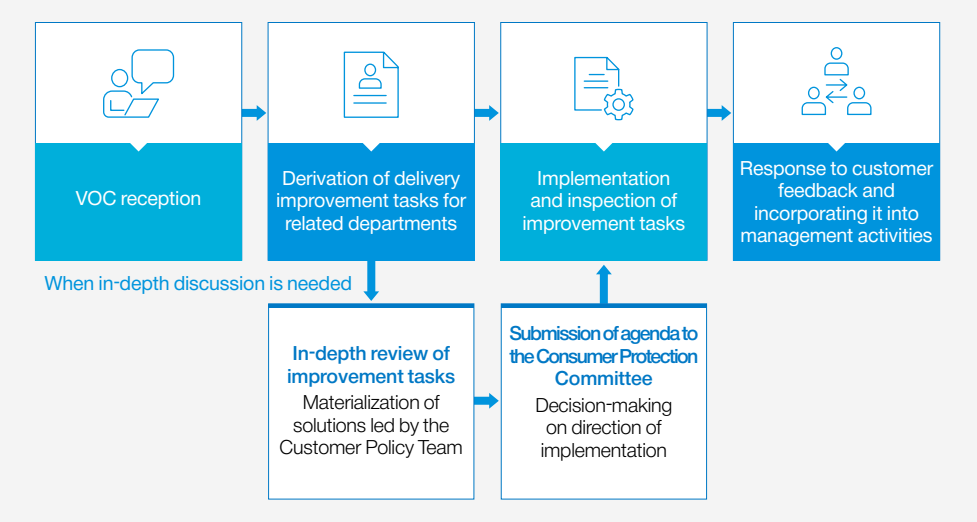
*Including a link in the Kakao notification message or text message that the company sends to customers so that they can directly access the desired service

Handling Customer Complaints and Voices of Customers(VOC)

Customer Complaints and Appeals Handling Mechanism

- Collecting customer complaints or suggestions for improvement through VOC, etc., delivers them to relevant departments through an in-house suggestion platform, establishes and implement improvement tasks, and then perform feedback activities

Customer Complaints and VOC Handling Process



Financial Customer Protection That Considers the Needs of Various Customers

- Operating a grievance processing window exclusively for the disabled, allowing them to report unfair cases related to financial damage, such as incomplete contracts and exploitation, to the relevant authorities
- Assigning consultants fluent in foreign languages such as English, Chinese, and Russian to conduct mystery shopping activities for foreign customers who may have difficulty understanding insurance terms and conditions written in Korean, thereby reducing the risk of incomplete contracts during thorough sales monitoring

Customer-Centric Management

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Customer satisfaction Satisfaction Measurement

Achieved ‘No. 1 in customer satisfaction’ for the first and longest period of time among financial companies

- Ranked first in the non-life insurance sector for 23 consecutive years in the "2023 National Customer Satisfaction Index(NCSI)", hosted by the Korea Productivity Center and Chosun Ilbo
- Ranked first in the auto insurance sector for 26 consecutive years and first in the long-term insurance sector for 13 consecutive years hosted by the '2023 Korean Customer Satisfaction Index(KCSI)' by Korea Management Association Consultants Inc.
- Selected as an 'Excellent Call Center' for 20 consecutive years in the '2024 Korean Service Quality Index(KSQI)' hosted by Korea Management Association Consulting(No. 1 in the non-life insurance industry)
→ Selected as a 'Customer Satisfaction Call Center*' for three consecutive years(2022~2024) based on the customer satisfaction survey, focusing on two major areas: service quality and counselor empathy capabilities

Classification		Unit	2021	2022	2023
National Customer Satisfaction(NCSI)		Points	79	80	80**
Korean Industry Customer Satisfaction Index(KCSI)	Auto Insurance Division	Points	88	89.3	89.8
	Long-term Insurance Division		85.3	86.7	88.4
Korean Industry Service Quality Index(KSQI)	Call Center Division (Samsung Fire & Marine Service)	Quality of service	96***	97	97
		Automotive Division		98	96
	Counselor empathy competency	Long-term Division		83	84
		Automotive Division		78	75
Number of retained customers	As of the end of 2023	10,000 persons	1,103	1,139	1,195
VOC processing rate within 24 hours of compliant reception		%	89.5	85.6	83.3

*'Excellent Call Center'title is awarded warded only to companies that scored 92 points or more in the 'Service Quality' area, and 'Customer Impression Call Center' is given only to companies that scored 80 points or more in the 'Counselor Empathy Competency' area among companies selected as Excellent Call Centers

**Target score for 2023: 80 points

***Evaluated in 4 categories from 2022

Information Security and Privacy Protection

Samsung Fire & Marine Insurance, partner of financial customers, recognizes that valuable customer information and the company's important strategic information are crucial to the company's survival. The company carries out a wide range of activities, including not only building and enhancing systems but also regularly internalizing information security awareness and obtaining external certifications. We will strive to protect information assets to the best of our ability through these initiatives.

Information Security and Privacy Protection Promotion System

Privacy Policy

Information Security and Privacy Protection Governance

- Established the Chief Information Security Officer(CISO) as the top person responsible for information security and privacy protection at the operational level
- Designated a Chief Security Officer(CSO), a Chief Privacy Officer(CPO), and a credit information manager/protector
- Major information security and privacy management consultative organizations
 - Board of Directors: A body that reviews company-wide information security-related performance, issues, and implementation plans annually, and serves as the final decision-making authority on future directions
 - Information Security Committee: An executive-level consultative body composed of 10 members from major related departments, chaired by the head of the HR team, with the CISO and the head of the IT strategy team serving as a vice chairperson
 - IT Security Committee: A working-level consultative body chaired by CISO and participated by security and IT-related departments to establish IT security policies and manage implementation status. Results and supplementary plans are reported to the CEO once a month.
 - Security Working Group: A working-level consultative body chaired by the head of the information security department and reviewing major issues in the overall IT and physical security system area

Key Information Protection and Privacy Policy

- Established a Classification System for Information Assets Through Privacy Protection Policy, and codifying principles to be observed throughout business activities, including the collection, use, management, and destruction of information assets, according to their characteristics
 - Applied to the company's employees, including contract workers and dispatched workers, (potential) customers, and all other stakeholders who perform work pursuant to a contract with the company
 - Designated the CISO and the Head of Privacy Management Department as responsible for managing privacy issues and codified duties and responsibilities
 - Stipulated that privacy-related risk is embedded in company-wide risk management system, established disaster recovery guidelines related to IT infrastructure within the Business Continuity Plan(BCP) based on this, and conducted regular training sessions
 - Specified the disciplinary process through deliberation by the Information Security Committee and the Personnel Committee and the standards for determining the level of disciplinary action, in case of violation of information security regulations and internal regulations

Information Security and Privacy Management Goals



Maintain 0 leaks of information assets, including privacy information

0 cases in 2023



Maintain 0 violations of information security-related laws

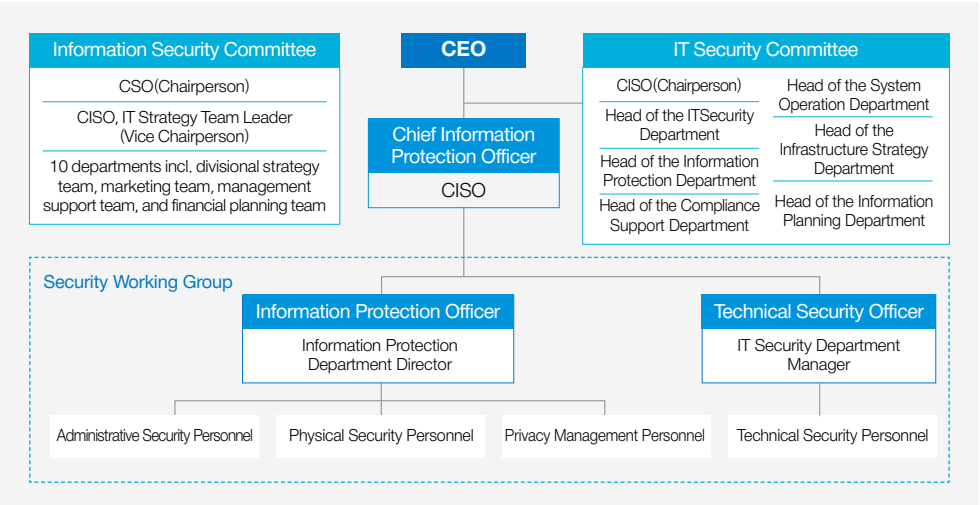
0 cases in 2023



Maintain 100% employee information security training completion rate

100% achieved in 2023

Samsung Fire & Marine Insurance(Personal) Information Protection Organizational System



Information Security and Privacy Management

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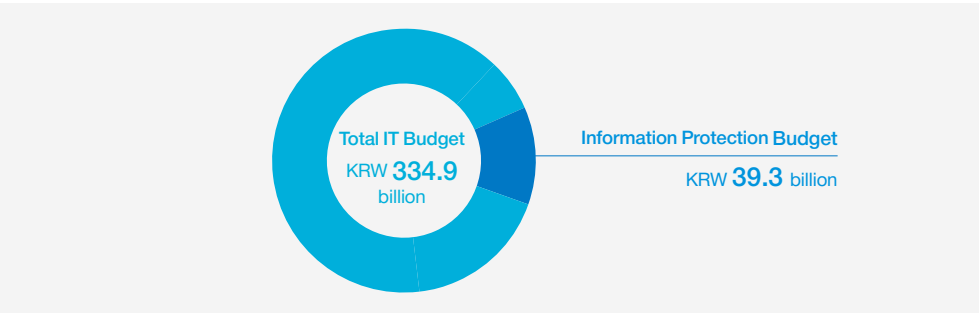
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Establishment of Information Protection System

Information Protection System

- Established a preemptive response system for the expanded use of cloud services by strengthening cloud server and account authority management and implementing a risk management solution(CSPM: Cloud Security Posture Management)
- Reviewing and strengthening related internal regulations through a dedicated security organization, encrypt customer information database(DB), operate information protection system and 24/7 cyber control system, and separate business network and Internet network
- Signed up for liability insurance to provide relief for damage in the event of a leak of information assets, including privacy(2009~)

Investment Budget for Information Protection in 2023



Information Security Certification*

- Acquired ISO 27001 certification(August 2023) and ISMS-P certification(December 2023) for the first time in the domestic non-life insurance industry
- Acquired and maintaining ISMS(Information Security Management System) certification from the Ministry of Science and ICT(2014~)
- Selected as an excellent website for privacy management(Eprivacy PLUS)(2002, the only domestic insurance company)
- Holds DQC-M level 4(Data Quality Certificate-M, highest level) as the only private-sector company(2019~)

*100% of the entire information security infrastructure falls within the scope of certification

Internalization of Information Security

Information Security Education

- Providing differentiated training sessions for general employees, including CISOs, executives, information security personnel, IT staff, service employees, and contract workers
 - Conducting regular separate training education sessions* for compliance security officers(total 268 people), who require special attention to prevent information security risks, as well as for sales organizations such as insurance and loan solicitors
 - Conducting regular training sessions for employees of the company's subsidiaries**, as well as for members of the privacy information trustees***
- Supporting frequent awareness raising among employees through monthly distribution of compliance and security training materials

Classification		단위	2021	2022	2023
Information security and privacy management training	Percentage of employees taking courses	%	100	100	100
	Average hours per person	Hours	6	6	6

Newly obtained information protection certification in 2023



*1 hour in total for compliance security personnel workshop(total 268 people), 1 hour in total for refresher education at the Insurance Training Center for insurance solicitors, and 6 hours in total for regular education sessions for loan solicitors,
**Samsung Fire & Marine Insurance Service Co., Ltd., Samsung Claim Adjustment Service Co., Ltd, Samsung Fire & Marine Financial Service Co., Ltd.
***4 hours of privacy information security education for each personal information trustee in total

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Information Security and Privacy Management

Customer Information Protection Activities

Privacy Policy



Customer Rights Statement



Disclosure of credit information utilization system



Providing Information on the Use of Customer Information

• Stipulated the rights granted to customers in situations such as the conclusion, maintenance, and termination of an insurance contract; the nature of the information, its purpose, and the company's processing policy regarding information collected from customers; within the policies, guidelines, and notices such as the 'Privacy Policy', 'Customer Rights Policy', and 'Credit Information Utilization System Disclosure'

Status of Customer Notices Regarding Important Matters Related to Privacy Information

Classification	Policies and Guidelines		
	Privacy Policy	Customer Rights Policy	Disclosure of credit information utilization system
Purpose of collection and use of personal information	<div>• Conclusion, maintenance, and management of financial transaction contracts such as insurance policy loans</div> <div>• Introduction, guidance and provision of financial products and various services</div> <div>• Internal analysis such as statistical use and use of policy data from public institutions, etc.</div>		<div></div>
Nature of Information Collected	<div>• Identification information: name, resident registration number, address, contact information, etc.</div> <div>• Transaction information: insurance contract information, compensation information, loan contract information, etc.</div>		<div></div>
Opt-in/out option availability	<div>• Provision of a method to withdraw consent for the provision of personal credit information and to stop receiving it through the representative website, call center, etc.</div> <div>• Legal obtainment of customer consent to receive marketing and advertising information through channels such as face-to-face or direct communication</div>	<div></div>	
Customer accessibility to data held by the company	<div>• Possible to view privacy information held by the company in accordance with related laws, such as the Act on Use and Protection of Credit Information</div>	<div></div>	
Matters regarding provision of privacy information to third parties	<div>• Prohibition of providing personal information to external parties without customer consent</div> <div>• External provision of personal information, under the customer's consent to provision and disclosure to a third party in advance, with the exception of cases where provision is required by law, etc.</div>		
Request for correction and deletion of privacy information	<div>• Customers' access to privacy information held by the company and their requests for correction or deletion if the information is different from the facts</div>	<div></div>	
Personal data storage duration in company's database	<div>• From the date of consent until 5 years after the end of the transaction(However, if other relevant laws and regulations impose a longer retention period, that specific requirement will be followed)</div>	<div></div>	
Customers' privacy information management methods	<div>• Encryption of user privacy and password, ensuring accessibility only by the use</div> <div>• Adoption of security devices capable of safely storing and transmitting privacy over the network, utilizing antivirus programs and encryption algorithms</div> <div>• Limitation of access to user privacy to the minimum number of people and provision of regular training to relevant personnel</div>		
Privacy disclosure policy for private companies or public institutions	<div>• Encryption applied when transmitting personal credit information, authentication information(ID and password), and biometric information through information and communications networks</div>		

Information Security and Privacy Management

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Information Protection Risk Management

Early Identification System of Information Security and Privacy Management Risks

- Established internal policies such as <Information Protection Bylaws> and <Security Incident Response Guidelines>, and stipulated action guidelines to be taken when employees discover actual or potential information security-related risks
 - Designated a department dedicated to information security under the <Information Protection Rules>, and stipulating the principle of immediately reporting to the security department when employees identify the risk of information asset leakage
 - Assigned R&R on establishing and implementing a comprehensive response direction for addressing security incident risks to the Security Incident Response Council, led by the CEO or CSO, according to <Security Incident Response Guidelines>, and stipulated processes such as emergency measures based on the types of incidents

Conducting Regular and Frequent Internal Audit on Privacy Protection and Information Security

Classification	Details	Performance Cycle
Regular inspection	• Inspecting information leakage risk through abnormal symptom pattern analysis	At all times
	• Inspecting work system accounts	Biannually
	• Identifying unusual events related to personal credit information inquiry and storage	Monthly
	• Inspecting PC security control exceptions	Monthly
Inspection of compliance with laws and internal regulations related to the protection of personal credit information	• Checking the appropriateness of the channel of personal credit information collected by the insurance solicitation trustee - Checking the acquisition, illegal use, and destruction of personal credit information	Quarterly
	• Ensuring safe storage of personal credit information through unannounced inspections	4 times for the Headquarters, 10 times for compensation field departments
	• Inspecting the status of credit information management and operations through a continuous information protection evaluation system - Achieved 100 points(S grade) for four consecutive years in 28 items, including the use of personal credit information, as a result of the 2023 self-assessment result	Annually

Korean Financial Security Institute-led Inspection and Audit

Classification	Details
DDoS simulation training for external systems	Analyzing indicators of hacking and reviewing results in preparation for Advanced Persistent Threat(APT) attacks
Regular inspection of external intrusion blocking and control performance details	Securing and inspecting data from the Financial Security Institute and Samsung Integrated Security Center

Classification	Unit	2021	2022	2023
Third-party(external) audit of information security policies and systems	Yes/No	Yes	Yes	Yes

Current Status of Information Security-Related Risks

- Achieved zero incidents of customer information leakage and zero regulatory sanctions to date

Classification	Unit	2021	2022	2023
Information leakage	Cases	0	0	0
Complaints received regarding information leakage	Cases	0	0	0

Secondary Use of Customer Privacy

- Continuous monitoring of the percentage of users whose data is used for secondary purposes due to unavoidable reasons such as legal requirements
- Provided 0.16% of customer data, which was used for secondary purposes as required by law

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Pillar 1. Governance

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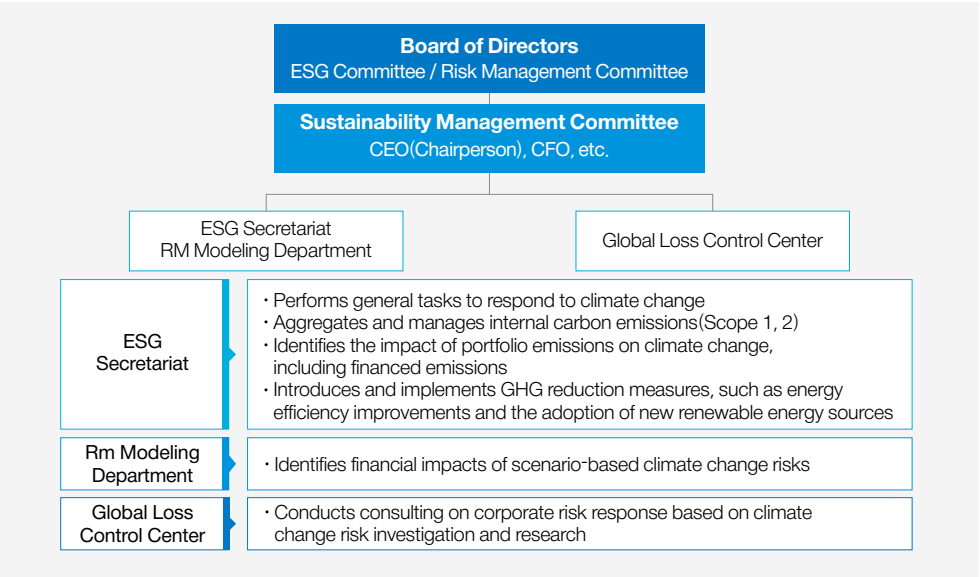
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Organizational Governance to Assess and Manage Climate-related Risks and Opportunities

Board's Oversight of Climate-related Risks and Opportunities

- ESG Committee: The highest decision-making body granted management and supervision of climate change response strategies and activities
 - Follows the principle of holding the committee biannually to ensure consistency and continuity of climate change response activities
 - Enhances the timeliness of response to major issues by holding the committee more frequently when necessary
 - Reviews issues that can directly or indirectly affect climate change, such as GHGs and energy, and incorporates them into management activities, including management strategies, major action plans, risk management policies, business plans, and annual budgets
 - Goal setting and implementation-level monitoring based on insurance underwriting and investment activities, reviews of the financial impact of climate change-related risks, and opportunities that may occur at business sites
- Risk Management Committee: A decision-making body for climate risk management
 - Establishes the climate change risk management system, determines the role of the executive officer, and discusses critical issues related to climate change

Decision-Making System for Responding to Climate Change



Management's Role in Assessing and Managing Climate-related Risks and Opportunities

- Sustainability Management Committee: A management-level consultative body to review the financial impact related to climate change and incorporate it into management strategy
 - Comprising executives from major business divisions, including the CEO(Chairperson)
 - Analyzes and assesses climate change risks and opportunities from a financial perspective, with the CFO participating as a member
 - Assesses climate change risks affecting investment and insurance underwriting activities, business sites, etc., conducted biannually
 - Discusses climate change trends, response directions, and implementation tasks with support from the dedicated ESG organization and related departments

Working-level Responsibility to Climate Change Adaptation and Mitigation

- ESG Secretariat: General department to respond to climate change at the working level
 - Sets reduction directions for each business sector based on environmental impact data and performance, such as measuring internal carbon emissions
 - Identifies, introduces, and implements detailed methods of GHG reduction, such as introducing energy-efficient facilities and procuring renewable energy
 - Conducts integrated management of progress and performance towards detailed GHG reduction goals assigned to executives, employees, and related departments
 - Researches and suggests directions for calculating the financial impact of climate change-related opportunity factors and realizing the opportunities
- RM Modeling Department: A department analyzing financial impact by conducting clear calculations of the financial impact of climate change and identifying response directions for the company and business departments
 - Identifies the impact of climate change on insurance products and investment portfolios through scenario analysis
 - Determines the impact of the insurance and investment activities of Samsung Fire & Marine Insurance, including financed emissions, on climate change
- Global Loss Control Center: A center for conducting business activities, providing integrated risk analysis and solutions for climate change, environment, and safety in the domestic private sector, leveraging Samsung Fire & Marine Insurance's accumulated know-how in climate change response
 - Responds to domestic and international climate change and carbon management through the publication of <Carbon Management>, presenting strategies and best practices for carbon management trends and GHG reduction implementation, and contributing to raising awareness in the private sector(2013)

Pillar 2. Strategy

Actual and Potential Impact of Climate Change-Related Risks and Opportunities on an Organization's Business Strategy and Financial Planning

Climate-related Risks and Opportunities the Organization Has Identified over the Short, Medium, and Long term, and the Impact on the Organization's Businesses, Strategy, and Financial Planning

The company has confirmed the extent of climate change impact on the value of owned assets and the projected fiscal solvency through qualitative and quantitative scenario analysis and stress test

Classification	Factors	Expected period of occurrence [*]	Details	Likelihood of occurrence	Size of impact	Financial impact	Description of financial impact	Approach to managing risk and realizing opportunities
Transition Risk	Regulatory Risk	Short- to long-term	The possibility of applying climate change-related regulations to investment assets held	Very likely	Medium to high	Reducing investment portfolio profitability (credit risk)	• Investment assets in Climate Policy Relevant Sectors(CPRS) and high-carbon industries, vulnerable to climate change-related transitions, to be subject to rapid changes in asset value and profitability due to current carbon emissions-related policies, potentially hindering stability in the asset management sector	• Establishing a goal to achieve Net Zero by 2050 for investment assets • Executing investment activities based on ESG investment guidelines such as the Policy on Responsible Investment, beginning with restrictions on acquiring new coal-fired power plant projects in alignment with the "Coal-Free" Declaration
	Technology Risk	Mid- to long-term	The possibility of increased costs for investment companies developing eco-friendly and low-carbon technologies, and a decline in the value of companies failing to develop conversion technologies	Likely	Medium to high	Reducing investment portfolio profitability (credit risk)	• Planning or progressing with eco-friendly and low-carbon technology development projects and facility conversions to respond to climate change risks and realize opportunities ongoing among many investee companies in Samsung Fire & Marine Insurance's investment portfolio • Pursuing the business increases input costs, directly or indirectly affecting not only the investee company's financial performance and status but also the investment profitability of Samsung Fire & Marine Insurance • Adding the possibility that technology development projects to respond to climate change may fail due to their forward-looking nature, resulting in existing assets needing to be disposed of early before the point of realizing profits arrives	• Managing profitability through careful analysis and monitoring of opportunity factors related to eco-friendly technologies promoted by investee companies, and converting risk factors into opportunities
	Legal Risk	Long-term	The possibility of legal disputes from external stakeholders and resulting damage to reputation	Likely	Medium	Exposure to litigation risk (policy and legal risk)	• Suspending investment in companies in the coal mining and electricity generation industries that account for more than 30% of total sales, as well as in the non-traditional petroleum and gas industry, in accordance with the Policy on Responsible Investment and ESG Insurance Underwriting Policy • Expecting the likelihood of lawsuits occurring in the short-term future to be low, with zero current lawsuits, but recognizing the possibility that lawsuits from environmental groups may occur in the mid- to long-term as negative views on funding and investment in coal or high-carbon emission industries strengthen globally • Recognizing the possibility of a negative impact on the company's reputation externally if a related lawsuit is filed	• Conducting a review of investment asset portfolios that do not take into account climate-related risks
	Market Risk	Mid- to long-term	The possibility of increased volatility or decline in the value of investment assets due to climate change	Somewhat likely	Medium	Reducing investment portfolio profitability (credit risk)	• Recognizing the possibility of increasing volatility in investment assets due to the rising frequency and severity of natural disasters caused by climate change • Expecting a decline in investment asset prices as a result of the NGFS scenario-based stress test due to carbon emissions regulations	• Continuously analyzing and managing stocks and real estate values and solvency ratios, which are assets exposed to market risk
Physical Risk	Acute	Short-term	The possibility of increased claims and loss rates for insurance portfolios vulnerable to climate change	Likely	Medium to high	Increasing claims payment requests (insurance risk)	• Recognizing possibility of increased insurance claims and loss ratios for automobile insurance and general insurance due to the increase in the frequency and severity of natural disasters in the short term, as a result of analysis of Samsung Fire & Marine Insurance's past insurance claim data and data from domestic professional organizations → Business Case) Observing the automobile insurance loss rate to increase sharply compared to the previous year due to massive car flooding caused by heavy rainfall from Typhoon 'Hinnamnor' in Korea in 2022(6.4% increase in August compared to the previous year, and 6.7% increase in September compared to the previous year) → Confirming a high possibility of damage caused by overseas natural disasters in the case of general insurance → Expecting the financial impact to be particularly high starting from next year(short-term) since 1/3 of Samsung Fire & Marine Insurance's total primary insurance premiums come from auto and general insurance	• Minimizing the negative impacts that may occur from natural disasters in the short term through natural disaster exposure management based on underwriting and reinsurance strategies • Performing simulation assessments of cumulative risks of natural disasters such as floods, earthquakes, tsunamis, and strong winds through Samsung Fire & Marine Insurance's Global Loss Control Center • Accumulating climate change response data through consulting on client companies' vulnerability to natural disasters and exploring alternatives
	Chronic	Long-term	Decrease in profits and losses of some insurance portfolios due to the interaction of long-term climate change risk factors such as temperature rise and social change factors such as changes in population structure	Likely	Medium to high	Increasing claims payment requests (insurance risk)	• Recognizing a possible increase in the incidence of diseases that cause death during an extreme natural disaster due to rising average global temperatures, alongside demographic changes including the aging of Korean society • Recognizing a possible impact of the increase in disease incidence causing a decrease in profits and losses of long-term insurance products	• Improving and stabilizing profitability through analyzing opportunity factors resulting from climate change and developing insurance products and services based on these factors
Opportunity	Products and Services	Mid-term	Increase in demand for catastrophe insurance products due to intensifying climate change risks	Very likely	High	Sales increase	• Increasing demand for related insurance products due to heightened customer awareness of climate change risks → Business Case) Increasing Samsung Fire & Marine Insurance's total sales of eco-friendly and catastrophe insurance products by 12.0% in 2023 compared to the previous year • Recognizing the potential for the increase in demand for insurance products to become a new business opportunity due to its positive correlation with sales	• Gradually increasing sales through the expansion of eco-friendly and catastrophe insurance products and services • Continuously discovering and developing insurance products and services considering climate change
	Market	Mid-term	Increase in demand for related insurance products following the trend toward eco-friendly mobility	Very likely	Medium	Sales increase	• Expecting an increase in demand for related automobile insurance as social interest in eco-friendly mobility paradigms such as hydrogen vehicles and electric vehicles increases	• Developing and launching eco-friendly car insurance based on a clear understanding of the future mobility market outlook

^{*}Short-term: 2023-2025(period that may affect the company's current financial status due to short-term acute risks, etc.) Mid-term: 2026-2032(period during which the financial impact of climate risk can be reduced through exposure management in the mid- to long-term)
Long-term: 2032-2050(period for achieving the long-term goal of net zero carbon emissions and macro-analysis of financial impacts)

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Resilience of the Organization's Strategy, Taking into Consideration Different Climate-related Scenarios, Including a 2°C or Lower Scenario

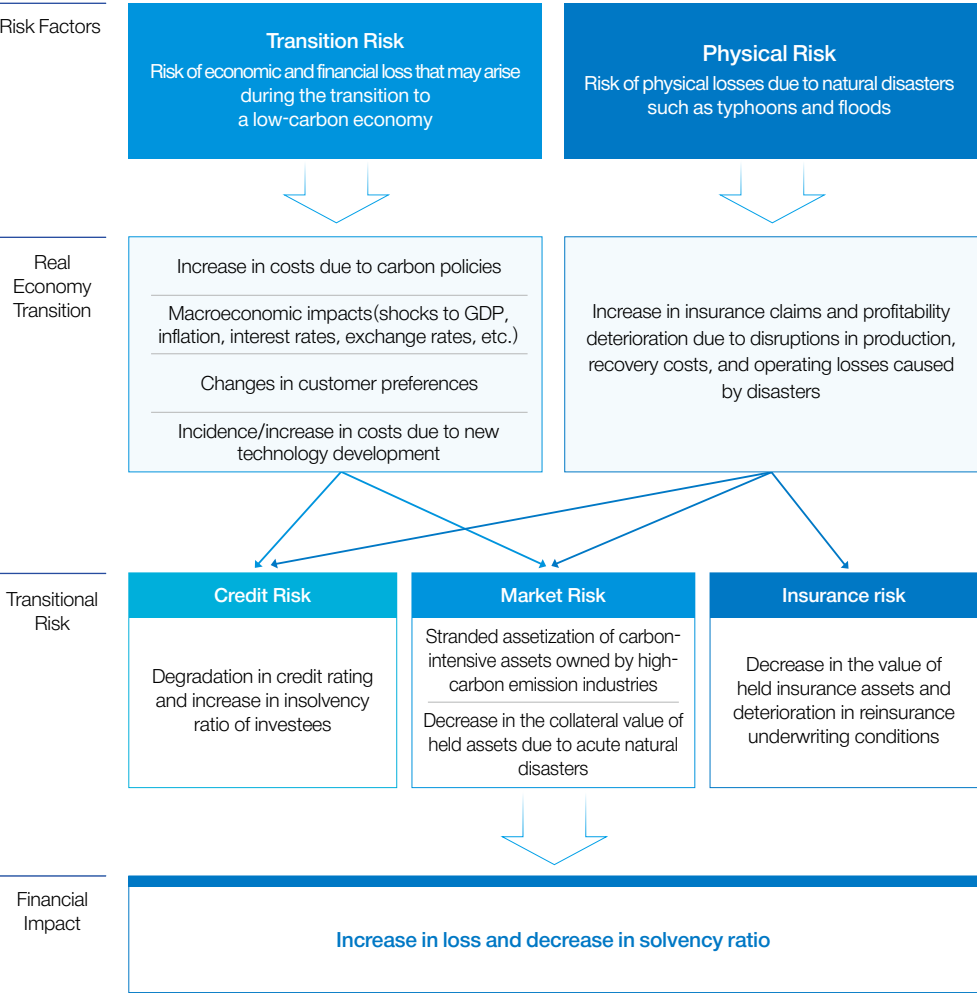
Risk classification	Temperature	Scenario
Transition Risk	2°C or below	NGFS* Net Zero 2050(1.5°C), Delayed Transition(DT)(2°C)
	Above 2°C	NGFS* Current Policy
Physical Risk	2°C or below	RCP 4.5(1.9°C)
	Above 2°C	RCP 8.5(2.3°C)
Key Assumptions of Scenario Analysis	Policy of business jurisdiction: Nationally determined GHG Reduction Target(NDC) of the Government of the Republic of Korea	
	Variables at the national or regional level: Local weather patterns	

Internal Carbon Price

- Main purpose: To respond to the Korean government's GHG policy and external stakeholder demands, implement changes in internal strategies and employee practices, improve energy efficiency, promote and increase low-carbon investments, and discover/utilize low-carbon investment and business opportunities
- GHG scope subject to internal carbon price: Scope 1, Scope 2
- Types of internal carbon prices: Implicit price(internal carbon price used when reviewing facility investment and R&D)
- Scope of application: Company-wide
- Price and pricing method: KRW 23,889, reflecting the average unit price of Korea Exchange emissions allowances(KAU: Korea Allowance Unit) under the Korean emissions trading system
- Differential pricing by location or time: Negative

*The company has selected the scenarios to be suitable for the scenario analysis, as they are designed and internationally recognized for the financial services companies to conduct climate change-related risk assessment

The Process by Which Climate Risk Factors Are Converted Into Financial Risks



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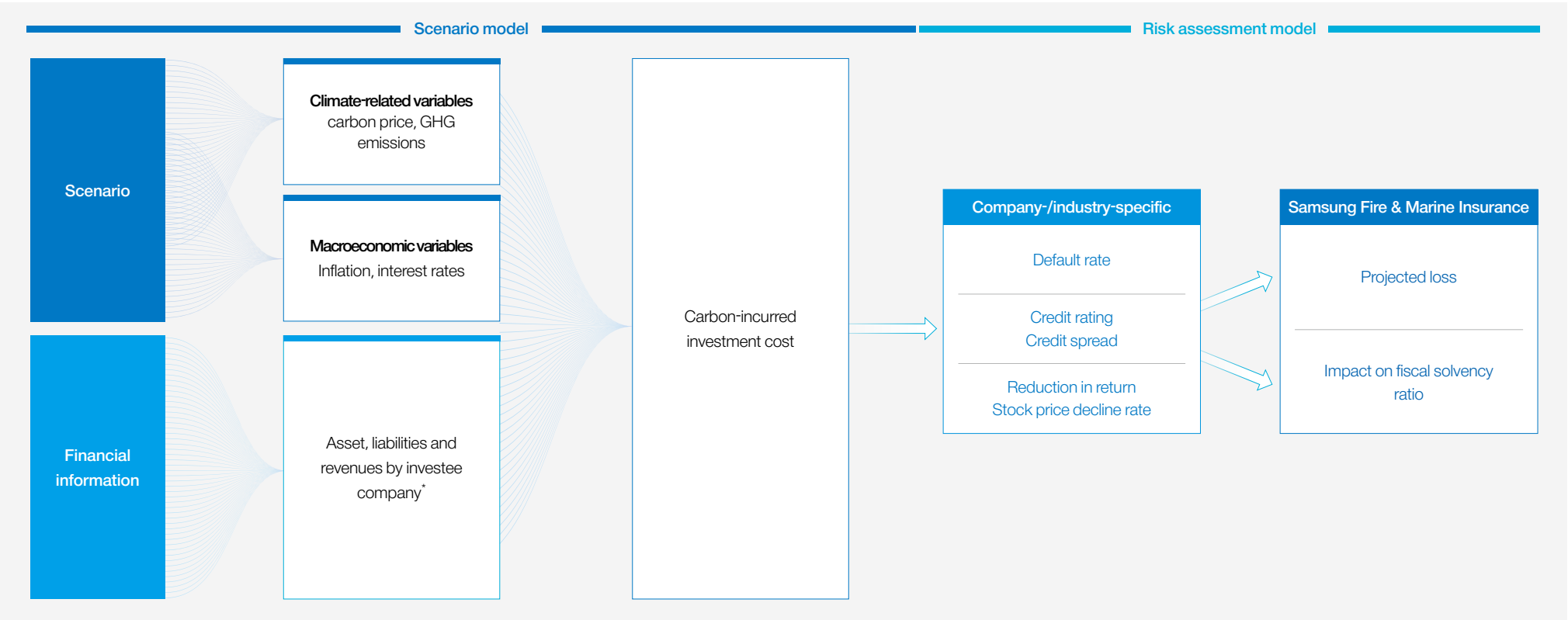
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Transition Risk Scenario Analysis Methodology

- Evaluated a climate-economy transition model to analyze the projected impact of transition risks during the shift to a low-carbon economy on the company's losses and solvency ratio
- Constructed the model tailored to the company's characteristics by benchmarking various climate scenario analysis methodologies and enhancing consistency through annual model improvements
- Calculated the insolvency ratio and expected rate of return of high-carbon emission industries based on the incorporation of climate change using the Merton model, to estimate the long-term financial impact by 2050

Transition Risk Scenario Analysis Process



*Industry average data was used when company-specific data was not available

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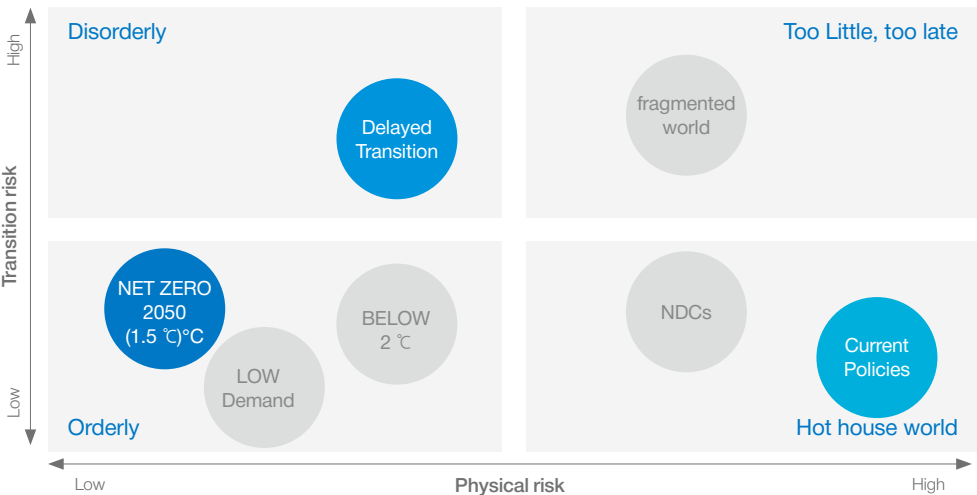
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Scenario Selection

• Selected three scenarios among seven published by NGFS(Network for Greening the Financial System), an international network of central banks and financial supervisors

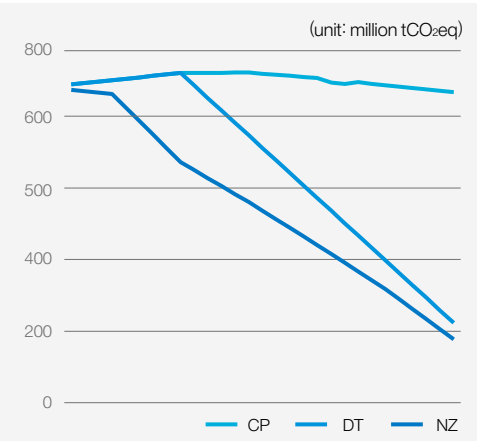


Scenario		Risk level by factor	
		Transition	Physical
Net Zero 2050	Consistent with limiting the global temperature rise to 1,5 °C due to facilitated policy transition	High	Low
Delayed Transition	Assumes annual emissions do not decrease until 2030; therefore strong policies are needed to limit warming to below 2°C	High	Medium
Current Policy	Only currently implemented policies are preserved	Low	High

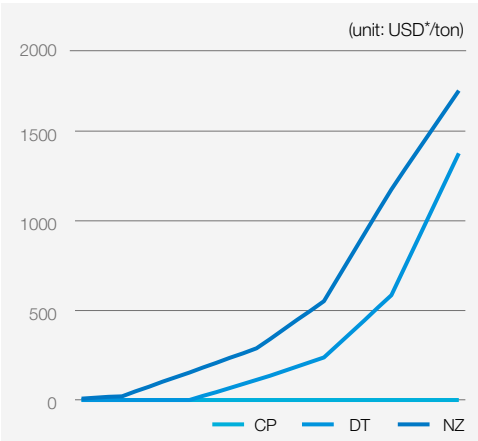
Main Factors Considered for Scenario Analysis

• Considered Korea's projected total national GHG emissions and carbon price trends during the period from 2022 to 2050 as major factors for each of the three scenarios

Projected GHG emission trend from 2022~2050 of Korea



Projected carbon price trend from 2022~2050 of Korea



Main Proxies for Assessing Financial Impact

• Analyzed the anticipated credit rating trend of high-carbon industries according to tightening of climate change-related law and regulation, macroeconomic trend and market projection

Major high-carbon industries	Current credit ratingsr**	Anticipated credit ratings by year**		
		2030	2040	2050
Petroleum refineries and production	A	BBB	BB	BB-
Primary stell production	A+	BBB	BB	BB-
Power generation	AA-	BBB-	B	B

*KRW-USD exchange rate in 2010 assumed
**Korean industry-based calculation

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Physical Risk Scenario Selection and Analysis Methodology

- Utilized the Representative Concentration Pathway(RCP) scenarios from the IPCC 5th Assessment Report
- Selected the RCP 4.5 and RCP 8.5 scenarios based on the 2050 temperature outlooks projected by the scenarios
- Analyzed the impact on the company's assets and insurance portfolio according to the selected scenarios

Scenario	Implication	Projected CO ₂ concentration in 2100 (Unit: ppm)	Expected temperature increase in 2050 (calculated based on median value, Unit: °C)
RCP 2.6	Initiation of immediate reduction of GHG emissions starting now	421	1.6
RCP 4.5	Significant implementation of GHG reduction policy	538	1.9
RCP 6.0	Partial realization of GHG reduction policies	670	1.8
RCP 8.5	GHG emissions as per current trend	936	2.3

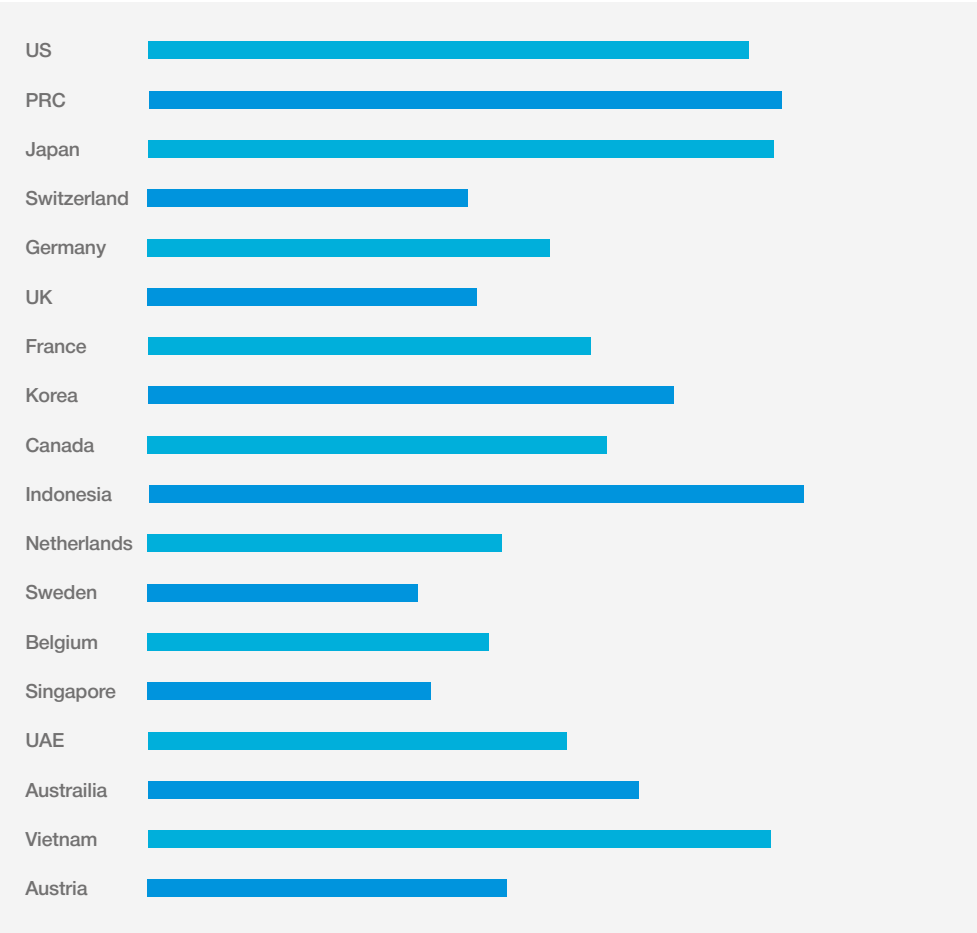
Analysis Method According to Portfolio Type

Portfolio classification	Analysis methodology
Assets	Modified the model to align with Samsung Fire & Marine Insurance's investment portfolio, utilizing the Korean SecReg model, which incorporates the 2DII research-based physical risk assessment approach in Korea
	Estimated the impact value of investee companies' credit ratings based on industry vulnerability, locational risk level, and disaster intensity, and estimating resulting credit losses
	Estimated credit loss due to credit rating downgrade using the Merton model
Insurance (based on general non-life insurance)	Estimated the increase in disaster frequency at short-term, mid-term, and long-term time points, considering the location of the acquired product, through calculation of the climate impact index* for each major natural disaster(typhoon, flood, earthquake, etc.)
	Estimated expected loss amounts based on the historical trend of average annual natural disaster losses held and managed by the company

*Can be used as a multiplier for specific damage indicators to provide information on the relative change level of disasters across current and future times

Main Proxies for Assessing Financial Impact

- Evaluated the locational risk level for each location of the investee through a comprehensive natural disaster risk index based on the company's own model



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Climate Scenario Analysis Results

• Conducted a comprehensive analysis on the financial impact of climate change risk on the company's projected loss and solvency ratio in 2050 according to each scenario, combining transition risk and physical risk scenarios

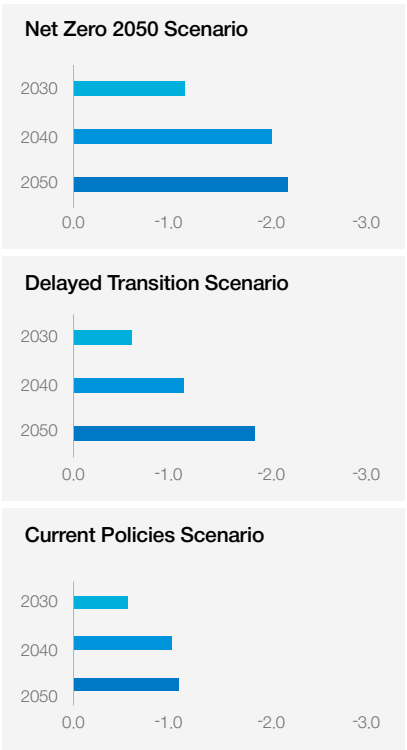
(unit: KRW trillion, %)

Scenario classification	Year	Expected loss	K-ICS Solvency Ratio	Available capital	Required capital	Details of financial impact
K-ICS solvency ratio as of December 2023		N/A	273	23.8	8.7	
Net Zero 2050	2030	-0.8	262	22.9	8.8	• Significant profitability deterioration observed in high-carbon emissions industries due to rising carbon prices in the transition to a low-carbon economy
	2040	-2.0	247	21.8	8.8	• Highest projected loss expected in 2050, with the K-ICS solvency ratio projected to be the lowest
	2050	-2.2	241	21.6	9.0	• Mitigated financial impact of physical risks anticipated, with the solvency ratio projected to remain above 241% even in the worst-case scenario
Delayed Transition	2030	-0.6	266	23.2	8.7	• Projection of occurrence of losses due to physical risks, as implementation risks are not expected until 2030
	2040	-1.2	257	22.6	8.8	• Projection of significant increases in carbon prices after 2030, due to rapid transition policy, resulting in losses of KRW 1.6 trillion in 2040 and KRW 2.6 trillion in 2050
	2050	-1.9	249	21.9	8.8	
Current Policies	2030	-0.6	265	23.1	8.7	• Projection of implementation risk absence under current policy maintenance without direct carbon tax introduction
	2040	-0.9	262	22.8	8.7	• Anticipation of heightened physical risk losses due to rapid temperature rise
	2050	-1.1	260	22.7	8.7	

*Other variables such as projected K-ICS ratio trend not factored in the analysis process

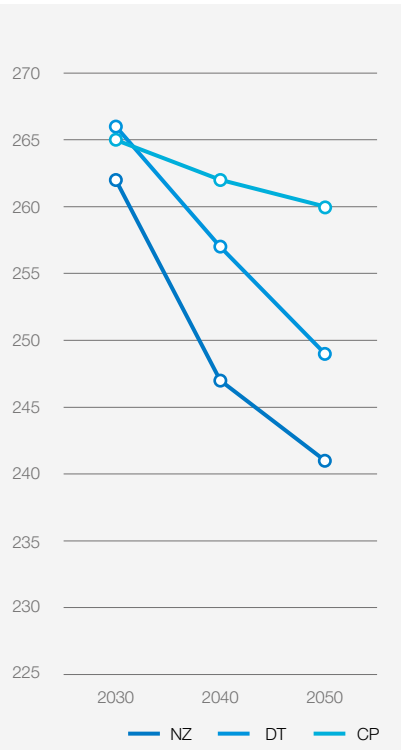
Projected Loss in Short-, Medium- and Long-term According to Scenarios

(unit: KRW trillion)



Projected K-ICS Solvency Ratio in Short-, Medium- and Long-term According to Scenarios

(unit: %)



Pillar 3. Risk Management

Methods and Processes for Identifying, Evaluating, and Managing Risks and Opportunities Related to Climate Change

Organization’s Process for Identifying and Assessing Climate Change-Related Risks

Risk Identification and Evaluation at the Board Level

- Identifies and monitors climate change risks by the ESG Committee under the Board of Directors
 - Suggests major agenda items regarding ESG-related issues, including comprehensive management of climate change issues, establishment and implementation of a risk management system, and review and approval of non-financial risks
- Reviews the results of periodic calculations of financial impacts through annual stress testing of asset classes on climate change risks conducted by the Risk Management Committee under the Board of Directors
 - Specified the policy basis for overall climate risk management within company regulations through system establishment by constructing the climate change risk management system(2023)

Risk Identification and Evaluation at the Management Level

- Reviews the feasibility of current or future financial impacts of climate change-related risks, with the CFO participating as a member of the Sustainability Management Committee, which includes executives from major business divisions, including the CEO

Identification and Evaluation of Risks by Business Sector

- Conducts tasks such as climate change risk analysis, risk diagnosis, and disaster prevention consulting across various fields for companies by the Global Loss Control Center(GLCC)
- Operates assessment simulations for climate change through GRM(Global Risk Map), Samsung Fire & Marine Insurance's unique risk assessment and expected loss model for each natural disaster
- Initiated an advancement process to fully integrate climate change risks into the company-wide risk management system by 2023
 - Introduced an internal methodology for stress testing asset groups for climate change risks, followed by ongoing model elaboration
 - Incorporated new scenarios related to climate change risk into the Regular Own Risk and Solvency Assessment process
 - Monitors the cumulative risk of natural disasters for overseas acquisitions due to climate change by the actuarial department

Organization’s Processes for Managing Climate Change-Related Risks

- Established a systematic management process by the ESG Committee under the Board of Directors for climate change risks at the company-wide level, including the development of a quantification plan and management system for climate change risk factors(2023)
 - Codified relevant provisions on climate risk management in the risk management enforcement bylaws
 - Set standards for calculating potential losses for each scenario and assessing their impact on the internal solvency(RBC: Risk Based Capital) ratio to identify the financial impact of climate risk
- Monitors external factors such as regulations, policies, and industrial status, and conducts financial impact assessments of risks arising from these factors to address environmental issues related to climate change
- Analyzes and prioritizes climate change-related risk and opportunity factors, and shares these considerations across all business divisions during materiality assessments for internal and external stakeholders
- Declared a "Coal-free" initiative to manage credit and market risks associated with transition risks, new investments, and insurance underwriting in coal-related industries, and outlined an ESG insurance underwriting policy
- Considering environmental issues alongside qualitative information such as environmental and social impact assessments and governance when making investments and loans, and establishing a responsible investment policy

The Process of Identifying, Assessing, and Managing Climate Change Risks and How It Is Integrated Into the Organization’s Overall Risk Management System

- Incorporated climate risk as a significant risk factor during the regular 'Own Risk and Solvency Assessment’(2023)
 - Stipulated the relevant response directions in various regulations for company-wide risk management, such as the risk management enforcement bylaws
 - Advanced mid- to long-term evaluation modeling and establishing an internalization plan within the business strategy
 - Reviewing the level of asset loss and impact on financial soundness due to climate change risks through a climate stress test led by the Financial Supervisory Service(2022~)
- Proactively identifying and evaluating potential climate change risks, and reporting the results to the risk management committee for integration into the management direction

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Indicators and Reduction Goals Used to Evaluate and Manage Risks and Opportunities Related to Climate Change

Indicators Used to Evaluate Climate Change Risks and Opportunities in the Organization's Strategy and Risk Management Process

- Disclosure of the results of the assessment of climate change risk and opportunity factors annually in the integrated report

Classification	Indicators
Risk Assessment	• Internal carbon pricing system
	• GHG emissions, including portfolio emissions(financed emissions)
	• Energy usage
	• Climate risk stress test results
Opportunity Assessment	• Sales of eco-friendly insurance products such as Eco-mileage Auto Insurance
	• Eco-friendly investment amount



Description of Scope 1, 2 and Scope 3 GHG Emissions* and Associated Risks

- Introducing electronic terms and conditions when signing an insurance contract, aimed at preemptively responding to the expected expansion of the scope of application of the emissions trading system in the future, and developing an in-house paperless campaign, including reducing the use of copy paper and printers, and creating a non-face-to-face work environment
- Preventing 293.79tCO₂eq of GHG emissions per year by installing solar panels at the Goyang City Global Campus(training center) in 2018, aiming to achieve the 2050 Net Zero
- Significantly reducing GHG emissions from paper use by about 30.7%, despite the large increase in GHG emissions generated from business travels and at two training centers due to the rise in long-distance business trips by employees, and the return to face-to-face education after the end of the COVID-19 pandemic

Classification		Unit	2021	2022	2023	Calculation criteria	
Internal carbon emissions (Scope 1 + Scope 2 emission)		tCO ₂ eq	14,706.45	14,757.09	15,129.96**	Based on all(15) company buildings owned	
	Direct emission (Scope 1)	tCO ₂ eq	3,015.71	3,038.95	3,144.12		
	Indirect emission (Scope 2)	Location-based	tCO ₂ eq	11,690.73	11,718.14	11,985.84	
		Market-based	tCO ₂ eq	0	0	0	
	Emission intensity***	tCO ₂ eq/m ²	0.0414	0.0419	0.0449	Based on owned office buildings and comprises Scope 1 and Scope 2 emissions, excluding vehicle combustion emissions from the headquarters	

Classification	Unit	2021	2022	2023	Calculation criteria
Subsidiaries*** Carbon Emissions	tCO ₂ eq	N/A	2,062.82	2,651.43	Based on all company buildings owned

*Results of emissions from January 1, 2023 to December 31, 2023, and are used based on the Korea GHG and Energy Target Management System Operating Guidelines.
**Establishment of an emission target equivalent to 2020 GHG emissions, which represent pre-pandemic levels(Scope 1: 3,233tCO₂eq, location-based Scope 2: 11,920tCO₂eq, market-based Scope) 2: 0tCO₂eq), based on projections for the end of the COVID-19 pandemic in 2023
***Total Scope 1 and Scope 2 emissions of the three companies: Samsung Fire & Marine Financial Service Co., Ltd., Samsung Claim Adjustment Service Co., Ltd, and Samsung Fire & Marine Insurance Service Co., Ltd.

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Description of Scope 1, 2 and Scope 3 GHG Emissions* and Associated Risks

Classification		Unit	2021	2022	2023	Calculation method
Other Indirect emission (Scope 3)*		tCO ₂ eq	3,207.77	3,708.32	26,510.50**	
	Type 1. Purchased products and services	tCO ₂ eq	2,892.00	2,081.00	1,459.03	Average data method
	Type 2. Capital goods	tCO ₂ eq	N/A***	N/A***	821.74	Average data method
	Type 3. Fuel-and-energy-related-activities(not included in Scope 1 or 2)	tCO ₂ eq	N/A***	N/A***	1,908.06	Average data method
	Type 5. Waste generated in operations	tCO ₂ eq	160.55	486.42	395.98	Average data method
	Type 6. Business travel***	tCO ₂ eq	155.75	1,140.75	1,238.99	Distance-based method
	Type 7. Employee commuting	tCO ₂ eq	N/A***	N/A***	2,169.64	Distance-based method
	Type 8. Upstream leased assets	tCO ₂ eq	N/A***	N/A***	16,565.57	Asset-specific method
	Type 11. Use of sold products	tCO ₂ eq	N/A***	N/A***	717.14	Average data method
	Type 13. Downstream leased assets	tCO ₂ eq	N/A***	N/A***	1,234.35	Lessor-specific method
Classification		Unit	2021	2022	2023	Calculation method
Reduction of GHGs	Total reduction compared to the previous year****	tCO ₂ eq	1,297.84	-551.19*****	241.44	Sum of Scope 1, 2, and 3 emissions
	Reduction rate(Percentage of target achieved)*****	%	60.8	60.3	56.8	Location-based emissions measurement

*Excluding categories not applicable due to the nature of the business(4. Upstream transportation and distribution, 9. Downstream transportation and distribution, 10. Processing of sold products, 14. Franchise, other upstream and downstream emissions)

**Establishment of an emission target equivalent to 2020 GHG emissions, which represent pre-pandemic levels, based on projections for the end of the COVID-19 pandemic in 2023(4,081.00 tCO₂eq, the summed value of emissions from Type 1. Purchased goods and services(water and paper), Type 5. Waste generated in operations, and Type 6. Business travel) for comparability with the previous year

***Types 3 and 7 were first measured in 2023, and Types 2, Type 11, and Type 13 were first disclosed in this report

****To ensure comparability with the previous two years, some categories of Scope 3(Type 1. Purchased goods and services(water and paper), Type 5. Waste generated in operations, Type 6. Business travel) are summed up

*****Data from the previous year has been corrected due to a calculation error.

*****Calculation of the standard achievement rate of the 2030 target(Reduction of 50% of internal carbon emissions expected based on 2017 BAU by 2030)

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Financed Emissions

- The emission calculation based on to the Partnership for Carbon Accounting Financials(PCAF) standards classifies investment assets into seven classes: ❶ listed stocks and corporate bonds, ❷ corporate loans and unlisted equity, ❸ project financing(PF), ❹ commercial real estate, ❺ mortgages, ❻ motor vehicle loans, and ❼ sovereign debt

→ The calculation covers 97.7%* of the total investment portfolio, with financed emissions being measured at a 100% coverage ratio based on a calculation method using actual investment data for the relevant asset group

• The company will promote investment diversification through the gradual expansion of the scope of eco-friendly investments to include not only existing renewable energy but also eco-friendly transportation, zero-energy buildings, and the real estate sectors

Classification		Unit	2021	2022	2023
Absolute emissions		10,000 tCO ₂ eq	1,305.1	1,592.7	947.10
Emissions by asset class	① Listed equity and corporate bonds	10,000 tCO ₂ eq	1,093.9	1,010.3	471.1
	② Corporate loans and unlisted stocks	10,000 tCO ₂ eq	0	4.9	2.8
	③ Project financing(PF)	10,000 tCO ₂ eq	201.7	273.9	211.5
	④ Commercial real estate	10,000 tCO ₂ eq	5.3	8.9	9.7
	⑤ Mortgages	10,000 tCO ₂ eq	4.1	4.3	5.1
	⑥ Motor Vehicle Loans	10,000 tCO ₂ eq	0	0	0
	⑦ Sovereign debt	10,000 tCO ₂ eq	0	290.3	246.8

Classification		Unit	2021	2022	2023
Emission intensity**		10,000 tCO ₂ eq/ KRW trillion	31.0	27.8	15.5
Emission intensity by asset class	❶ Listed equity and corporate bonds	10,000 tCO ₂ eq/ KRW trillion	47.2	44.0	18,5
	❷ Corporate loans and unlisted stocks	10,000 tCO ₂ eq/ KRW trillion	0.1	8.5	4,3
	❸ Project financing(PF)	10,000 tCO ₂ eq/ KRW trillion	59.2	38,2	29,6
	❹ Commercial real estate	10,000 tCO ₂ eq/ KRW trillion	1.0	1.4	1,4
	❺ Mortgages	10,000 tCO ₂ eq/ KRW trillion	0.4	0,4	0,4
	❻ Motor Vehicle Loans	10,000 tCO ₂ eq/ KRW trillion	0	0	0
	❼ Sovereign debt	10,000 tCO ₂ eq/ KRW trillion	0	30.2	29,1

*Excluding asset groups that cannot be confirmed including ETS, from the basic calculation data range

**Calculation based on carbon intensity

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• Energy Use

Classification	Unit	2021	2022	2023
Percentage of energy procurement costs in total operating expenses	%	5~10%	5~10%	5~10%
General(non-renewable) energy consumption	MWh	84,024	84,423	86,646*
	TJ/m ²	0,000898	0,000902	0,000926
Intensity	Purchased Power	MWh	65,457	65,608
	Purchased Steam	MWh	3,108	3,062
	Fuel other than purchased raw materials	MWh	15,458	15,752
		MWh	650	682
Renewable energy consumption		%	0.77	0.8
	Purchased energy**	MWh	0	0
	Generated energy***	MWh	650	682
				639
Energy consumption reduction	TJ	4	-1	-8

*Establishment of an energy usage target(85,278 MWh) equivalent to 2020 energy usage(direct and indirect combustion), which represent pre-pandemic levels, based on projections for the end of the COVID-19 pandemic in 2023
**Renewable energy electricity procured under the Korean Green Premium policy
***Electricity produced from solar power generation facilities at Goyang City Global Campus(training center)

• Climate Change-related Incentive

Incentive Target	Types of Incentives	KPI	KPIs Incentives Conversion Method
Chief Sustainability Officer(CSO)	Short-term and long-term financial rewards(bonuses, promotions, salary increases and profit sharing)	• Enhancement of progress toward company-wide climate change goals, such as energy efficiency and GHG reduction	• Incorporation of emissions reduction activities related to the goal of '2050 Net Zero' and maintenance of certifications such as ISO 14001 and 50001 into the executive performance system granted to the CSO, as part of the variable performance bonus
Environment and Sustainability Manager	Short-term financial rewards(bonuses, promotions, salary increases)	• Reduction in absolute GHG emissions • Achievement of company-wide goals for climate-related external sustainability assessments(S&P CSA, CDP)	• Reflection of performance bonuses and provision of additional personnel points upon achievement of external evaluation goals that directly or indirectly contribute to investment inflow through disclosure of performance related to climate change response and environmental management and inclusion in sustainability indices(e. g. Dow Jones Sustainability Indices)
All employees	Non-monetary compensation (In-house award)	• Provision of ideas for process innovation, eco-friendly products, and carbon dioxide reduction	• Operation of a 'EuSsuGi Community' channel in company's employee training platform 'Dream Campus', where employees can suggest various ideas to reduce GHG emission • Awarding commendations to employees who propose ideas of excellence

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Goals for Performance Management Related to Climate Change Risks and Opportunities

Classification			Year of establishment	Base year	Base year performance	Target year	2023 performance	Notes
Absolute Emissions Target	Net Zero		2021	2017	21,124tCO ₂ eq	2050	15,130tCO ₂ eq	1.5°C aligned
			2021	2017	21,124tCO ₂ eq	2030	15,130tCO ₂ eq	1.5°C aligned
	Reduction of internal carbon emissions by 50%	Scope 1 Emissions	2021	2017	4,093tCO ₂ eq		3,144tCO ₂ eq	Percentage of emissions from the base year(2017) reflected within the target: 100%
		Scope 2 Emissions	2021	2017	16,221tCO ₂ eq		11,986tCO ₂ eq	Percentage of emissions from the base year(2017) reflected within the target: 100%
Portfolio Target	Target to achieve KRW 10.5 trillion(cumulative) in ESG investment		2022	2021	KRW 5.12 trillion	2030	KRW 8.50 trillion	
	Net Zero target for financed emission		2021	2017		2050	947.1 10,000tCO ₂ eq	
Renewable Energy Target	100% renewable energy use(RE100)		2022	2021	0.77%	2040	2.37% (2,761MWh)	
	100% electric vehicles use(K-EV100)		2022	N/A	N/A	2030	4.5%(8 vehicles, an increase of 2 vehicles compared to the previous year)	Installed 25 electric vehicle chargers throughout all company buildings, including the headquarters to promote the conversion of internal combustion engines to electric vehicles(total 37 as of the end of 2023)

Biodiversity and Ecosystem Restoration

Samsung Fire & Marine Insurance expands environmental management efforts to clearly understand the value of natural capital(biodiversity and ecosystem), and integrate them into management activities to enhance positive impacts on natural capital.

Natural Capital Management System

Biodiversity and Ecosystem Conservation Framework

- Joined the Taskforce on Nature-related Financial Disclosure(TNFD)(2023)

Samsung Fire & Marine Insurance's Commitment on Biodiversity and Ecosystem

As a top-tier financial company that delivers insurance value not only in Korea but around the world, Samsung Fire & Marine Insurance Co., Ltd.(hereinafter "Samsung Fire & Marine Insurance") is well aware that our insurance underwriting or investment activities may have a significant impact on natural capital, including biodiversity and ecosystems. We also recognize that natural capital plays an indispensable role in the survival of all Earth's inhabitants. Such recognitions are demonstrated through our recent membership in the Taskforce on Nature-related Financial Disclosure(TNFD) in 2023.

The company declares its support for international natural capital-related conventions such as the Convention on Biological Diversity and International Union for Conservation of Nature(IUCN) guidelines, along with our company-wide commitment to biodiversity and ecosystem conservation as follows.

First, we conduct a risk assessment based on the LEAP(Locate, Evaluate, Assess, Prepare) approach recommended by the Task Force for Nature-related Financial Disclosure(TNFD) to recognize the impact on acquired businesses or investment assets.

Second, we conduct insurance underwriting and investment activities based on sustainable business operation policies, including <ESG Insurance Underwriting Policy> and <Policy on Responsible Investment>.

Third, we raise stakeholder awareness of natural capital conservation through education, and expand the scope and scale of activities by discovering multifaceted biodiversity conservation efforts.

Our efforts to conserve biodiversity and ecosystem apply beyond the boundary of company's direct business activities to all stakeholders.



Biodiversity and Ecosystem Restoration

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Natural Capital-Related Dependency and Impact on Insurance Underwriting

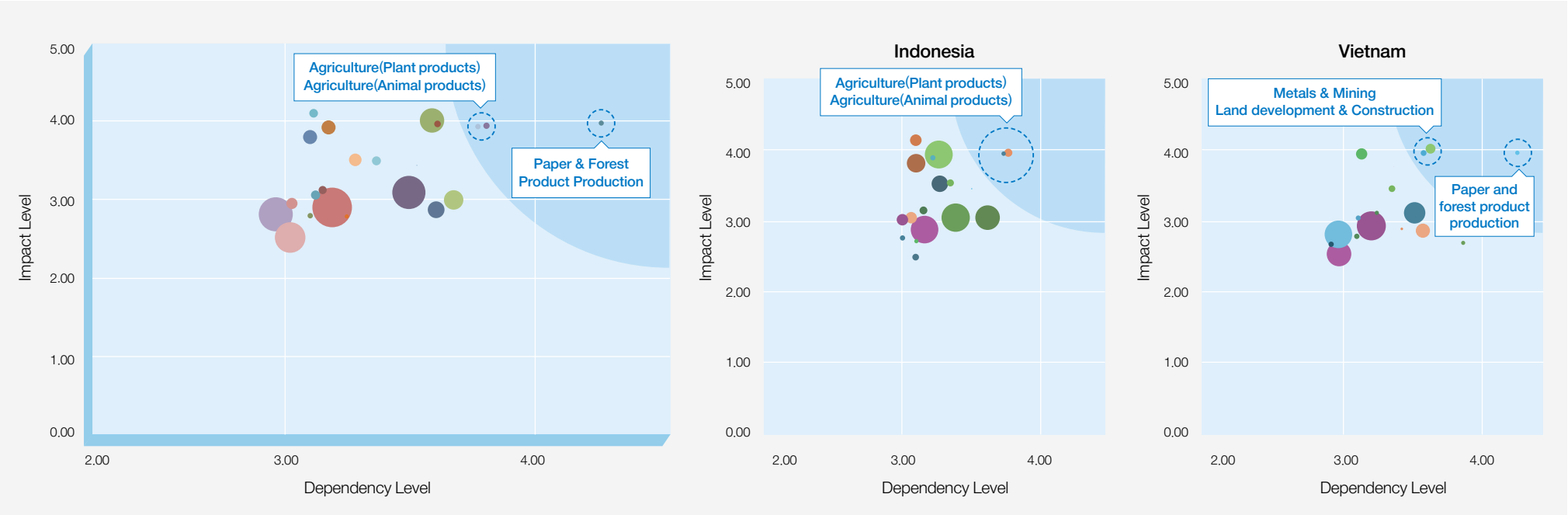
Dependency and Impact Assessment Process

- Selected Southeast Asian region - Indonesia and Vietnam - based on pre-research results showing extensive forest distribution and high natural capital value
- Selected property, technology, and other casualty insurance with clearly defined locations and business portfolios among the full list of acquired businesses in the region
- Assessed the level of biodiversity dependency and impact of insurance products using the World Wildlife Fund's Biodiversity Risk Filter(BRF), as recommended in the TNFD guidelines
 - Presented 20 dependency indicators and 13 impact indicators across a total of 8 types for 26 industry sectors of selected businesses

Dependency and Impact Assessment Result

- Insurance businesses located in Southeast Asia show the average dependency and impact at a medium-risk level
- Impact and dependency level according to acquired businesses' industry sectors are visualized into matrices as below, based on which items with the most significant impact/dependency levels are identified

Distribution of Dependency and Impact Levels by Industry for Acquired Businesses***



*Excluding liability, group casualty, industrial accident, cargo, ship, and auto insurance businesses, the location of which it is difficult to identify the impact on nature

**Based on total insurance premium

***The size of each circle represents the insurance premium held for acquired businesses within each industry group.

Biodiversity and Ecosystem Restoration

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Natural Capital-Related Dependency and Impact on Investment Portfolio

Dependency and Impact Assessment Process

- Analyzed the company's investment assets' dependency on natural capital and their impact on natural capital, using ENCORE tool recommended for the natural capital impact assessment step in accordance with TNFD recommendations
- Classified each investment asset according to Global Industry Classification Standard(GICS®) which the tool employs to classify industry sectors, focusing on companies issuing corporate bonds with the highest asset size and financed emissions as selected analysis targets

Natural Capital Dependency and Impact Indicators

Classification	Definition	Ecosystem services and impact drivers
Dependency	The dependency level of a company on ecosystem services - Comprehensive consideration of the importance of ecosystem services to the company's production process and the potential financial losses that may occur if the production process is interrupted	Soil quality
		Water quality
Impact	The extent of the potential impact that a production process or economic activity may have on natural capital - Comprehensive consideration of the sustainability level, speed, and severity of the impact of the production process on natural capital	Water Use
		Freshwater ecosystem use
		Marine ecosystem use
		Terrestrial ecosystem use
		GHG emissions
		Soil pollutants
		Water pollutants

Dependency and Impact Assessment Result

- Low level of dependency level on ecosystem services found across all industrial sectors subject to analysis
- Financials shows the highest level of exposure, while having very low levels of biodiversity dependency and impact
- Utilities and Industrials follow the financials in exposure level, while showing a high level of impact on water use, GHG emissions, and water pollutants
- Materials shows the most significant impact level on natural capital due to GHG emissions

Natural Capital Dependency and Impact Indicators

GICS industry sector	Ecosystem service category		Impact driver category						
			Resource Utilization	Ecosystem utilization			Climate Change	Pollution	
	Soil quality	Water quality	Water Use	Freshwater ecosystem use	Marine ecosystem use	Terrestrial ecosystem use	GHG emissions	Soil pollutants	Water pollutants
Industrials									
Consumer Staples									
Materials									
Utilities									
Consumer Discretionary									
Communication Services									
Healthcare									
Information Technology									
Financials									
Energy									
Real Estate									

Very high

High

Medium Level

Low

Very low

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Samsung Fire & Marine Insurance, as Global Insurance Frontier

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Global Portfolio Expansion

Samsung Fire & Marine Insurance will respond to society-wide changes including changes in population structure to deliver the value of insurance business on a wider stage beyond Korea's borders.

Seeking Future Growth Engines through Inorganic Strategy

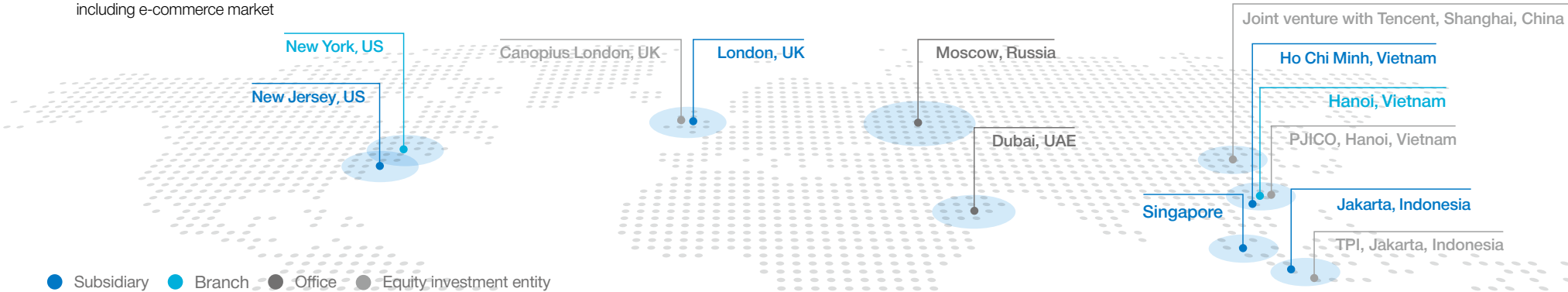
Enhancement of Presence in the Global Market Through Equity Investment

- Establishing overseas business growth strategies centered on inorganic strategies through strategic equity investments in insurance companies in emerging and developed markets
- Exploring business partnerships and follow-up investment opportunities in accordance with the business size and market characteristics of each investee company

Strategic equity investments in internationally recognized insurance companies

Classification	Investment year	Investment amount(share)	Investment purpose	2023	
				Sales	Net profit
Canopus Group Limited, UK	2019	KRW 307 billion(18.9%)	Accumulation of Lloyd's business experience and securing the possibility of acquiring mid- to long-term management rights	KRW 3.7 trillion	KRW 470 billion
PJICO, Vietnam	2017	KRW 26.1 billion(20.0%)	Advancement into the local insurance market with high growth potential	KRW 0.2 trillion	KRW 13 billion
TPI, Indonesia	2018	KRW 28 billion(5.3%)	Financial investment within a mid-to long-term perspective	KRW 0.7 trillion	KRW 110 billion

- Developing localization strategy and expanding network through establishment of a joint venture(JV) with Tencent, a Chinese IT Giant(2022~)
- Achieved insurance earnings of KRW 203 billion and net profit of KRW 4.8 billion as of the end of the year 2023
- Pursuing a plan to differentiate in the market by utilizing Tencent's vantage point of the online ecosystem including e-commerce market



Scaling up the Insurance Business Through Expansion of the Reinsurance Business

- Established Samsung Re, a reinsurance department within the Singapore subsidiary, to utilize core capabilities in ultra-long-term risk management of long-term insurance, accumulated over a long period of time, as well as auto insurance compensation services and systems within the reinsurance portfolio(2012)
- Overseas pre-tax profits of the reinsurance business are continuously growing through the integration and reorganization of the reinsurance department into Singapore's Samsung Re, along with subsequent business expansion and increased efficiency

Overseas Sales Revenue and Pre-tax Profit of Reinsurance Business

Classification	Unit	2021	2022	2023*
Revenue	KRW 100 million	3,672	4,851	4,749
Pre-tax profit	KRW 100 million	58	367	979

*Based on IFRS-17

Samsung Fire & Marine Insurance, Discovering Future Growth Engines Beyond the Boundaries of Insurance

As a leader in the integrated financial industry, Samsung Fire & Marine Insurance is expanding its business boundary beyond insurance industry and entering new business fields such as big tech, artificial intelligence(AI), and healthcare, seeking to continuously grow and create value through active collaboration with promising startups.

Enhancing expertise in insurtech based on big data and AI

Promoting the Introduction of New Technologies Across All Insurance Sectors

- Hosted a generative AI utilization contest for employees(June 2023)
 - Collected a total of 169 unique ideas(433 including duplicates) to support overall assistant functions including insurance work support, data summary and analysis, report and email writing, and coding and query assistance, to be reflected in management activities
- Identifying occurrences of insurance fraud by combining AI machine learning based on the insurance fraud case database and the know-how of field employees
- Acquired a patent for 'JangGi U', a long-term insurance sickness and injury screening system, in the first half of 2024
 - The system determines the optimal collateral that the insurance company can underwrite based on information provided by the insured and insurance claim history using machine learning, notifying the customer of approval based on the self-examination results
 - Enables underwriting checks within a second, even for insured individuals with a medical history, by utilizing AI in the screening stage, which typically consumes the most time in the insurance contract conclusion process
 - JangGi U screening approval rate increased from 63% as of May 2021 to 86% as of the first half of 2024



JangGiU Characters

<Generative AI Image Contest>(March 2024)

Samsung Fire & Marine Insurance, which is expanding its business beyond insurance into new areas such as digital transformation and AI, held an employee <Generative AI Image Contest> as part of a plan to improve employees' AI utilization capabilities.

This contest consisted of the first stage of a content contest in which employees create and upload images using generative AI, and the second stage of a real-time competition in which participants selected in the first stage create contents on site.

This contest served as an opportunity to enhance interest in new technology through the experience of employees using generative AI to visually implement the company-wide slogan for organizational culture of 2024, 'F.1.T for Recreation as an Unrivaled Financial Company'.



Entries for the Generative AI Image Contest

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Beyond the Insurance Industry to Become a Total Healthcare Leader

ANYFIT PLUS

- Launched 'Anyfit', an integrated health management platform for the company's growth in digital healthcare market, expected to expand in the future due to demographic changes(2018), further developing the platform to launch 'Anyfit Plus'(2022)
 - The platform supports self-management of chronic diseases and daily health habits based on the results of health risk analysis developed by Severance Hospital medical team
 - The platform's main function 'Health Check' leverages AI-powered machine learning developed by the Severance Artificial Intelligence(AI) Research Institute as Korea's first model to inform the probability of disease occurrence over the next 10 years by analyzing the past 10 years of checkup data
- Launched 'AI Health Observation Service'(2023)
 - Developed based on the real-time biometric information monitoring solution of Nuralogix, a Canadian digital healthcare service specialist
 - Provides health status analysis results, such as physiological health, mental health, physical health, and vital signs, after capturing the face for 30 seconds and analyzing blood flow in four areas
- Launched 'Posture Measurement and Analysis Solution'(2023)
 - Inspired by high customer demand for an easy method to monitor musculoskeletal diseases
 - The solution identifies human body joints based on front and side photos from a mobile phone camera to detect cervical and spinal issues and provides analytical reports by measuring up-and-down distortion, front-to-back tilt, and left-right balance of major body parts including spine and pelvis
- Pursuing a future project to build an integrated platform that measures, analyzes, and accumulates comprehensive health-related data, and leverages them to provide various tangible and intangible health management contents

ANYFIT PRO

- Launched 'Anyfit Pro', a non-face-to-face digital health management platform exclusively for corporate employees developed through consultation and cooperation with Kangbuk Samsung Hospital(2022)
 - Consists of mental health management program with functionalities for chronic disease, weight management and obesity, as well as mental health clinic developed in collaboration with 'EZNwellness,' a company specializing in employees' assistance programs(EAP)

ANYFIT PLUS

Main features of ANYFIT PLUS

Health check

- Checks users' health status using the disease risk analysis system developed by the Artificial Intelligence(AI) Research Institute at Severance Hospital
- Korea's first model to inform the probability of disease occurrence over the next 10 years by analyzing the past 10 years of checkup data, with the main function 'Health Check' leveraging AI-powered machine learning
- Highlights disease occurrence risk rates by year for the next 10 years for a total of 16 major diseases, including 8 major cancers and 8 chronic diseases

Daily care

- Provides exercise missions such as walking, running, and cycling
- Provides various health missions such as abstinence from drinking, diet, medicine, nutritional supplements, blood pressure, blood sugar, etc.

Care for 3 major vascular disorders (hypertension, hyperlipidemia, diabetes)

- Provides healthmanagement service to improve chronic diseases such as high blood pressure, hyperlipidemia, and diabetes using health check data
- Enables users to select their own lifestyle improvement goals after assessing the age of their blood vessels

AI Health Observation service

- Analyzes the user's health status through 30-second facial imaging
 - Provides data such as heart rate, respiratory rate, irregular heart rate, stress index, heart rate variability, cardiac workload, blood vessel elasticity, body mass index, body type index, and skin age

ANYFIT PRO

Key features of ANYFIT PRO

Chronic disease management

- Provides analysis results of cardiovascular health risks through basic health data and lifestyle habits surveys
- Supports individual chronic disease management through health measurement devices linked to the app
- Provides weekly personalized health management information and offers customized coaching services by a health manager from 'Chang Healthcare,' a healthcare specialist company

Weight and obesity management

- Provides obesity level and activity, nutrition, and lifestyle evaluation results through analysis of health survey data
- Provides weight management service using a body fat meter linked to the app
- Recommends individual exercises using advanced AI technology developed by Samsung Research
- Provides dietary and nutritional analysis through AI food recognition solution and one-on-one customized human coaching service from a professional health manager

Mental health management

- Based on the concept of 'A journey of the mind to find myself'
- Analyzes mental health status based on various psychological tests independently developed by EAP specialist company 'EZNwellness'
- Provides mental health information in various forms such as videos and webzines, and enabling access to healing solutions without limitations of time and space
- Provides anonymous psychological counseling with counselors

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Expanding the Customer Platform Business

Chac! Lifestyle Service

- Exceeded 1 million subscribers within one year after the launch in May 2022, followed by exceeding 1 million net subscribers in April 2024
- Increased subscriber retention rate by introducing 'Chac!' class for loyal users(May 2023)
- Presented an average driving score of 85.89 points for subscribers in 2023 and reported an average of 8,275 steps, marking an 11.2% increase compared to the average of 7,443 steps in 2022

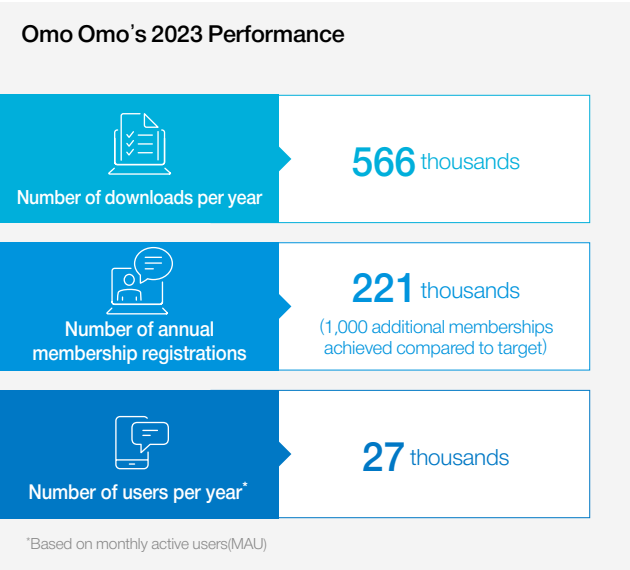
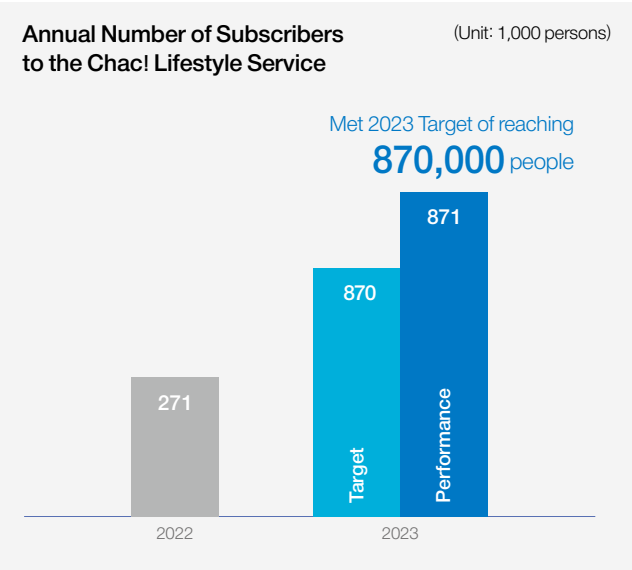
Omo Omo

- Pet community service utilizing metaverse technology to allow pet users to participate as characters and share various information(2022)
 - The users can interact with each other through pet characters in the metaverse, obtaining various information about pets, and sharing daily life together
- Enables users to experience a new digital community, while building a pool that can secure new customers by running pet-linked insurance promotions on the platform

Monimo

- One-stop platform application jointly developed by Samsung Financial Networks affiliates to enable integrated financial services provided by the Network's affiliates(2022)

2023 Performance Indicators(KPI) of Major Digital Platform-Based Services



Omo Omo



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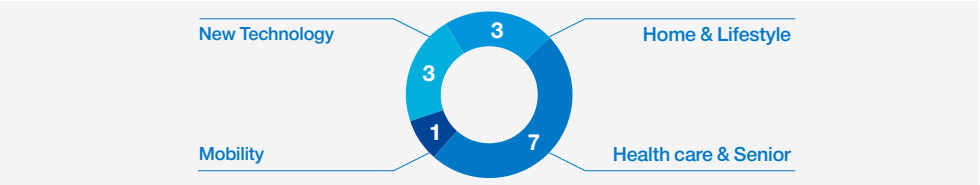
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Enabling Business Synergy Through CVC(Corporate Venture Capital)

Investment through CVC Fund

- Investing in external startups through establishing a new technology business investment association with Samsung Venture Investment Corp.
- Formed the 2nd CVC, SVIC No. 58 Samsung Fire & Marine Insurance New Technology Investment Association(2022) following the formation of the first CVC, SVIC No. 44(2019)
- Achieving a total valuation of KRW 90.4 billion*(as of the end of 2023) by investing KRW 47.6 billion in 14 domestic and foreign companies across three major new business areas: mobility, healthcare, and home & lifestyle(as of the end of 2023)

Business Areas of CVC Fund Investees



Activities to Discover New Business Items and Partners

- Establishing a roadmap and step-by-step strategy for each major area through a mid- to long-term CVC investment plan, while sourcing and discovering startups with high potential for collaboration

Classification of Major New Business Areas and Business Items Considering Mid- To Long-Term Business Strategies

Area	Main business items
Mobility	<div>• Data platform(FMS, EV battery, UBI & BBI, predictive maintenance)</div> <div>• Additional services(vehicle management, operation management, shared mobility)</div>
Health care & Senior	<div>• Nursing care brokerage(customized care, hospital accompaniment, premium nursing)</div> <div>• Active senior(senior concierge, dietary management, hobbies & leisure)</div>
Home & Lifestyle	<div>• Housing management(smart home, safety inspection)</div> <div>• Pet(healthcare, adoption/funeral)</div> <div>• Women(fashion/hobbies, education, pregnancy/childbirth)</div>
New technology	<div>• New medical devices, electric vehicles, drones, UAM, autonomous driving, AI</div>

*8 cases evaluated by Samsung Venture Evaluation(recent investment funding's valuation reflected) and 6 cases reflecting the company's P&L

Discovery of New Business Items Through Exchanging Activities With Venture Companies and Startups

- Discovering collaboration models with and startups through monthly deal sourcing and new business sharing meetings involving field departments, hosting exchange meetings with promising startups, and organizing annual 'C-lab Outside'
- 'C-lab Outside' is an open collaboration program with startups jointly operated by Samsung Financial Networks and Samsung Venture Investment, presenting challenges aimed at fostering financial innovation, with startups proposing new solutions and business models based on their own ideas and technologies

Deal Sourcing and New Business Sharing Sessions

Classification	Details
Attendees	<div>• Relevant department staff, venture capitalists</div>
Process	<div>• Elaborates on major business items and analyzes the profitability outlook with startups that have potential collaboration opportunities</div> <div>• Collects and reviews opinions from relevant departments and field experts, and making final decisions based on these inputs</div> <div>→ Conducts follow-up discussions on the agreed collaboration items and ensuring project progress continuity by sharing results</div>

Advancing Mobility Expertise in the Insurance Industry Through the Development of a New Business, 'MoDaPI'

- First case of joint venture collaboration in which the company participated throughout the entire process, from establishing a business plan to forming a startup team and attracting investment
- Selected the mobility data platform as a key promotional item through collaborative discussions with Auto& Inc., a mobility specialist company in which the company invested through Samsung Fire & Marine Insurance's first CVC, and specified the business concept(2021)
- Developed a business model using mobility-related IoT(Internet of Things) devices such as dash cams as a mobility data collection hub, developing behavior-based insurance(BBI) by processing and analyzing collected data, and commercializing data through direct sales
- Established MoDaPI Corp. after advancing the business plan and forming a start-up team(September 2023) and completing the investment decision through an investment management meeting(November 2023)
- Constructed a consultative body to promote practical collaboration and set direction in the first half of 2024, including integration and data utilization in future insurance business with MoDaPI
- Participated in attracting initial investment worth KRW 4.3 billion through Samsung Venture Investment(February 2024)

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Ethics And Compliance Management

Samsung Fire & Marine Insurance strives to minimize the occurrence of risks related to ethics and compliance by advancing and inspecting the ethics and compliance management system. In addition, we identify and respond to such risks in a preemptive manner through regular education and audit.

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Ethical Management System

[Code of Conduct](#) [CEO Compliance/Ethical Management Message](#)

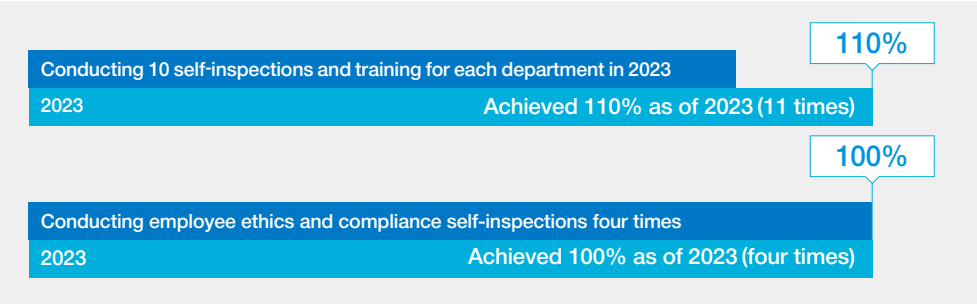
Ethical Management System

- Operating an ethical management system based on five core principles of integrity, fairness, co-prosperity, transparency, and compassion
- Supports all members of the company in internalizing the principles of ethical management by stipulating the Code of Conduct
 - Consists of a total of 9 areas, including Protection of Human Rights, Health and Safety, Customer-centricity, Environmental Energy Management, Protection of Information , Management of Company Assets, Anti-corruption, Fair Competition, and Pursuit of Co-prosperity
 - The Code works as a reference standard for employees to review the impact of their actions in advance and make correct decisions in various situations that arise during work
 - Specified reporting channels accessible to employees and the principles of confidentiality and non-retaliation that are guaranteed in the process of handling such cases, in the event of a violation of the Code or the recognition of related risks

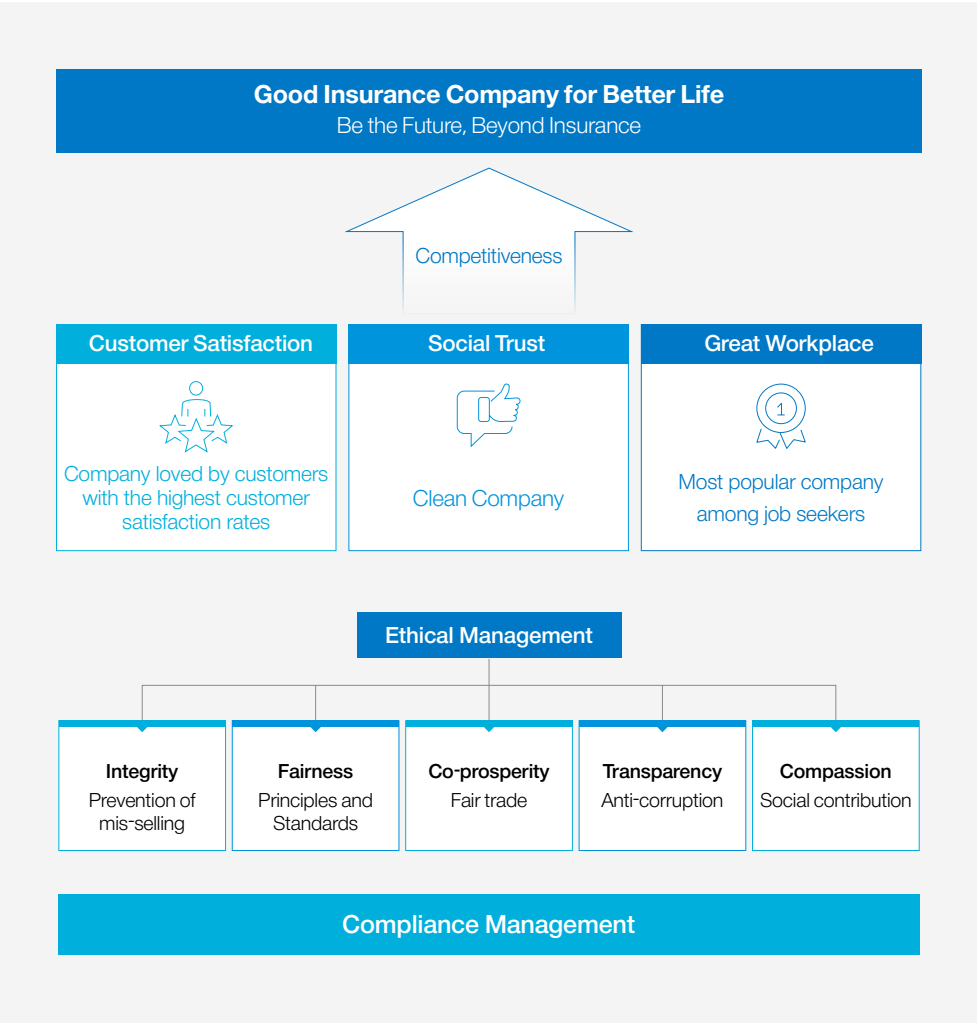
Compliance Management System

- Operating internal control standards to maintain the soundness of asset management and protect the customers in accordance with relevant laws and regulations such as the 'Act on Corporate Governance of Financial Companies'
- Operating a compliance support system, including proactive monitoring of daily work, a fair trade compliance program, and an anti-money laundering system
- Conducting company-wide consultation on regulations for deficiencies identified during the operation process, while complementing such regulations by reflecting internal and external changes, such as legal revision and organizational restructuring

Ethics and Compliance Management Targets and Performance in 2023



Samsung Fire & Marine Insurance Ethical Management Vision



Ethics And Compliance Management

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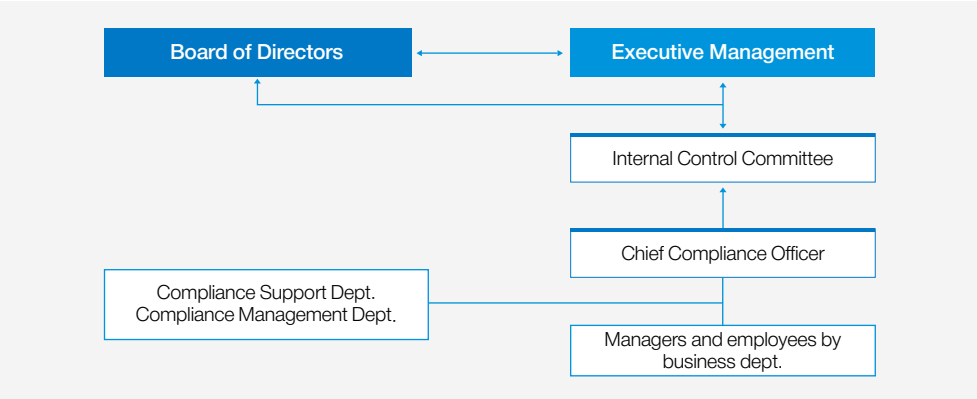
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Decision-making system for compliance management

- Operating a compliance support system, based on mutual checks between the BOD and management, centered around the Internal Control Committee, Chief Compliance Officer, and the Compliance Support Department, which as a whole serve as support organization
- BOD: Sets company-wide operational directions for the internal control system and managing performance according to related activities
- Internal Control Committee: Reviews the results of the internal control system operation status inspection conducted by the compliance officer and reports to the BOD
- Chief Compliance Officer: Assigns overall responsibility for the operation of the internal control system
 - Oversees the operation of the compliance support department and compliance management department, which are dedicated subordinate organizations
 - Oversees the operation of the fair trade compliance program
 - Checks compliance with internal control standards, identifying areas for improvement and responding through the assignment of compliance monitors for each organization
 - Checks the status of the operation of the internal control system and reports the results to the Internal Control Committee
- Middle managers by business department : Operates effective internal control procedures, while managing and supervising the performance of department members' roles based on their respective fields of work
- Employees by business department : Fulfills primary internal control responsibilities by complying with laws, internal regulations, code of ethics, and the Code of Conduct in the process of performing duties

Decision-making Framework for Compliance Management



Major Compliance Support Systems

- Pre-compliance: A procedure in which a compliance officer conducts a preliminary review in terms of laws and internal control standards before making final decisions on major tasks such as the enactment and revision of internal regulations and product advertising
- Compliance Program(CP): A compliance system to comply voluntarily with fair trade-related laws
 - Implemented to foster the culture of fair trade compliance and improve corporate competitiveness by appointing a fair trade voluntary compliance manager(CCO) and setting business guidelines
- Anti-Money Laundering System(AML): A management system to prevent laundering of domestic and foreign criminal funds using financial institutions and maintain sound financial transactions
 - Prevents potential risks through money laundering risk assessment and monitoring, enhancing transparency in customer asset management, re-performing customer verification, verifying customer credentials, and conducting monitoring using suspicious transaction detection scenario rules

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Ethics and compliance management activities

Internalization of ethics and compliance management

- Conducting monthly departmental compliance security training based on the ethical management system and Code of Conduct
- Providing annual online training for all employees by position
- Providing guidance to partner companies on compliance requirements when signing a contract, requiring a written pledge, and providing ethical management training materials to highlight compliance with ethical principles and practicing ethical management
- Implementing performance management and strengthening compliance management leadership by assigning compliance improvement tasks to each executive
- Minimizing the possibility of risk occurrence through self-inspection by individual employees through reminder pop-ups four times a year, as well as self-inspection by business departments and frequent inspections
- Providing benefits such as prize money and personnel recognition points to employees who have demonstrated excellent performance in the compliance field, when awarding regular excellent employees

Classification	Unit	2021	2022	2023
Ethics training per employee	Hours	7.7	8.2	8.5
Percentage of employees who have completed ethics training	%	100	100	100
Self-inspection and training by business department	Times	11	11	11
Employee ethics and compliance self-inspection	Times	4	4	4
Ethics training for partner companies	Yes/No	Yes	Yes	Yes
Sexual harassment and workplace bullying training	Yes/No	Yes	Yes	Yes

Customer Fair Trade and Prevention of incomplete contracts

- Operating Compliance Program(CP) and training to comply with fair trade-related laws and regulations
- Conducting complete sales training and monitoring for solicitors(sales partners, such as RCs) to provide products suitable for customers and sufficient explanations
- Establishing and complying with standards for the production and use of insurance information and educational materials in accordance with domestic and foreign laws, including the Insurance Business Act, Regulation on Supervision of Insurance Business, and marketing & advertisement-related regulations
- Conducting monthly incomplete contracts monitoring before and after the sale of insurance products under the leadership of the Compliance Operation Department
- Conducting regular incomplete contracts prevention training through online and offline channels, and conducting mystery shopping at sales sites
 - Achieved incomplete contracts rate of 0.02% as of the second half of 2023

Classification	Unit	2021	2022	2023
CP Program	Risk assessment	Yes/No	Yes	Yes
	Prior consultation system	Yes/No	Yes	Yes
	Internal supervision system	Yes/No	Yes	Yes
CP mandatory training	Training hours per employee	Times	2	2
	Number of employees enrolled	Persons	5,114	5,381
			5,399	

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Identification and Response to Ethics and Compliance Management Risks

Ethics and Compliance Management Reporting Channel

- Operating a grievance handling procedure for ethics and compliance management, such as whistleblowing system and Alleged offense report
 - Maintaining the confidentiality of reports received and the identity of the informant in accordance with the whistle-blowing system operation guidelines

Classification	Reporting method
Whistleblowing system	Compliance Management Department
	Tel: 02-758-7112 / Fax: 02-758-4310
	E-mail: ethics.sfmi@samsung.com
Alleged offense report	Report available to Audit Team via email, phone, fax, and mail
	Tel: 02-758-7106 / Fax: 02-758-7796
	E-mail: auditing@samsung.com

Ethics & Compliance Management Grievance Handling

Classification	Indicators	Unit	2021	2022	2023
Internal reporting system	Cases reported and addressed	Cases	115	165	83
	Alleged offense	Cases	14	46	44
	Complaints	Cases	38	63	29
	Others*	Cases	63	56	10
Monitoring	Regular ethics audit (monitoring for reporting and disciplinary action)	Yes/No	Yes	Yes	Yes
Violation of law	Non-monetary sanctions related to anti-corruption	Cases	0	0	0
	Fines and settlements related to anti-trust and anti-competitive behavior	KRW	0	0	0

*Eight cases of discrimination and harassment and two cases of customer personal information

Money Laundering Inspection

- Implementing the Customer Due Diligence(CDD) system with reasonable care based on Anti-Money Laundering / Countering The Financing Of Terrorism(AML/CFT), when conducting financial transactions with customers, preventing criminal activity, and establishing transparent financial transaction practices
- Implementing risk assessment of money laundering according to customer and transaction type
 - Implementing Enhanced Due Diligence(EDD) in cases classified as high risk
- Preventing potential money laundering risks by operating a money laundering risk assessment system during financial transaction
 - Establishing and operating a classification system for types of risks related to financial transactions that may occur, such as suspicious transactions(STR) or high-value currency transactions(CTR)
- Conducting regular inspections and training to enhance employees' business understanding and capabilities, and to prevent risks related to money laundering

Violations of Relevant Laws and Regulations

Classification	Unit	2021	2022	2023
Unfair trade practices such as anti-competitive practices and monopoly	Cases	0	1*	0
Monetary sanctions for violations of laws and regulations	Cases	1**	0	1***
Litigation for violations of laws and regulations	Cases	0	0	0
Fines and settlements related to anti-trust and anti-competitive practices	KRW 100 million	0	0	0

*2022. 04. 19. / Fair Trade Commission / KRW 230 million / Public institution bid rigging / Article 40, Paragraph 1, Item 8 of the Fair Trade Act(administrative litigation for cancellation of fines in progress: five pleading dates in progress as of the first half of 2024)

**2021. February 19. / Financial Supervisory Service / KRW 153 million / Violation of duty to explain important matters in insurance contracts / Article 95-2, Paragraph 1 of the Insurance Business Act

***2023. February 07. / Financial Services Commission / Fine of KRW 685 million, fine of KRW 280 million / Violation of prohibited acts regarding the conclusion or solicitation of insurance contracts, violation of the obligation to explain important matters when concluding an insurance contract, violation of the obligation to comply with information in basic documents, principles and basis for calculating insurance rates, violation of obligations to comply with document management standards, violation of obligations to accumulate liability reserves/Article 97 of the Insurance Business Act, Article 95-2 of the Insurance Business Act, Article 127-3 of the Insurance Business Act, Article 128-2, Articles 129 and 184 of the Insurance Business Act, Article 120 of the Insurance Business Act

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Environment

Internalization and Participation in Environmental Management

Samsung Fire & Marine Insurance raises awareness of environmental management across various areas such as purchasing and procurement, supply chain management, insurance development, and its own management activities, encouraging more stakeholders to participate in environmental conservation efforts.

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Environmental Management Framework

Environmental Management System

- Established Environmental and Energy Management Policy to continuously advance the environmental management system
- Holding ISO 14001(Environmental Management System, 2014~) for the Seocho office building and ISO 50001(Energy Management System, 2015~) for all 15 owned office buildings
- Established a decision-making system consisting of the ESG Committee and the ESG Secretariat, an auxiliary organization, to promote environmental management
 - ESG Committee: Deliberates semi-annual reports from the ESG Secretariat on the status of activities to reduce environmental impact and targets for the following year, and conducts reviews on the feasibility of the direction
 - ESG Secretariat: Aggregates environmental data such as GHG emission by business site, while discovering and implementing ideas for reducing environmental impact



Internalization of Environmental Management

Paperless Work Environment Culture

- Introducing an electronic signature system using mobile devices, avoiding paper documents in the consulting and signing process, and converting to a mobile sales support system(2012~)
- Diversifying activities to raise awareness for environmental protection, such as distributing the 'Environmental Protection Participation Certification Mark' and information videos(2020~), starting with the introduction of the mobile sales system(M Portal) for eco-friendly insurance contracts(2019)

Enhancing Employee Awareness

- Conducting regular training on energy management systems for office building managers and facility managers
 - Methods for managing energy management systems, tools, and energy reduction ideas available in terms of office management
- Encouraging employees to voluntarily participate in environmental protection through the 'Eco+Office' campaign
 - The campaign comprises sub-programs such as Recycling Well, Paperless, Plastic-free
 - Deploying tablet PCs and gradually phasing out office printers* as part of a internal communication culture initiative
 - Setting electronic terms as the default contract option since March 2023
 - Banning the purchase of paper cups at headquarters since April 2023
 - Created a character named 'EuSsuGi(ESG)' and utilizing it in an in-house campaign to raise awareness among employees and encourage participation
- Held 'ESG Employee Idea Contest' to discover employees' ideas on practicing eco-friendly activities within the company
 - Led to a total of 88 employees participating and proposing 105 ideas as a result of the contest
 - <Improvement of the Application Form Image System> took the first prize which enhances the recognition of image files submitted by insurance customers, thereby reducing unnecessary printing and scanning of application forms and improving work efficiency

Number of Ideas Submitted for the ESG Employee Idea Contest

Category of ideas submitted	Number of ideas submitted
ESG ideas that can be implemented in the office and field work	40
ESG practice ideas in the office, such as energy saving	28
Other ESG practice ideas including methods to utilize the EuSsuGi character	37

*Relocated from 1 per business division to 1 per team

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<EuSsug-Paperless> Campaign

In 2023, following the subsiding of COVID-19 and the return of most employees to the office, Samsung Fire & Marine Insurance launched the <EuSsug-Paperless> campaign to reduce paper consumption and promote environmental management awareness across the company.

Departments that participated in the campaign performed and certified 'RE-act' activities such as using reusable cups, plogging, participating in the 'Yonggi-nae' challenge(using reusable containers('yonggi' in Korean) when ordering lunch meals), cutting off standby power(turning off power outlets when leaving work), and conducting paperless meetings. In particular, an attempt was made to reduce the use of hand towels, previously a significant source of waste, by providing handkerchiefs featuring EuSsuGi as a complimentary gift to all departments with a participation rate of 70% or more.

The campaign which was held across the headquarters and branches nationwide for approximately 7 weeks saw participation from 3,226 employees across 177 business divisions. As a result, copy paper usage at the headquarters decreased by about 61% from April to June compared to January through March, achieving significant success.



Handkerchief distributed to employees during the campaign



Certification photo of executives' RE-act activities during the campaign

Environmental Management Across the Value Chain

Eco-friendly Purchasing

- Prioritizing purchasing products with eco-friendly certification, recycling capabilities, and high energy efficiency for work-related supplies such as computers, office supplies, and consumables, in accordance with the Samsung Group's 'Eco-friendly Product Priority Purchasing Guidelines' established in 2006
- Granting incentives or penalties based on the ESG management performance of partner companies by applying standards that enhance ESG factors to the partner selection process(2021~)
- An average of KRW 2.03 billion*, or approximately 11% of total purchases, has been spent on eco-certified products over the past three years
- 2023 was the year when implementing the Eco+Office campaign and paperless work environment culture showed practical effects, resulting in an increase in the purchase of energy-efficient projector TVs, while the purchase of paper decreased sharply

Earth Hour Campaign

- Raising awareness of environmental protection by participating in Earth Hour, a global environmental campaign hosted by the World Wide Fund(WWF)(2010~)
- Temporarily turning off indoor and outdoor lights and billboards in all office buildings, including the headquarters
- The campaign was actively promoted on social media, with not only employees and risk consultants(RC, solicitors) but also a number of customers participating



2023 Earth Hour Campaign Poster

*Target: achieving KRW 2 billion in eco-friendly product purchases by 2025

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Assessing Environmental Impact

- Regularly monitoring environmental laws and regulations centered around the Strategic Planning Division and sharing important implications company-wide to establish a response system in case of potential violations
- No incidents of violation of environmental laws or occurrence of fines as of the end of 2023

Classification			Unit	2021	2022	2023
Water use	Total usage*		m ³	197,235	196,854	206,024
Paper usage			ton	2,158	1,599	1,186**
	Copying paper		ton	917	860	936.2
	Printing paper		ton	1,241	739	249.6
	Paper usage per revenue***		ton/KRW 100 million	0.0105	0.0063	0.0057
Waste			ton	475	412	380
	Throughput	Landfill	ton	271	33	113
		Incineration with energy recovery****	ton	136	118	240
		Incineration without energy recovery	ton	68	261	27
	Recycling		ton	351	357	342
		Conversion rate*****	%	42.52	46.45	46.9

*Based on 100% of owned office buildings(15 in total), with all sewage terminally treated through city sewage treatment facilities

**2023 target: Achieving a reduction of 7%, totaling 1,487 tons from 2022 paper usage

***Conversion of non-recyclable waste materials into usable heat, electricity, or fuel through a variety of processes

****Setting the consolidation basis as the denominator, comprising the sum of 'insurance operating income', 'investment operating income', and 'non-operating revenues'

***** (waste recycling volume)/(total waste processing volume + waste recycling volume)

Environmentally and Climate-Conscious Insurance Products

- Establishing terms and conditions that incentivize customers to engage in eco-friendly behavior, such as using public transportation, adhering to car-free days, and walking, through insurance products including Eco-mileage Auto Insurance and No-driving Day Auto Insurance, as well as Mileage-based Discount condition and AnyFit Good Walking Discounts
- The company seeks to fulfill the role of insurance companies as a social safety net through traditional catastrophe insurance as the frequency and severity of natural disasters intensifies
- Achieved total premium of eco-friendly insurance products and catastrophe insurance in 2023, reaching KRW 3.7 trillion, exceeding the target sales of KRW 2.5 trillion for the year
→ Accounts for approximately 22.5% of total insurance premium

Classification		Unit	2021	2022	2023	
Total sales performance of eco-friendly insurance products		Cases	3,890,077	4,820,667	5,431,424	
		KRW million	2,562,349	3,267,553	3,664,898	
	Eco-mileage auto insurance	Cases	3,890,068	4,820,627	5,431,407	
	A product offering insurance premium discounts based on vehicle type and driving distance for those driving less than a certain amount per year	KRW million	2,561,782	3,266,103	3,663,884	
	No-driving day auto insurance	Cases	1	1	0	
	A product offering insurance premium discounts for compliance with no-driving days under the no-driving day system	KRW million	0.4	0.6	0	
	Renewable energy insurance	Wind power	Cases	5	12	11
			KRW million	539	1,422	833
		Solar	Cases	3	27	6
			KRW million	28	278	181
Total sales performance of catastrophe insurance products		KRW million	15,573	21,293	23,818	
		KRW million	37,594	39,550	39,685	
	Storm and flood insurance	Cases	15,565	21,281	23,807	
		KRW million	4,015	8,483	7,014	
	Crop disaster insurance	Cases	1	1	1	
		KRW million	19,151	21,575	23,433	
	Livestock disaster insurance	Cases	1	1	1	
		KRW million	6,756	8,439	8,299	
	Weather insurance	Cases	1	1	1	
		KRW million	4	3	3	
Environmental pollution liability insurance	Cases	5	9	8		
	KRW million	7,668	1,050	936		

*Separate financial statements based on Corporate Accounting Standards No. 1117

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Human Rights Management

Samsung Fire & Marine Insurance provides training to respect the human rights of all stakeholders that have direct or indirect business relationships with the company, and responds to risks of human rights violations in a timely manner through a grievance mechanism and regular human rights impact assessments.

Human Rights Management Framework

Human Rights Policy [↗](#)

Prohibition Policy of Workplace Harassment including Sexual Harassment [↗](#)

Human Rights Management Policy

- The policy shows the company's commitment to human rights-related international conventions, the Labor Standards Act, and International Labor Organization(ILO) recommendations, while aligning with the UN Human Rights Committee's 'Universal Declaration of Human Rights' and 'Guiding Principles on Business and Human Rights', through the establishment of human rights policies and policies to prevent sexual harassment and workplace harassment, in both Korean and English to ensure accessibility for overseas corporate members and foreign employees
- Operating the human rights management policy in a complementary manner in conjunction with the company's management principles, Code of Conduct, and Samsung Fire & Marine Insurance Partners Code of Conduct*

Human Rights Policy

- Sets the scope of the policy to include not only employees but also partners, customers, shareholders, investors, community members, and other stakeholders with whom direct or indirect business relationships are established, enabling its application
- Major human rights elements addressed in the policy include human trafficking, forced labor, child labor, freedom of assembly and association, prohibition of discrimination and information protection

Prohibition Policy of Workplace Harassment including Sexual Harassment

- Stipulates the concept of sexual harassment and workplace harassment, as well as implementing a zero-tolerance policy towards related acts
- Stipulates a reporting channel and processing mechanism for victims or witnesses to report incidents of unfair behavior such as sexual harassment or workplace harassment to enhance accessibility to any stakeholders in need
- Stipulates disciplinary action against perpetrators of sexual harassment and workplace harassment, as well as outlining protection principles for informants and reporters
- Expresses the company's commitment to continuous human rights protection by stipulating the principles and cycle of conducting sexual harassment prevention training

*Stipulates the creation of a safe working environment applicable to employees, prohibiting discrimination based on employment conditions, ensuring freedom of association, collective bargaining rights, rights to collective action, and protecting employees' information rights

Internalizing Human Rights Management

Human Rights Management Activities

- Providing human rights training to employees once a year(3 hours) through 'Dream Campus+', an integrated self-development education platform accessible to all employees
 - Encouraging employees to voluntarily raise awareness of and cultivate respect for human rights through participating in various workshops and games, rather than offering unilateral training content

Status of Education to Internalize Awareness of Respect for Human Rights

Classification		Unit	2021	2022	2023
Traning time per person	Human rights training	Hours	3	3	3
	Sexual harassment prevention training	Hours	1	1	1
	Disabled awareness improvement training	Hours	1	1	1
	Workplace anti-harassment training	Hours	1	1	1

Education System to Increase Human Rights Awareness for New Employees by Position

Classification		Unit	Training hours per person
Newcomers' onboarding training	Understanding organizational culture	Hours	1.0
	Communication lego	Hours	3.0
	Fostering a healthy self-work relationship	Hours	4.0
	Introduction to Maeumhuri counseling center(human rights issue reporting channel)	Hours	1.0
Experienced newcomers' onboarding training	Communication collaboration game	Hours	4.0
	Anti-corruption organizational culture	Hours	1.0
Orientation for experienced newcomers	Sound organizational culture	Hours	1.0

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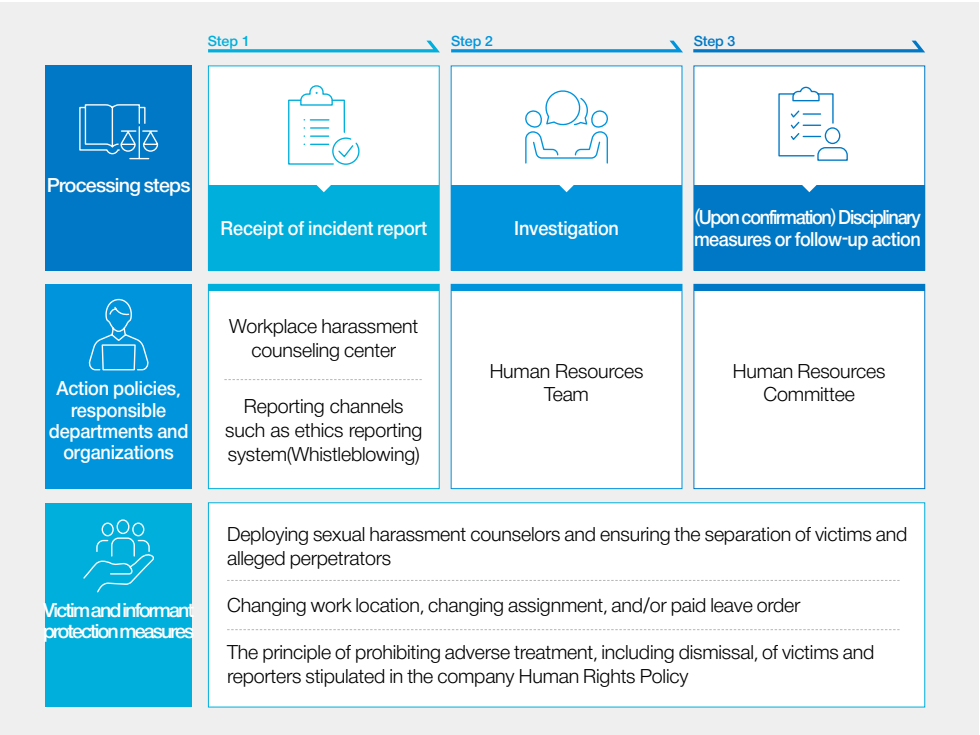
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Human Rights and Labor Risk Management

Grievance Handling Mechanism Related to Human Rights Risks

Action Process in case of Human Rights Violations(sexual harassment, workplace harassment, etc.)



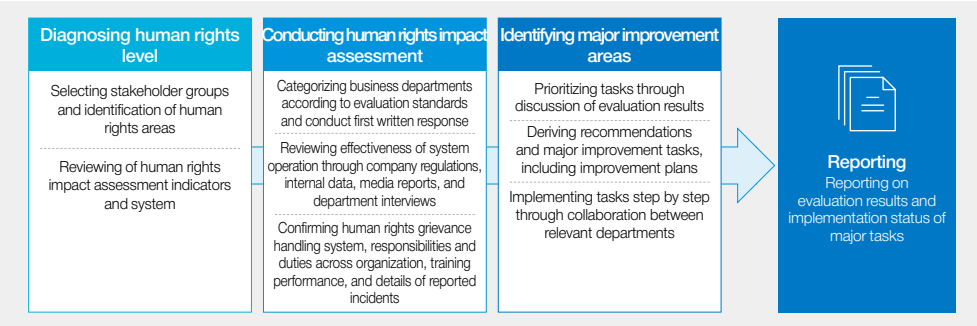
Handling Human Rights Risk Grievances

Classification		Unit	2021	2022	2023
Human rights-related report processing	Number of reports	Cases	6	1	8
	Number of cases processed	Cases	6	1	8

Human Rights Impact Assessment

- Conducting annual human rights impact assessments on the company's own business operations and a broad range of stakeholders, including partners and customers
- Reviewing the human rights impact assessment system annually, with a particular focus on adding or removing detailed indicators based on emerging human rights issues to enhance the accuracy of diagnosing the human rights management system and identifying associated risks
 - Added new indicators and refined existing ones in 2023 to enhance the effectiveness of the assessment and improve the quality of responses
 - 183 indicators in 2022 and 156 indicators in 2023 used in the assessment

Assessment Process



Assessment Composition

Classification	Details	
Coverage	Overall policies, systems, and practices that impact Samsung Fire & Marine Insurance's human rights activities	
Coverage categorization	Business type	- Risks that may arise from existing business relationships in all Samsung Fire & Marine Insurance business sites - Risks that may arise from new business relationships such as mergers and acquisitions
	Stakeholder type	Employees, partners, children, women, community members(indigenous and migrant workers), third-party contract employees
	Risk types	Working conditions and wages, freedom of association, human trafficking, forced labor, child labor, prohibition of discrimination, equal pay, personal information protection, environmental rights, etc.
Evaluation standard	Establishing and operating Samsung Fire & Marine Insurance's own standards based on international guidelines - United Nations Global Compact(UNGC) Corporate and Human Rights Guidelines(2022) - Self-inspection checklist to improve corporate sustainability - National Human Rights Commission human rights management guidelines and checklist, etc.	
Number of indicators by evaluation area	Human rights management system	66
	Identifying human rights risks in the value chain	82
	Effectiveness of grievance handling and relief mechanisms	15
	Monitoring and disclosure	20

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Assessment Results

· Drew improvement plans up to enhance Samsung Fire & Marine Insurance's human rights management system in the future, in addition to identifying human rights risks across the value chain

Classification	Stakeholder Type	Details
Human Rights Management System	All stakeholders	· Implementing accessibility improvement measures for socially underprivileged stakeholders such as foreigners and the visually impaired
Human Rights Management Activities	EmployeesPartner companies	· Diversifying educational activities to raise human rights awareness
Identification of human rights risks across the value chain	Partner companies	· Providing contractual benefits to ‘excellent partner companies’ selected as a result of human rights impact assessment
		· Conducting ESG capacity building training for partners, including human rights management, and communicating the need to establish an internal grievance handling mechanism
	Joint venture	· Establishing stipulated principles to ensure that human rights risks are considered when entering into new business relationships such as mergers, acquisitions, transfers, and joint ventures
Complaints and remedies, monitoring	All stakeholders	· Identifying the effectiveness of the grievance handling mechanism and processing process through organizational culture surveys, etc., identifying areas for improvement, and promoting response

Human Rights Impact Assessment Results

· Establishing as a mid- to long-term goal to maintain 100% improvement action rate for major human rights risks discovered by major stakeholders

Classification	Implementation and improvement measures	Unit	Performance in 2023
Own operation*	Evaluation ratio	%	100
	Risk identification rate	%	4.5
	Mitigation action rate	%	100
Partner	Evaluation ratio	%	100
	Risk identification rate	%	3.9
	Mitigation action rate	%	100
Joint venture	Evaluation ratio	%	100
	Risk identification rate	%	1.9
	Mitigation action rate	%	100

*All business sites covered

Strengthening Organizational Competitiveness Through Employee Diversity and Expertise

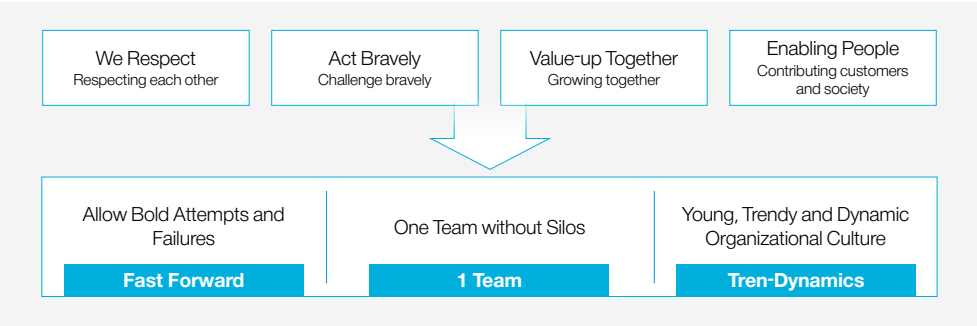
Based on the recognition that employees are essential to the company's growth, Samsung Fire & Marine Insurance strives to help employees become the best global financial experts through competency development and improvement of the working environment.

Key Strategies and Targets

Employee/Organizational Culture Vision 'F.1.T'

- Established employee core values WAVE to improve organizational culture under Vision 2030 of “Be the Future, Beyond Insurance”(2023)
- Establishing organizational culture as a key improvement area, setting the basis for achieving the new company-wide vision to 'Recreation as an Unrivaled Financial Company' in 2024, and advancing WAVE to establish 'F.1.T'(2024)

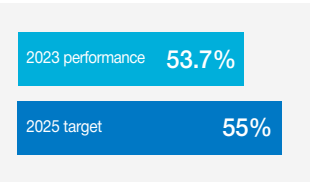
2023-2024 Employee Core Values



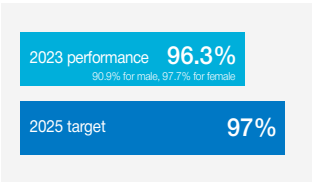
Executives and Labor Practices Goals

- Establishing mid- to long-term goals for various labor-related indicators such as training, welfare benefits, employee satisfaction, and female member ratio, alongside the current year's goals, and linking and managing them with organizational KPI

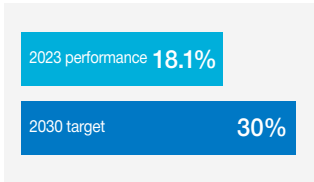
Rate of employees with financial qualification



Return rate for employees on parental leave



Share of women in management positions



*Departmental selfishness that hampers the efficiency of the entire organization and increases costs by hindering connectivity across the organization

Recruitment

Employee Recruitment

- Recruiting outstanding talents through open recruitment for entry-level and experienced hires
→ Expected to secure specialists to pursue balanced growth between existing insurance business and new businesses
- Ensuring fairness throughout the hiring process by complying with the Korean Act on Fairness of Recruitment Procedures and introducing blind recruitment in new employee selection
- Continuing recruitment activities for vulnerable groups according to relevant laws and regulations

Ideal Talent



Employee Recruitment*

Classification		Unit	2021	2022	2023
New employee hires		Persons	49	130	110
	Male	Persons(%)	34(69.4)	90(69.2)	62(56.4)
	Female	Persons(%)	15(30.6)	40(30.8)	48(43.6)
New hires by position	Employees	Persons(%)	25(51.0)	65(50.0)	87(79.1)
	Junior level management	Persons(%)	21(42.9)	60(46.2)	20(18.2)
	Middle level management	Persons(%)	1(2.0)	4(3.1)	1(1.0)
	Senior level management(executive)	Persons(%)	2(4.1)	1(7.7)	2(1.8)
Internal hires rate		%	27.7	25.5	26.6
Average hiring cost per FTE		KRW	4,283,274	3,177,417	3,276,047

*As of December 31, 2023

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Employee Diversity Trend*

Classification		Unit	2021	2022	2023
Total number of employees**		Persons	5,647	5,588	5,528
	Male	Persons	3,160	3,108	3,035
	Female	Persons	2,487	2,480	2,493
Employment type	Full-time***		Persons	5,577	5,506
		Male	Persons	3,157	3,096
		Female	Persons	2,420	2,410
	Non-regular worker		Persons	70	82
		Male	Persons	3	12
		Female	Persons	67	61
Rank	Employees	Persons	2,692	2,559	2,518
	Managers	Persons	2,690	2,764	2,740
	Department heads	Persons	228	208	213
	Executives	Persons	57	57	57
Age group	Under 30	Persons	853	734	619
	Over 30 under 50	Persons	3,699	3,679	3,566
	Over 50	Persons	1,095	1,175	1,343
Minorities	Disabled	Persons(%)	141(2.5)	140(2.5)	131(2.4)
	National veterans	Persons(%)	93(1.6)	79(1.4)	78(1.4)

*As of December 31, 2023

**Excluding 1,567 non-affiliated workers(961 men, 606 women) including head office support staff, as of December 31, 2023

***Including executives

Workforce Breakdown by Gender: Female Employees

Classification		Unit	2021	2022	2023
Total FTE		Persons(%)	2,487(44.0)	2,480(44.4)	2,493(45.1)
Management positions*		Persons(%)	459(15.6)	527(17.4)	545(18.1**)
Junior level management		Persons(%)	266(22.2)	407(24.2)	401(24.9)
Executives		Persons(%)	7(12.3)	8(14.0)	9(15.8)
Revenue-generating functions		Persons(%)	246(31.7)	231(31.3)	280(36.9***)
STEM**** positions		Persons(%)	39(41.9)	39(41.5)	45(42.5*****)

Workforce Breakdown by Nationality

Classification		Unit	2021	2022	2023
Republic of Korea	All employees	Persons(%)	5,637(99.9)	5,579(99.8)	5,520(99.8)
	Management positions*	Persons(%)	3,772(99.8)	3,770(99.8)	3,776(99.8)
China	All employees	Persons(%)	1(0.02)	1(0.02)	1(0.02)
	Management Positions	Persons(%)	0	0	0
US	All employees	Persons(%)	6(0.11)	6(0.11)	6(0.11)
	Management Positions	Persons(%)	5(0.13)	5(0.13)	6(0.16)
Canada	All employees	Persons(%)	2(0.04)	1(0.02)	0
	Management Positions	Persons(%)	2(0.05)	1(0.03)	0
Malaysia	All employees	Persons(%)	1(0.02)	0	0
	Management Positions	Persons(%)	1(0.03)	0	0
Australia	All employees	Persons(%)	0	1(0.02)	1(0.02)
	Management Positions	Persons(%)	0	0	1(0.03)

*Including SP(junior level management), LP(middle level management), Executive(senior management)

**Target: 30% by 2030

***Target: 35% by 2030

****Includes position in science, technology, engineering, mathematics-related areas

*****Target: 50% by 2030

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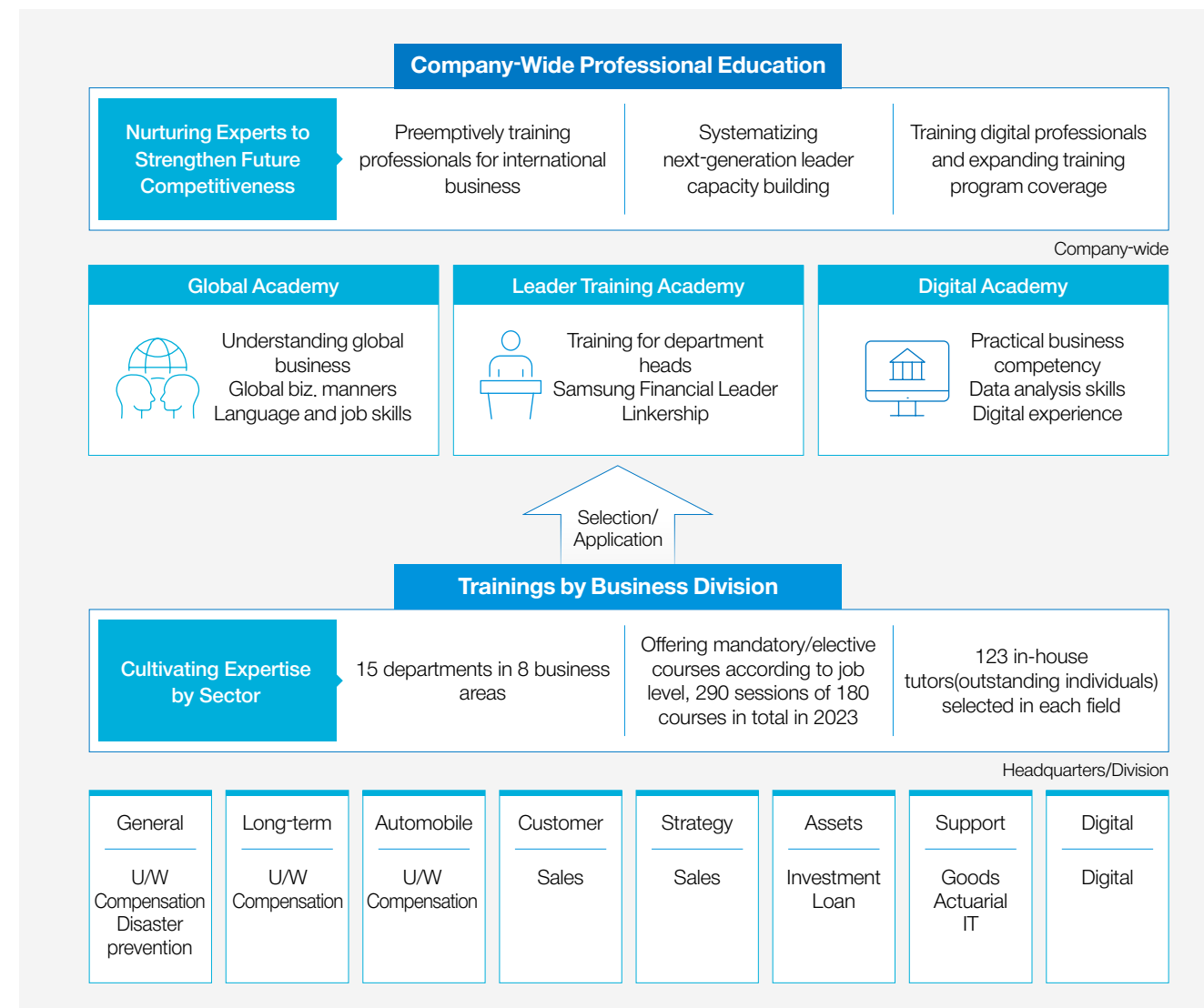
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Enhancing Employee Expertise

Talent Education System

- Improving job expertise through the Individual Development Plan, the company's competency development system
 - Supporting curation of in-house professional courses(face-to-face/non-face-to-face) and external education courses(face-to-face/non-face-to-face/e-learning/book learning, etc.) tailored to the level of each position
 - Providing learning experiences(curated by level) customized for each employee's competency and level through the introduction of an autonomous competency development system(2020~)
- Providing programs to foster global financial experts through the operation of an in-house university program(SFMI University)
- Providing job transition opportunities to all employees through the introduction and operation of the Career-Design program(2015~)
 - Supporting career advancement through diverse job experiences and nurturing experts in the financial industry as a whole



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Major Training Programs

Specialized Training & Education programs by Position and Function

Classification	Program Detail	Unit	Participants in 2023
Leader training	• Annual training programs for executives(coaching/ leadership/debate, etc.) and reverse mentoring(communication with younger-generation employees), etc.	Persons	38(including CEO)
	• Trainings for new department heads and candidates	Persons	132 (107 new department heads, 25 head trainees in candidate course)
	• WAVE Leadership Special Course(focusing on company organizational culture and coaching leadership)	Persons	297
Occupational training	• Function-specific professional trainings in general insurance, long-term insurance, auto insurance, personal sales, strategic sales, digital, product actuarial, IT, and consumer protection • Designation of an educational manager to plan and operate additional in-depth training courses tailored to the needs of employees who have completed their trainings	Persons	2,529
Specialized global & digital sector training	• A program for strengthening competencies in areas such as language skills and understanding of overseas insurance markets, which are basic requirements for global business	Persons	297
	• Resumption of overseas education dispatch, Global Academy programs, language acquisition classes, etc.		
	• Programs for securing preemptive capabilities in response to the acceleration of digital transformation(DT) throughout society • SQL course focused on practical data capabilities	Persons	233 in 10 cohorts
	• Digital traninigs by level(Basic-Advanced-Professional level)	Persons	157

Company-Wide Value Communication and Voluntary Learning Activities

• Implemented a training calendar(announcing an annual education schedule in advance to assist employees in forming voluntary growth plans) and monthly education newsletter(providing information on education courses and systems on monthly basis)

Classification	Program Detail	Unit	Participants in 2023
Company Value Communication	• ‘Digital Plus’ course for cultivating the required competencies and communication skills for each position	Persons	312 (applies to 3-year employees at all levels)
	• Moving program(mentoring-based soft landing program by new/experienced junior level position employees)	Persons	275
	• Promotion onboarding(providing congratulations and motivation for those promoted by rank)	Persons	170
	• Introduced an employee capacity building program aimed at securing future competitiveness(2023) → Future Forum(special open lectures available to all employees) → Trend Ambassador Program(corporate benchmarking field experience program)	Persons	1,241 in 10 cohorts
Self-directed & mutual learning support	• Introduced ‘Learning Crew’, a voluntary employee learning group focused on mutual interests	Persons	87 in 15 groups
Competency development challenge prgram	• Support for a variety of employee development courses tailored to employees’ needs, including qualification acquisition, foreign language learning, degree acquisition, and other external education programs	Persons	634(988 courses in total)
SFMI Bookmark	• Support for employees’ growth and self-development through book reading	Persons	3,857 (31,971 books)

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Tracking the Performance of the Training Programs

- Designating a person in charge of job education to plan and operate a training course tailored to the needs of each individual employee
- Operating an in-house professor system, contributing to the revitalization of in-house education by utilizing the know-how and expertise of employees with outstanding skills in each field, such as creating teaching materials and providing lectures
 - Providing incentives, including lecture fees and awards, for excellent in-house professors based on each participant's level of expertise

Classification			Unit	2021	2022*	2023
Performance data: average per employee	Traning time		Hours	87.4	71.4	147.0
	Gender classification	Male	Hours	105.9	72.7	138.5
		Female	Hours	70.4	69.8	157.5
	Classification by rank	LP (middle management)	Hours	51.5	56.8	120.4
		SP (junior management)	Hours	75.6	76.7	158.3
		JP (non-management staffs)	Hours	99.5	121.4	200.2
	Education expenses		KRW million	0.8	1.0	1.2
Competency development system	Subjects		Persons	3,797	3,510	3,501
	Participants		Persons	3,714	3,503	3,500
	Participation rate		%	98.8	99.8	99.97
Number of courses offered			Courses	779	978	1,057
In-house tutors			Persons	120	120	123
Financial qualification possession rate			%	54.2	51.5	53.7
Human Capital Return on Investment(HC ROI)			%	3.06	2.96	3.94

*Based on those subject to the system by 2021, based on incumbent workers from 2022

Tracking the Quantitative Impact of Development Programs on Business Benefits

Case 1 - Occupational Training program

Employees' job proficiency and professional knowledge acquisition positively impact the company's overall performance, including profit and loss indicators. Accordingly, Samsung Fire & Marine Insurance is providing specialized education for roles in general insurance, long-term insurance, automobile insurance, personal sales, strategic sales, digital, product actuarial, IT, asset management, and consumer protection. As of 2023, 2,529 employees have participated in job education. In particular, an annual investigation is conducted to determine whether job training is actually helpful in improving work performance and outcomes. Given the high level of task application in job education, it is considered to have a significant impact on increasing sales and insurance profits while reducing loss ratios. Insurance revenue in 2023 is KRW 16.3033 trillion, representing an 8.3% increase compared to the previous year.

Classification	Unit	2021	2022	2023
Education cost	KRW million	711	1,052	934
Participants' perceived efficacy of training contents' application to actual work*	Points	4.9	4.9	4.9

Case 2 - Global Talent program

A total of 297 employees participated in educational programs such as Global Academy P/G and language acquisition classes to expand their understanding of overseas insurance markets and improve language skills, which are basic competencies for global business. Additionally, the resumption of overseas educational programs, previously halted due to the COVID-19 pandemic, has had a positive impact on strengthening employee capabilities in the global field.

The global talent training program has a significant correlation with overseas insurance sales performance. In particular, in 2023, it showed remarkable results in conjunction with the reorganization of the reinsurance business and the promotion of the 'Samsung Re' reinsurance division within the Singapore branch. Overseas pre-tax profit in 2023 is KRW 97.9 billion, which is 267% of the previous year's profit and 1,688% of the profit from two years ago.

Classification	Unit	2021	2022	2023
Education cost	KRW million	329	434	700

*Out of 5 points

Strengthening Organizational Competitiveness Through Employee Diversity and Expertise

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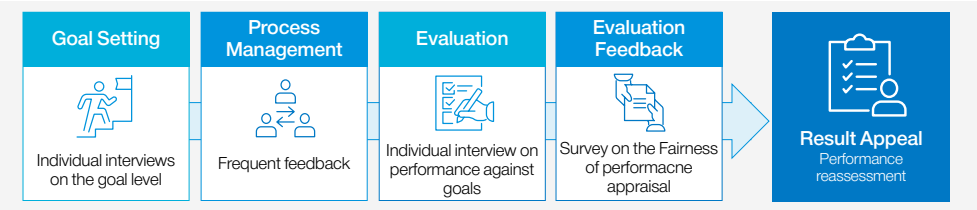
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Personnel System to Encourage Employee Performance and Support Growth

Employee Performance Appraisal Programs

- Implementing an MBO-based performance evaluation system for all employees to achieve goals
 - Conducting total 6 individual-based agile interviews & conversations twice a year(once every six months) in three stages(establishing individual and team goals, mid-process management, result feedback)
 - Implementing 360° feedback (including feedbacks from supervisor, colleague, and junior) for basic and leadership job competencies
- Operating systems to support employee growth, such as selecting excellent performers based on field performance and implementing work performance contests

Management by Objectives(MBO)



Classification		Unit	2021	2022	2023
Employees subject for regular performance evaluation		Persons	5,647	5,588	5,528
		Persons	5,238	5,189	5,155
		%	92.8	92.7	93.3
Employees who have received performance evaluation	Male	%	96.7	97.7	95.4
	Female	%	87.8	86.3	87
	Executive level	%	0	0	0
	Management position	%	98.2	98	99.2
	Non-management position	%	87.3	87.1	84.5

Awarding for Outstanding Employees

- Operating an in-house award system, encouraging employees to take pride in their work, strengthen their capabilities, and demonstrate their performance
 - Consisting of the Founding Anniversary Award(annually), Person Award(quarterly), and Excellent Department Award(quarterly), and providing benefits such as plaques, prize money, and additional personnel points
 - The award record granted in vocational innovation & growth, customer satisfaction(CS), organizational culture, CSR activities, and compliance is considered as a factor for employee performance evaluation

Employee Compensation

- Establishing a performance-based compensation scheme and motivating employees' challenging spirits by introducing an annual salary system alongside a profit-sharing system

Classification		Unit	2021	2022	2023
Employee compensation*	Average	KRW thousand	126,789	136,020	143,937
	Median	KRW thousand	127,254	137,190	145,392

Gender Wage Indicator Trend

- Stipulated the principle of 'fair evaluation and compensation based on performance' within the human rights policy
- No gender-based discrimination in compensating executives and employees

Classification		Unit	2021	2022	2023
Average base salary for executive positions	Female	KRW 10 million	25.0	24.8	26.0
	Male	KRW 10 million	25.0	24.8	26.0
Average total compensation for executive positions**	Female	KRW 10 million	38.5	37.7	42.1
	Male	KRW 10 million	38.5	37.7	42.1
Average base salary for management positions	Female	KRW 10 million	8.6	8.9	9.2
	Male	KRW 10 million	9.1	9.5	9.7
Average total compensation for management positions**	Female	KRW 10 million	15.1	16	16.3
	Male	KRW 10 million	16	17.1	17.7
Average base salary for non-managerial workers	Female	KRW 10 million	4.9	5.2	5.5
	Male	KRW 10 million	6.3	6.7	6.6

*Including unregistered executives, excluding CEO
**Combined value of base salary and cash incentives

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Welfare Benefits

Samsung Fire & Marine Insurance creates a ‘great place to work’ and provides a variety of welfare benefit systems to help executives and employees lead a happy work life.

Major Welfare Benefits Scheme

- Cultivating a company-wide culture of inclusiveness by applying the welfare system to all employees, including both contract and full-time workers

Classification	Detail
Flexible Work System to Support Work-Life Balance	• Offering flexible working hours, work from home, and part-time work options
Supporting leisure activities	• Operating an in-house fitness center, refresh leave as a long-service award, and providing support for recreational facilities
Supporting housing and life stability	• Providing company housing support, personal pension support, and loans from the company employment welfare fund
Supporting medical and health promotion initiatives	• Group accident insurance covered for employees
Supporting children's education	• Supporting school expenses and congratulatory gifts for children of employees
Other support programs	• Providing optional welfare points, wedding planning and management program, and supporting family events and condolences

Family-Friendly Welfare Programs

Major Family-Friendly Programs

- Providing support for infertility leave and medical expenses to reduce the burden of childbirth and childcare on employees, flexible work hour policies including selective flexible work hours for pregnant employees, while operating a dedicated maternity protection hotline
- Operating three in-house daycare centers(Seocho I, Seocho II, and Seosomun) to provide care services for employees' children(aged 1~5), offering birth souvenirs for new parents, and providing a maternity protection lounge
- Operating regular programs that families can participate in, such as Mom and Dad's Inter-office Day and Healing Stay

Operation of the Parental Leave Policies

- Providing paid parental leave of up to 52 weeks for both primary caregivers and non-primary caregivers
- Supporting work-family balance by providing childcare leave in addition to maternity/paternity leave

Classification		Unit	2021	2022	2023
Person on maternity leave		Persons	76	78	64
Return rate of maternity leave		%	98.7	100	98.4
Number of employees using parental leave	Male	Persons	38	31	31
	Female	Persons	116	125	97
The number of employees returning to work after their parental leave ends	Male	Persons	26	30	30
	Female	Persons	115	110	127
Number of employees who have passed 12 months since return to work from parental leave	Male	Persons	23	23	29
	Female	Persons	110	111	113
The return-to-work rate of parental leave users	Male	%	92.9	83.3	90.9
	Female	%	99.1	96.5	97.7
Retention rate of employees using parental leave	Male	%	88.5	79.3	85.3
	Female	%	95.7	91.7	95.8

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Welfare Benefits

Life Planning Support

Life Planning Program for Senior Employees

Providing a job change support program tailored to the characteristics of financial industry workers for retired and scheduled-to-retire employees in their 50s or older through the operation of the Financial Career Consulting Center(2009~)

- Life planning program: Established as the first financial company to provide age-specific life planning courses for employees aged 50, 55, and 59
 - Reorganized the program into three areas of finance, health, and activities, and advancing to enable in-depth learning linked to education and consulting(2024)
- Finance CCC Academy: Supporting employees in their 50s to prepare for their future career through job expertise-based education
 - Operating a total of five courses, including management instructor course, job counselor course, professional interviewer course, career consulting education course, and smart store start-up course
- 1:1 career consulting: Matching external professional consultants with employees to analyze individual job aptitudes and strengths, setting career goals, and establishing detailed action plans
 - Introduced finance course & healthcare course(2024)

Classification	Program Details	Unit	Graduates in 2023
Life planning program		Persons	291
	Life design I(age 50)	Persons	117
	Life design II(55 years old)	Persons	129
	Life design III(59 years old)	Persons	45
Finance CCC academy		Persons	34
	Management instructor course	Persons	9
	Career counselor course	Persons	9
	Professional interviewer course	Persons	4
	Career consultant education course	Persons	5
	Smart store start-up course	Persons	7
1:1 career consulting		Persons	42

Employee Turnover Trend

Classification			Unit	2021	2022	2023
Total turnover	Total turnover rate		%	3,3	3,4	3,8
	Voluntary turnover rate	Rate	%	0.8	0.6	0.3
		YoY trend	%	100	-25	-50
Turnover trend by gender	Male	Number of people	Persons	132	145	155
		Ratio	%	2,3	2,6	2,8
	Female	Number of people	Persons	55	45	56
		Ratio	%	1,0	0,8	1,0
Turnover trend by rank	Non-management staffs	Number of people	Persons	66	45	46
		Ratio	%	1,2	0,8	0,8
	Junior level management	Number of people	Persons	55	56	64
		Ratio	%	1,0	1,0	1,2
	Middle level management	Number of people	Persons	58	73	92
		Ratio	%	1,0	1,3	1,6
	Executives (senior managemnet)	Number of people	Persons	8	16	9
		Ratio	%	0.1	0.3	0.2

Improving Labor Practices and Organizational Culture

Samsung Fire & Marine Insurance is implementing improvement measures to develop its organizational culture through regular labor-management council meetings and employee satisfaction surveys under the slogan ‘Organizational culture that grows with employees.’

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Facilitating Communication Between Labor and Management

Guarantee of Freedom of Assembly and Association

- The company guarantees the autonomous activities of three labor unions as of 2024
- Creating a mutually beneficial labor-management culture through regular communication and consultation with the labor union, and actively reflecting opinions for improvement in management activities
- Implementing activities to encourage a sense of belonging through joint efforts between labor and management, such as holding parents’ invitation events

Classification	Unit	2021	2022	2023
Number of employees in the labor union	Persons	3,392	3,575	3,350
Proportion of employees in the labor union*	%	60	65	60

Improving Organizational Culture and Managing Risks

Tracking Employee Wellbeing - Samsung Culture Index(SCI)

- Conducting the Samsung Culture Index(SCI) Survey as part of an annual employee satisfaction survey to identify areas for improvement related to organizational culture and reflect these in management activities
- Comprising mental health diagnosis indicators such as job satisfaction, sense of purpose, happiness, and stress level in three areas: 'enjoyable work', 'co-workers', and 'proud company'
- Regarding the improvement areas identified as a result of the SCI analysis in 2023, the company has implemented various organizational culture activities & programs such as Culture Crew(CEO-employee communication channel), Marvin's Dice Venture, After School 33, Communication Trip, and Book Stay(2024)

Classification	Unit	2021	2022	2023*	
				Target	Performance
Employee Satisfaction Index	%	78.6	80.1	5(“Decent”)	5(“Decent”)

Activities to Improve Organizational Culture

- Conducting various activities to address improvement areas identified as a result of SCI survey in 2023
- Operating a meeting body, Culture Crew: A regular meeting body where the executive management including the CEO and general employees discuss organizational culture and the company's future vision
- Communication trip: A two-day-long workshop to spread the ‘One Team’ culture, where employees communicate freely with colleagues
- F.1.T Day: Held once a month(3rd Wednesday of every month), a communication event to practice F.1.T, the organizational culture value
 - Conducting <Double Lunch> with colleagues(1+1 lunch break)
 - Conducting <Try Award> voting to directly recommend/select colleagues' challenge cases
 - Conducting surveys <Thoughts of SFMI Members> to empathize with different thoughts to share results and direction for improving major organizational culture-related agendas

*Collective bargaining is applied to all employees who have joined the labor union, as the ratio of employees who have joined the labor union equals the ratio of employees to whom collective bargaining applies

*Reorganized the rating structure from percentile to 5-point scale in 4 intervals, ‘Decent’, ‘Satisfactory’, ‘Needs improvement’, ‘Unskilled’ in 2023

Safety and Health Management

Samsung Fire & Marine Insurance strives to create an environment where employees can work safely and comfortably.

Safety and Health Management Framework

[Safety and Health Management Policy](#)

Organizational Structure and Major Policies

- Reviewing reports and approving safety and health plans once a year is a crucial responsibility of the board of directors, ensuring continuous oversight and improvement of organizational well-being
- The Occupational Safety and Health Committee comprises four worker representatives and four employer representatives, ensuring the objectivity and fairness in decision-making and fostering a collaborative approach(2014~)
 - Operates quarterly, while major agendas deliberated and resolved are documented and preserved to be reported to the executive management manager twice a year
- Raising company-wide safety awareness by establishing Safety and Health Management Policy and including it in the employee Code of Conduct

Agendas discussed by Occupational Safety and Health Committee in 2023


2023 plans to operate annual health checkup-affiliated hospitals

Results for summer food poisoning prevention self-inspection

Results of CPR training for employees


2024 plans(draft) for safety environment operation

Safety and Health Management-related Agenda Reported to the BOD in 2023




Report and Approval of 2024 Safety and Health Plan

Safety and Health Management Goals for 2023



Absentee Rate

0.01%



Number of Occupational Accidents

0 cases

Safety and Health Management Activities

Physical Health Management Support Program

Classification	Details(for All Business Sites)
Ergonomic work environment	• Providing ergonomically designed work chairs that do not put strain on the back and spine • Standing desks are provided to employees who are physically uncomfortable due to conditions such as lumbar disc herniation(2015)
Lighting	• Checking the lighting and maintaing an appropriate level
Noise	• Checking the noise and maintaining appropriate levels
Internal air quality	• Measuring the air quality of all company buildings annually, including levels of fine dust, formaldehyde, carbon dioxide, and carbon monoxide, is conducted by an external company
Humidity	• Operating a dehumidifier to monitor humidity and maintain appropriate levels
Temperature	• Monitoring temperature every morning and noon • Operating equipment to maintain an appropriate temperature during hot and cold weather
Health and nutrition	• Supporting comprehensive health checkup - 5,342 employees have received regular health checkups in 2023 • Operating fitness facilities and clinics • Managing the calories and nutrients in your diet with the help of an in-house restaurant nutritionis

Mental Health Management Support Program

- Supporting employees in systematically managing and resolving stress factors through the operation of the Maumnuri Counseling Center*(in-house psychological counseling center)(2010~)

Classification	Details
Job-related stress management program	• Operating a stress diagnostic test system that can be used at any time upon request • Managing diagnostic test results through the Maumnuri Counseling Center(in-house psychological counseling room)
Stress management training	• Supporting stress management training and facilitating the use of personality and psychological tests, along with counseling services provided in collaboration with external professional counseling organizations(since 2013)

Promoting safety and health management in the supply chain

- Evaluating the safety and health management capabilities of partners companies and other subcontractors, including safety and health management and occupational accident prevention, while stipulating in the company's Safety and Health Management Policy that these results be reflected at the pre-contract stage

*Subjects the service is available to employees, their spouses and children

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Safety and Health Risk Management

Safety and Health Risk Assessment

- Broadcasting safety rules regularly internally, conducting education sessions, and holding mock drills(including CPR and AED training) to ensure all employees learn how to respond in the event of safety accidents and disasters
- Conducting floor-wise evacuation drills and disaster evacuation guidance training three times a year for the headquarters' evacuation guides

Classification	Unit	2021	2022	2023
Risk assessment	Times	4	4	4
Development of safety management and prevention measures for partner companies	Yes/No	Yes	Yes	Yes

Safety and Health Incident Trend *

Classification	Unit	2021	2022	2023
Total working hours	Hours	10,503,729	10,101,767	10,150,062
Absenteeism of employees	Persons	25	19	25
Absentee rate	%	0.013	0.003	0.004
Work days lost**	Days	200	65	368
Employees impacted	Persons	2	1	2
Occupational accidents	Cases	3	1	4
Serious accident	Cases	0	0	0
Violation	Cases	0	0	0
Violation of law	Penalty	KRW thousand	0	0
	Fine	KRW thousand	0	0

*100% of total FTE monitored
**Absence from work due to illness or injury

Safety and Health Management Certification

- Being selected as a 'Health-Friendly Certified Company' implemented by the Ministry of Health and Welfare and the Korea Health Promotion Development Institute(2022)
→ Achieving recognition for continuous efforts in establishing a health culture through the operation of various health-friendly systems and employee health management programs



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Promoting Supply Chain Sustainability

Samsung Fire & Marine Insurance collaborates with partners to provide customer satisfaction services and supports the improvement of competitiveness through various collaborative activities.

Value Chain Sustainability Framework

Samsung Fire & Marine Insurance Partner Company Code of Conduct

Key Policies and Processes

- Enforcing compliance with eight principles through the <Samsung Fire & Marine Insurance Partners Code of Conduct>, which are anti-corruption, adherence to laws, prohibition of child labor, non-discrimination, accident prevention, disease management, minimization of environmental pollution, and environmental preservation, ensuring transaction transparency based on fair trade principles and processes

Classification		Unit	2021	2022	2023
Total partner companies	Number of target companies	Numbers	46,900	43,748	45,153
	Number of companies agreed	Numbers	46,886	43,748	45,153
	Number of companies yet to agree	Numbers	14	0	0
	Consent rate	%	100	100	100
Sales channels(solicitors including RC and GA)	Number of target companies	Numbers	45,484	42,259	43,247
	Number of companies agreed	Numbers	45,484	42,259	43,247
	Number of companies yet to agree	Numbers	0	0	0
	Consent rate	%	100	100	100
Anycar Service	Number of target companies	Numbers	1,407	1,479	1,896
	Number of companies agreed	Numbers	1,394	1,479	1,896
	Number of companies yet to agree	Numbers	13	0	0
	Consent rate	%	99.1	100	100
Payment review consignment company	Number of target companies	Numbers	9	10	11
	Number of companies agreed	Numbers	8	10	11
	Number of companies yet to agree	Numbers	1	0	0
	Consent rate	%	88.9	100	100

Major Partner Status

Solicitor & Sales Partner(RC: Risk Consultant)

- Comprehensive financial experts providing optimal insurance consulting and sincere service to customers
 - Enhancing customer trust by adhering to complete sales-related compliance practices when explaining the terms and conditions, signing the application form, and delivering a copy of the application form

Claims Service Partner

- Consisting of dispatch companies and automobile maintenance companies
 - Dispatching assistance to the scene and providing emergency service when a customer with auto insurance requests assistance for a vehicle accident or breakdown
 - Contributing to the company as ethical management practice partners, both Anycar Land and Anycar Family Center(AFC) serving as excellent maintenance partners

Major partners

Classification		Unit	2021	2022	2023
Solicitor & Sales Partner	Risk Consultant	Numbers	38,910	37,231	38,231
	nsurance agency (individual, corporate)	Numbers	5,049	5,028	4,966
	Insurance agency (financial institution)	Numbers	50	53	51
Claims service partner	Roadside assistance provider	Numbers	1,544	1,510	1,457
	Repair & maintenance shop	Numbers	1,991	1,933	1,845
	Claims adjustment company	Numbers	14	14	14
Repair & maintenance partner	Outstanding repair & maintenance partners	Numbers	995	1,055	1,053
	Evaluation of the share of eco-friendly repairs(rate of bumper restoration)	%	46.0	46.1	43.9*
Customer satisfaction assessment for roadside assistance providers	Roadside assistance providers for car accidents	Points	96.2	96.2	96.1
	Roadside assistance providers for breakdowns	Points	98.1	98.3	98.3

*2023 target: over 47.0%

Promoting Supply Chain Sustainability

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Enhancement of Partner Capabilities and Mutual Growth

Solicitor & Sales Partners

Classification	Details
Basic training course	• For new RCs with less than 1 year of experience • Insurance and consulting sales basic education course
Professional RC education course, Non-Life Insurance University SSU, Samsung Fire & Marine Insurance MBA	• Financial Consulting Specialist Course • Samsung Sales University(SSU) • Samsung Fire & Marine Insurance MBA(insurance marketing expert training course) in connection with Sungkyunkwan University
Samsung Fire & Marine Insurance Sales+	• Enhancing sales competitiveness of face-to-face channels by creating a PC- and smartphone-based work environment → Improving work processing speed and optimizing UI application → Processing all tasks, from customer consultation to contract signing, through a smartphone in a one-stop 24/7 manner
Activity support system	• Supporting the overall customer management process and system, including policyholder management, customer relationship management(CRM) analysis-based customer discovery, and existing customer management
Barotong	• A mobile content delivery system for customers that can be used regardless of time and place → Sending customer insurance needs and familiar touch materials via text message using smartphones, tablets, and PC
Consulting system	• A system that allows RCs to establish a customized insurance plan by reviewing the current customers' insurance subscription history at a glance and checking for insufficient coverage.
Learning platform 'MOVE'	• An e-learning platform that allows self-directed learning without restrictions on time and place using a PC or mobile device.
Sea of Information	• Providing informational content to support sales activities → Sending various DMs produced by the company directly to customers → Supporting activities such as purchasing promotional materials and printing sales materials like leaflets and newspaper articles
SF (Success of Forty)	• Operating 'SF branch' comprised of women aged 30 to 49 seeking re-employment and women with experience → Creating a female-friendly work environment for RCs whose careers have been interrupted due to childbirth and childcare, such as providing training and activity hours tailored to the childcare environment → Employing a total of 881 RCs at the SF branch as of December 2018
R-lim	• Providing personalized mini-blog with photos and greetings from Samsung Fire & Marine Insurance's RC → Addressing insurance needs, and sending related materials and affiliate coupons to customers via KakaoTalk, etc.

Claims Service Partners

Classification	Details
Overseas training program for representatives from excellent partner companies	• Targeting partners with excellent customer service and repair quality • Operating an overseas training program aimed at improving customer service competitiveness and management mindset through the experience of advanced overseas technology
Technical education assistance	• Training on new technology, new car models, and restoration and repair techniques to improve repair quality and prevent a decline in customer vehicle value
Consulting for new roadside assistants	• Providing a program for new dispatchers, including an introduction to CS, sharing the values of the dispatch industry, and improving service levels
Consulting for roadside assistants dispatched to the outskirts	• Providing separate consulting to improve CS and build loyalty for outlying companies that have little opportunity to participate in consulting
Anycar Land establishment course	• Providing entry and start-up consulting for new AnyCar Land branches to improve their competitiveness

Training for Excellent Certified Planners

- Encouraging eligibility for the 2023 Excellent Insurance Planner/Agent Certification and Blue Ribbon Award(awarded when Excellent certification is obtained for 5 consecutive years), hosted by the Non-life Insurance Association, to enhance the professionalism and complete sales of insurance planners
 - Selecting and rewarding outstanding candidates based on criteria such as compliance awareness, number of contracts, and other metrics, and evaluating active training, 13th and 25th* month contract retention rates, and recruitment performance
- 5,384 RCs were granted the Excellent Insurance Planner Certification, accounting for 31% of the total Korean non-life insurance companies in 2023
- 788 RCs were granted Blue Ribbon, accounting for 31% of the total and representing the largest number among Korean non-life insurance companies in 2023

*13th and 25th rounds: Referring to contract maintenance rate indicators, denoting the rate at which an initially concluded insurance contract is maintained for 13 months(1 year) and 25 months(2 years) without losing effect

Promoting Supply Chain Sustainability

Supply Chain Risk Management

Promotion and Monitoring of Partner Sustainability

- Considering health and safety standards, and recommending voluntary signature to comply with the social responsibility and code of conduct when selecting a partner company during the contract process
 - Ensuring compliance with the social responsibility and code of conduct through periodic meetings and monitoring involving partner company executives and employees
- Operating a safety and health council with partner companies to listen to their opinions and incorporate them into our management activities

Grievance Handling Mechanism for Partner Companies

- Holding regular meetings to identify and resolve the grievances of sales partners and compensation partners
- Gathering the opinions of partner companies through the operation of regular Safety and Health Council, and reflecting them in management activities
- Conducting periodic meetings and monitoring with employees of partner companies, checking partners' fulfillment of their social responsibilities in areas such as compliance with business ethics, human rights protection, safety management, and environmental protection
 - Providing incentives such as long-term contracts to excellent companies

Compliance With Laws and Regulations

Classification	Unit	2021	2022	2023
Number of sanctions for violations related to customer information protection by partners, including customer information leaks	Cases	0	0	0

CSR and Community Engagement

Samsung Fire & Marine Insurance is carrying out various social contribution activities such as specialized projects, joint projects, and local contributions, and is striving to return the support received from stakeholders to society.

System for promoting social contribution activities

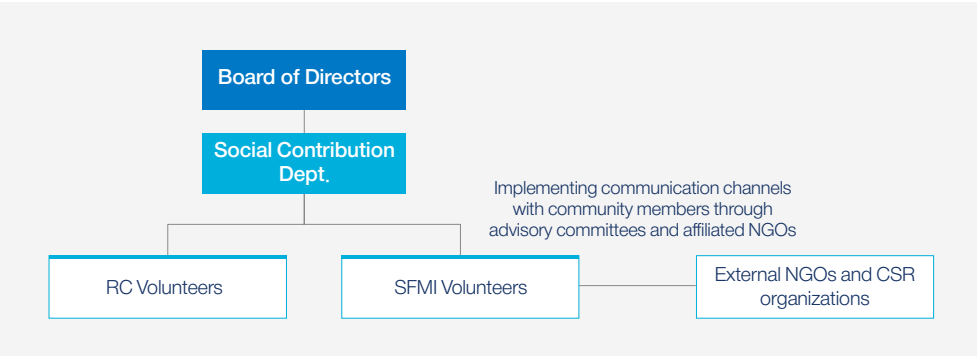
Direction and System for Social Contribution Activities

- Established 'Together for Tomorrow! Enabling People' as the social contribution vision and actively carrying out social responsibilities
- Creating community value by actively promoting various social contribution activities, such as specialized projects linked to business, Samsung joint projects, and local contribution programs

Principles for CSR Activities and Community Engagement



Decision-Making System for Social Contribution Promotion



CSR and Community Engagement

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Major Business-Related Social Contribution Activities

Traffic Safety Academy

- Researching and developing transportation safety policies and enhancing public awareness through Samsung Fire & Marine Insurance Mobility Museum(1998~) and Samsung Traffic Safety Research Institute(2001~) to reduce accidents and mortality rates among vulnerable groups in transportation, which are comparatively high compared to OECD member countries
- Established the Samsung Fire & Marine Insurance Mobility Museum as Korea's first automobile museum, focusing on collecting, researching, and preserving cultural heritage related to transportation, and operating children's education and experience programs, serving as a social education institution that promotes transportation culture and has accumulated 4.6 million visitors as of the end of 2023
 - Expanding the scope to include not only cars but also all forms of mobility such as drones and UAM, while reopening the existing 'Transportation Museum' as the 'Mobility Museum' in celebration of its 25th anniversary of opening(August 2023)
 - Operating 'Anycar Transportation Land', an experiential children's traffic safety education program teaching types of traffic accidents likely to occur in children and ways to prevent them(with 250,000 participants accumulated as of the end of 2023)
- Developing and proposing transportation safety policies for the government and local governments, and carrying out public transportation safety education and promotion activities
 - Contributed to the revision of 57 laws(including Safe Speed 5030 and laws mandating seat belt usage) as of the end of 2023
 - Operating the 'Traffic Safety Policy Advisory Committee' with NGOs, the government and parliament, public and research institutions, and academia, focusing on enhancing traffic safety policies(2022~)
 - Received the Prime Minister's Citation(2018), the Seoul Transportation Culture Award(2010) in recognition of its achievements

Support Project for Guide Dogs for the Visually Impaired

- Operating Samsung Fire & Marine Insurance Guide Dog School(1993~) to assist the safe and independent walking of visually impaired individuals



- Rehoming annually 12-15 guide dogs free of charge since the first guide dog 'Bada' was placed in 1994
- Relocated a total of 285 dogs and retained 77 guide dogs actively working across the country as of the end of December 2023
- A representative social contribution project in which companies, citizens, and the government/local government participate together
 - Conducting key processes such as breeding, rehoming, and managing guide dogs by the company, with citizens participating in volunteer activities like puppy walking and caring for breeding/retired dogs, and the (local) governments establishing social infrastructure such as legislating access to facilities for guide dogs
 - A total of 2,000 families participate in volunteer care for guide dogs, while 300 people participate in dog care volunteering
- Developing campaigns and promotional activities to improve awareness of people with disabilities and guide dogs
 - Revised the Welfare of Persons with Disabilities Act(Art. 40, par. 3) to guarantee the right of service dogs to enter public places and ride public transportation
 - Creating results such as guaranteeing equal access rights not only for guide dogs but also for prospective guide dogs, volunteers, and trainers
- Held a ceremony for the 30th Anniversary of the Program(2023)
 - Produced content and educated children and youth to improve awareness of guide dogs
 - Engaged employees in activities such as placing guide dog welcome stickers and creating educational materials to improve awareness about guide dogs
- Established the 'Guide Dog Steering Committee' to improve fairness and transparency in the operation of the Guide Dog School(2023)
 - Comprising not only internal experts such as the human resources team leader of Samsung Fire & Marine Insurance and guide dog school professionals, but also external experts including officials from the Ministry of Health and Welfare, the chairman of the Companion Animal Medical Foundation, and university professors
 - Performs roles such as reviewing the selection and extension(rehoming) of guide dog partners, providing advice on the social participation of guide dog partners for the visually impaired, and suggesting improvements to the guide dog system



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Introduction to Major Social Contribution Activities

[Go to the Drama for Improving Youth Disability Awareness](#)

Activities to Support the Disabled

Supporting Musically Talented Young People With Disabilities

- Holding 'Poco a Poco' music camp(2008~) and operating the professional performance group 'Viva Chamber Ensemble'(2015~) to provide disabled youth who are talented in music with a variety of stage experiences, thereby helping the people communicate with the world through music
 - Poco a Poco: An Italian term meaning 'little by little', expressing the persistence and endeavor of disabled youth striving to achieve their dream of becoming musicians
- Holding the annual music camp and concert to provide professional lessons and stage experience from music professors
 - The company's executives, employees, and their families participate as camp mentors and concert performers to contribute to the event's success
- Establishing and sponsoring the 'Viva Chamber Ensemble,' a professional performance group composed of developmentally disabled teenagers and young adults
 - Selecting outstanding students with disabilities who have grown through camps and concerts, and providing opportunities for them to become independent professional performers
 - Providing education and training such as regular practice and master classes, and conducting activities to improve social awareness of disabilities through performances



Improving Awareness of Disabilities Among Youth

- Signed an MOU with the Ministry of Education and the Disabled Persons First Movement to spread education and culture empathizing with disabilities and producing 'Disability Understanding Education Videos' to help children and adolescents gain a correct understanding of disabilities(2008~)
 - Producing 'Disability Understanding Drama' for middle and high school students and supporting 'Korea 1st Class,' a program for elementary school students
 - Broadcasting annually on KBS on the Day of People with Disabilities(April 20) and distributing it to schools nationwide to educate students on enhancing disability awareness during class hours
 - Producing a video featuring guide dogs celebrating the 30th anniversary of the guide dog campaign in 2023
- Conducting a contest to improve disability awareness every April for elementary, middle, and high school students across the country, in collaboration with the Disabled Persons First Movement Headquarters and the Kids Hankook Ilbo(2008~)
 - Received a total of 26,353 entries, including student writings and creative works, from 1,492 schools across the country, under the 2023 theme of "My Small Action to Communicate with the Disabled"



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Employee-Participatory Social Contribution Activities

Operation of SFMI Volunteers

- The company's volunteer team composed of employees in each region of the country plays a central role in the company's CSR and community engagement activities(1994~)
 - Approximately 330 employee volunteer teams operate across the country as of the end of 2023
 - Holding 'Samsung Sharing Week' event, engaging the members into intensive volunteer activities every November
- Resumed face-to-face volunteer work, which had been temporarily suspended due to the Covid-19, involving various activities such as visiting department-matching volunteer sites and family volunteering at Hangang Park(March 2023)
- Collaborating with the Red Cross and Hanmaeum Blood Center to conduct employee blood donation campaigns
 - Contributing to addressing blood supply shortages through group blood donation at the head office and visits to individual blood donation centers
- Encouraging employee participation by operating a founding commemorative commendation system, in which additional personnel points and rewards are given to those who excel in social contribution activities



Scholarship Program for Children of Traffic Accident Victims

- Selecting children from families whose parents died in a traffic accident or who have lost financial ability, providing financial support such as monthly scholarships, congratulatory gifts for advancing to higher education, birthday gifts, and holiday gifts(1993~)
- Providing emotional support, such as a mentoring program through 1:1 employee ties and a vacation camp with employee mentors
 - Held emotional support program in 2023 by delivering postcards and books with messages of encouragement to a total of 36 scholarship students, conducted over three sessions



Dream Fund

- Operating the donation fund by employees who voluntarily donate a portion of their monthly salary, with the meaning of 'sharing dreams and hopes with neighbors and the local community'(2001~)
 - Achieved a 75% participation rate in the Dream Fund among the company's FTE by the end of 2023, resulting in an accumulated total of approximately KRW 1.04 billion for the year
- Operating a matching fund system that additionally contributes and accumulates an amount equal to the Dream Fund donated by employees
 - Accumulating and using a total of approximately KRW 23.6 billion by the end of 2023 to sponsor the Viva Chamber Ensemble and operate Hands-on volunteer activities

Online Marketplace to Help Rural Communities

- Running an online farm produce market for employees annually during the Lunar New Year and Chuseok periods
 - Supporting the economy of rural and fishing communities experiencing difficulties such as labor shortages, lack of sales channels, and abnormal weather conditions due to climate change



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Subsidiaries · Global Social Contribution Activities

Dream Car Project

- Providing vehicle inspection and maintenance support to low-income disabled individuals and groups, neglecting vehicle maintenance due to economic difficulties in collaboration with the company's excellent cooperative maintenance companies and the Korea Foundation for the Disabled(2013~)
- Selected a cumulative total of 440 vehicles and provided complimentary maintenance service worth approximately KRW 1.25 billion as of the first half of 2024

Overseas Corporations' Global Social Contribution Activitiest

- Conducting social contribution activities focusing on Southeast Asia
- Supporting underprivileged students through the Indonesian subsidiary, including tuition support for low-income students via the 'B&B program'
- Providing daily necessities to orphanages during Ramadan, considering the region's unique religious culture and the time of year when donations are most active

Indonesian Subsidiary's CSR Activities



University graduation ceremony of a student benefiting from sponsorship activities(Department of Risk Management and Insurance)



Donation activities for orphanages during Ramadan

Collaboration and Joint Activities With Samsung Group Affiliates

Dream Class

- Providing basic learning, future skills, financial education, and career exploration curricula to low-income middle school students who lack educational opportunities(2012~)
- The company has been participating since 2022
- Facilitating a three-dimensional mentoring program involving college students, experts, and employees of Samsung affiliates, with 99,000 middle school students and 25,000 college students participating as of 2023
- Provided financial education to 1,098 students through the employee mentoring program in 2023

Nanum Kiosk

- Implementing a program where employees donate KRW 1,000 each time they tag their employee ID card, with the funds raised delivered to children in the community with rare incurable diseases and to low-income families in need
- Installing Nanum Kiosks at the headquarters starting in May 2022, with local employees also participating in online comment donations
- Total 1,002 employees of the company participated as of the end of 2023
- Using the donations for housing, living expenses, and education expenses for the children receiving support, and enhancing operational transparency by sharing execution results through in-house postings



Respect for Life(Youth Suicide Prevention Campaign)

- Operating jointly with Samsung Financial Networks affiliates such as Samsung Securities, Samsung Card, and Samsung Life Insurance(2022~)
- Developing the Peer Leader Likey Training Project, focusing on strengthening the mental health of middle and high school students and promoting the value of respect for life within schools to address the rapidly increasing problem of youth suicide
- Developed a detailed program in 2022 and started pilot operation in 2023, targeting 1,050 students from 3 schools
- Promoting the gradual expansion of the education target to 2,300 students from 110 schools in 2024 and 3,500 students from 215 schools in 2025
- Operating a suicide prevention SNS counseling channel for crisis support among mobile-savvy youth
- Conducting pilot operation from April to December 2024, with aims to expand operations starting in 2025



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Joint CSR Activities of the Non-life Insurance Industry

- Created a joint CSR fund by the non-life insurance industry to respond to disasters, overcome the low birth rate crisis, and support vulnerable groups, based on the resolution of the Non-Life Insurance Social Contribution Association

Disaster Response

- Signed an agreement with the Ministry of the Interior and Safety and the Hope Bridge Korea Disaster Relief Association to install water barriers in flood risk areas, providing housing support for disaster-stricken areas through 'Hope House' Campaign, and operating a program to support flood and storm insurance in disaster-vulnerable areas(2023~2025)
 - Preventing flood damage by supporting the installation of water barriers in houses such as semi-basement houses, which anticipate heavy damage in the event of heavy rain(Installed the facility in 126 multi-family houses, including 4 welfare facilities and semi-basements as of 2023)
 - Providing the prefabricated house 'Hope House', manufactured for disaster victims in need of temporary living and residential space, and contributing to stabilizing residential life(a total of 10 buildings produced in 2023, currently stored at the Hamyang Disaster Relief Logistics Center)
 - Supporting small business owners and households in disaster-vulnerable areas to sign up for storm and flood insurance, compensating for damage from natural disasters such as typhoons and floods, contributing to rapid recovery(a total of 3,376 subscriptions supported in 2023)
- Supporting living expenses and scholarship for university & college students from families facing financial difficulties due to disasters such as COVID-19, typhoons, torrential rain, and forest fires(2020~)
 - Supported a cumulative total of 818 students as of 2023

Efforts to Tackle Low Birth Rate Crisis

- Signed an agreement with the Seoul Foundation of Women & Family and supporting egg freezing treatment costs(2023-2025)
 - Relieving the burden of egg freezing treatment costs to support women's fertility preservation and contribute to future childbirth
 - Supported a total of 219 people as of September to December 2023

Support for Children of Fire and Police Officials

- Supporting school fees and living expenses for children of firefighters(2012~), police officers(2015~) who died or were injured in the line of duty for public safety
 - Benefited a total of 340 children of firefighters and 373 children of police officers since the start of the project

Financial Inclusion - Non-Financial Support

- Offering inclusive non-financial services that go beyond simple financial support for the underprivileged, helping them gain financial knowledge, expertise, and make informed decisions when using financial products and services

Stepping Stones of Hope

- Providing residential facilities and education in areas such as employment and entrepreneurship to help young people who have aged out of child welfare facilities and foster homes become independent(2016~)
- Providing basic life education, vocational training, career counseling, and local employment support services necessary for independence, particularly focusing on finance and economic capacity-building
- Focusing on capacity-building programs through financial and economic education and one-on-one financial counseling, considering that young people preparing for self-reliance are highly vulnerable to crimes such as fraud and extortion targeting the self-reliance support funds paid upon discharge from facilities
 - Total 519 sessions covering topics such as consumption and savings, real estate and fraud prevention, money saving strategies, investment, and stocks conducted in 2023
- Operating 10 self-reliance support centers across the country as of 2023, with one additional center being prepared to open in the first half of 2024
 - Provided support services to a total of 128 people in 2023 alone, while the total number of beneficiaries on cumulative basis amounts to 27,065

One Company-One School Financial Education

- Establishing ties with elementary, middle, and high schools across the country and providing financial education and club activities to cultivate sound financial knowledge in youth, who are future financial customers, under the supervision of the Korean Financial Supervisory Service(2013~)
 - Was granted the Financial Supervisory Service Director's Award in recognition of the company's contribution, recognized as the first insurance company to lead the promotion of financial education under the initiative(2018)
 - Conducted a total of 144 financial education sessions for 4,808 students at 28 schools in 2023

SF(Success of Forty)

- Operating the 'SF(Success of Forty)' branch focused on women aged 30 to 49(May 2019~)
- Providing an opportunity for experienced women to become financial planners(RC: Risk Consultants) based on their specialized financial knowledge, and offering three months of systematic training to help mothers who have social experience but are unfamiliar with insurance sales to become financial experts
- Organizing training and work hours from 10 a.m. to 4 p.m., including support for children's transportation to and from school, to resolve childcare issues, which are the main reason experienced women hesitate to re-enter the workforce, working as an RC to utilize personal time while working
- 881 experienced women are employed as RCs as of 2023

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Performance of Social Contribution Activities in 2023

Performance of Community Donations, Execution, and Activities in 2023*

Main Status of Social Contribution Activities

Classification			Unit	2023 Performance
	Specialized activities	• Traffic Safety Academy, supporting guide dogs for the visually impaired, etc.	KRW 100 million	61.1
	Joint project with affiliates	• Dream Class, Stepping Stones of Hope, Respect for Life, Nanum Kiosk	KRW 100 million	8.9
	Community engagement activities	• Music education for youth with developmental disabilities, improvement of disability awareness for youth, a scholarship project for children affected by traffic accidents, SFMI Volunteers activities, etc.	KRW 100 million	9.4
	External linkage activities	• One Company-One School financial education, social contribution activities hosted by the Non-Life Insurance Association • Donations such as disaster relief funds, Community Chest of Korea year-end donations, etc.	KRW 100 million	89.6
Total			KRW 100 million	169
Number of volunteers	Own employees		Persons	7,086
	RCs		Persons	6
Service time	Own employees		Hours	16,088
	RCs		Hours	8

Charitable Donations

Classification	Unit	2021	2022	2023
Donation in cash	KRW thousand	4,297,582	6,182,816	10,040,236
Donation in kind	KRW thousand	5,587,066	5,018,788	4,786,364
Indirect cost	KRW thousand	2,647,351	2,357,895	2,071,252

*The cumulative value of performance from January to December 2023



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Tax and Accounting

Samsung Fire & Marine Insurance, conducting business in various countries, complies with the tax laws and regulations of each jurisdiction and transparently reports its tax payment status to stakeholders.

Tax Strategy Framework

Tax policy



Tax Policy

- Operating the business in accordance with tax policies and laws, actively complying with the tax regulations of respective countries, and fulfilling reporting and payment obligations for overseas corporations
- Stipulated principles prohibiting illegal activities such as exploiting differences in tax laws between countries for tax avoidance and using tax havens with no economic substance
- Stipulated provisions for compliance with the arm's length principle in the transfer pricing process
- Identifying, analyzing, and managing tax risks in advance due to changes in accounting standards(introduction of IFRS Stage 2), launching new products and transactions, fulfilling international tax obligations and transfer pricing requirements, and adjusting to changes in related laws and regulations
- Receiving advice from external tax experts and making decisions by considering authoritative interpretations from tax authorities, when necessary
- The ESG Committee reviews the contents of the tax policy and considers revisions once a year

Tax Reporting

Corporate Tax Status

Classification	Unit	2021	2022	2023
Profit before tax	KRW million	1,517,315	1,602,474	2,446,582
Reported taxes	KRW million	392,605	408,626	624,967
Effective tax rate	%	25.9	25.5	25.5
Corporate tax payment	KRW million	309,047	339,648	422,471
Cash tax rate	%	20.4	21.2	17.3
Changes in deferred tax	KRW million	32,315	(62,272)	1,360,374
Effects of tax adjustment changes	KRW million	(1,366)	(9,950)	(992,123)

Tax Reporting by Jurisdiction *

urisdiction	Resident entity	Number of employees**	Revenue	Profit before tax	Income tax accrued	Income tax paid
Republic of Korea	Samsung Fire & Marine Insurance Co., Ltd. ¹⁾	5,528	208,247	24,466	259	4,225
US	Samsung Fire & Marine Management Corporation ²⁾	26	2,351	2	0	0
Indonesia	P.T. Asuransi Samsung Tugu ¹⁾	47	691	43	7	9
Vietnam	Samsung Vina Insurance Co., Ltd. ¹⁾	66	667	109	4	22
Europe	Samsung Fire & Marine Insurance Company of Europe ¹⁾	15	882	109	1	30
Singapore	Samsung Reinsurance PTE Ltd. ¹⁾	31	1,525	213	21	22
UAE	Samsung Fire & Marine Middle East Agency ³⁾	4	11	0	0	0

※ Main activities by corporation: 1) non-life insurance, 2) insurance consulting, 3) agency

*Excluding the Chinese subsidiary due to loss of control following the completion of paid-in capital increase allocated to a third party in 2022, as of the end of December 2023

**The combined value of expatriates and locally hired regular workers(excluding GEs(Global Employees), temporary employees and joint venture executives)

2024 Samsung Fire & Marine Insurance
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Governance

Samsung Fire & Marine Insurance's Board of Directors is structured to guarantee independence from management while ensuring that each member's expertise and diverse backgrounds complement each other. In this way, the role as the highest decision-making body is fulfilled, contributing to the establishment of a sound governance system. In addition, the adequacy of the executive compensation system and the CEO succession plan is carefully reviewed on a regular basis to ensure the company's long-term growth alongside stakeholders.

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Establishment of a BOD-led Corporate Governance

- The BOD serves as the highest permanent decision-making body, deliberating and deciding on matters stipulated by laws or the articles of incorporation and matters delegated by the general shareholders' meeting, and important matters related to the company's basic management policies and business execution
- Authorizes the appointment and dismissal of the CEO and Chairman of the Board of Directors in accordance with relevant laws and regulations
- Comprises 3 internal directors and 4 independent directors with expertise and diverse backgrounds*, while improving the rationality of decision-making through various support systems and collaboration with the BOD Secretariat
- The company discloses the status of the board of directors, governance structure, and major changes in the business report and the annual report on governance and the compensation system


Classification	Unit	2021	2022	2023
Average term of office for board members**	Years	3.4	1.5	1.2
Average board meeting attendance rate of board members	%	100	100	100
Re-election cycle of board members***	Years	3	3	3
Board members are elected individually	Yes/No	Yes	Yes	Yes
Reduction of liability	Executive liability insurance enrollment	Yes/No	Yes	Yes
	Occurrence of leadership-related issues	Cases	0	0

Internal Directors




Mun Hwa Lee(Male)

- Economics at Sungkyunkwan University
- Head of SFMI Customer Product Channel(CPC) Strategy Department
- Head of SFMI Commercial Line Division
- Head of the Strategic Channel Headquarters at Samsung Life Insurance
- (Current) CEO and President of Samsung Fire & Marine Insurance



Seong Woo Hong(Male)

- BA in Philosophy from Sogang University(Secondary Economics)
- Head of SFMI Personal Lines Marketing Team
- Head of SFMI CPC Strategy Department
- Head of SFMI Corporate Management Support Division
- (Current) Head of SFMI long-term Insurance Division(Vice President)



Jun Ha Kim(Male)


- BA in Business Administration from Korea University
- Head of SFMI Affiliate Business Department
- Head of SFMI Planning Team 1(Managing Director)
- Head of SFMI Strategic Channel Marketing Team
- (Current) Head of SFMI Corporate Management Support Division
- (Current) CFO at Samsung Fire & Marine Insurance

Independent Directors



Jin Hei Park(Male)

- MSc in Economics from London School of Economics
- President of Citibank Korea
- Member of Financial Hub Promotion Committee, Financial Services Commission
- Independent Director at Toss Bank
- (Current) Co-Vice Chairman of the 2030 Carbon Neutral ESG Sharing Forum held by Chung-Ang University
- (Current) Independent Director at SK Innovation
- (Current) Chairperson of the Board of Directors of Samsung Fire & Marine Insurance****



Yung Hoon Sung(Male)

- Doctor of Laws from Yonsei University(completed)
- Chairperson of the Anti-Corruption and Civil Rights Commission
- (Current) Mediation member of Seoul Central District Court
- (Current) Lawyer at BKL LLC.
- Independent Director at Lotte Capital
- (Current) Independent director at BGF
- (Current) Director of Catholic Education Foundation



Seong Yeon Park(Female)

- PhD in Marketing from Northwestern University
- (Current) Professor of Department of Business Administration at Ewha Womans University
- Independent director at Hyundai Marine & Fire Insurance
- (Current) Vice President of Korean Marketing Association
- (Current) Director of the Korea Post Foundation
- Director at the Beautiful Foundation



So Young Kim(Female)

- Doctor of Laws from Seoul National University(completed)
- Judge at the Supreme Court
- Director of the Court Administration
- Director of the Research Center for South Korean Legal Affairs
- (Current) Chairperson of the Korea Press Ethics Commission
- (Current) Lawyer at Kim & Chang
- (Current) Chairperson of the NAJUN Foundation
- (Current) Independent director of Hyosung

*As of April 2024
**As of April of the following year
***Being the first term stipulated in Samsung Fire & Marine Insurance's internal regulations on governance, the maximum term of office for independent directors is limited to 6 years to ensure the reasonable operation of the board of directors
****Newly appointed in March 2024, with no prior experience as CEO, executive, or board chairman of Samsung Fire & Marine Insurance

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Governance

Independence, Expertise and Diversity of the BOD

Independence

- Comprising more than half of independent directors for the board of directors and appointing an independent director as the chairperson
- Comprising all committees under the Board of Directors with a majority of independent directors, except for the Management Committee, and comprising all members of the Audit Committee, which requires special operational independence, of independent directors as stipulated in the Commercial Act
- Minimizing factors that impede independence by preparing a <Board of Directors Independence Policy> as well as related laws, such as the Commercial Act and the Act on Governance of Financial Companies, when reviewing and recommending candidates

Standards for Independence of the Board of Directors

First, members of the BOD must meet the qualification requirements for executives and independent directors as stipulated in relevant laws and regulations(Articles 5 and 6 of the Commercial Act and the Act on Corporate Governance of Financial Companies).

Second, an independent director shall meet the following qualifications:

- ❶ An independent director shall be a person who has abundant expertise or practical expertise required of an independent director of a financial company in finance, economy, business, accounting, law, or other relevant areas.
- ❷ An independent director shall be a person who can execute given tasks in a fair manner as an independent director, and is free from particular interests but for the benefit of all shareholders and consumers.
- ❸ An independent director shall be a person who has an ethical mindset and a sense of responsibility required of an independent director to undertake work.
- ❹ An independent director shall be a person who can spend sufficient time and effort to fully undertake work as an independent director of a financial company.

Third, appointment of an independent director candidate is restricted if they meet the following conditions:

- ❶ A person who worked as an executive of Samsung Fire & Marine Insurance in the year immediately preceding the date of appointment
- ❷ A person having a relative who is an executive of Samsung Fire & Marine Insurance and its parent company or subsidiary
- ❸ A person who served as an advisor or consultant to the top management of Samsung Fire & Marine Insurance or the company, or worked for such a company
- ❹ A person who worked at Samsung Fire & Marine Insurance's major customers or partner companies, etc.
- ❺ A person who signed a personal service contract with Samsung Fire & Marine Insurance or the company's top management
- ❻ Specially related persons of the non-profit organizations(NGOs) that receive a significant level of donations from Samsung Fire & Marine Insurance
- ❼ A person who was an external auditor of Samsung Fire & Marine Insurance or an employee of the company in the year immediately preceding the date of appointment
- ❽ A person whom the Board of Directors and the Executive Candidate Nomination Committee determine may have impaired independence due to conflict of interest factors, etc.

Fourth, members of the BOD who have a special interest in a resolution shall have their voting rights restricted on the relevant agenda.

Professionalism

- Reviewing the pool of independent director candidates involving the Executive Candidate Nomination Committee under the Board of Directors evaluating not only the passive qualifications of executives under relevant laws but also active qualifications such as expertise and job suitability from various angles, recommending them as final executive candidates to the BOD and the general shareholders' meeting
- Having seven members with various academic and industrial expertise performing decision-making functions, and being supported by the company in sharing the agenda before the board meeting

Board Skill Matrix*

- The company analyzes board members' competency indicators such as educational background and work experience, and utilizes them for board operations and member selection

Classification	Mun Hwa Lee	Seong Woo Hong	Jun Ha Kim	Jin Hei Park	Young Hoon Seong	Seong Yeon Park	So Young Kim
Leadership**	●	●	●	●	●		●
Financials/ Insurance	●	●	●	●	●		
Management	●	●	●	●		●	●
Accounting & Finance		●	●	●			
Law					●		●
ESG & Consumer Protection				●	●	●	
Marketing		●	●			●	●
Other industry experience***				Energy	Consumer Discretionary		Materials, Information Technology

*As of April 2024

**Experience as CEO, CFO, or head of an affiliated organization

***Reflecting independent director So Young Kim's experience as an independent director at a business holding company(Hyosung Co., Ltd.)

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[Policy on Diversity of BOD](#)

Activities to Enhance the Expertise of Board Members

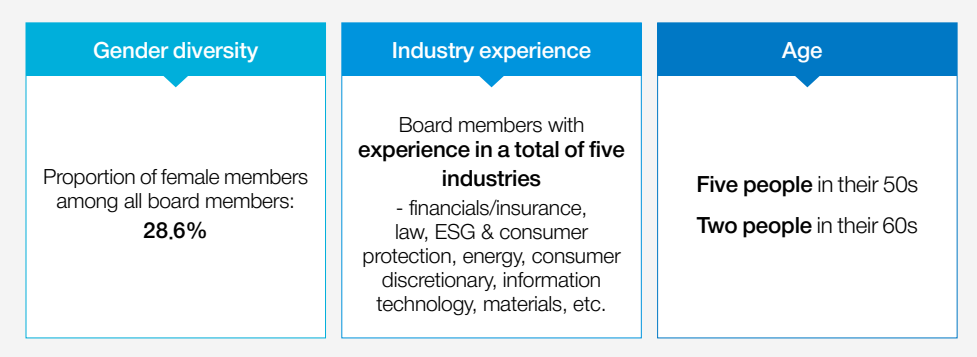
- Improving understanding of the internal and external business environment among the board of directors, by regularly receiving management performance data and the latest information on finance, industry trends, and humanities-related education, and sharing the company's long-term growth vision
- Improving expertise in committee work through specialized training, conducted twice for the Audit Committee and three times for the Risk Management Committee
- Providing support for sharing and reviewing agenda items prior to board meetings, and stipulating in the internal governance regulations that independent directors can receive support from external experts when necessary

Education Date	Participant(s)	Field	Contents
Jan. 09, 2023	All independent directors	Financials	2023 New Year's address
Jan. 05, 2023	Sung Jin Kim	Financials, economics	Economics, trend, and humanities learning content
Mar. 20, 2023	Seong Yeon Park	Financials, economics	Economics, trend, and humanities learning content
Apr. 05, 2023	Jin Hei Park	Financials, economics	Economics, trend, and humanities learning content
May 24, 2023	All independent directors	Financials, economics	2023 1 st quarter business performance briefing
Jun. 08, 2023	Sung Jin Kim, Jin Hei Park, So Young Kim	Financials, management	Company briefing for independent directors- company introduction, management status and 2023 direction, mid- to long-term strategies and pending issues, etc.
Jun. 08, 2023	Jin Hei Park, So Young Kim	Risk Management	Regular training for risk management committee members - risk management decision-making system, framework, etc.
Jun. 08, 2023	Sung Jin Kim, Jin Hei Park, So Young Kim	Audit (accounting)	Regular audit training for independent directors - IFRS17overview and impact of introduction
Jun. 20, 2023	So Young Kim	Risk Management	Supervisory and internal standards solvency ratio
Jun. 22, 2023	Seong Yeon Park	Audit (accounting)	Regular audit training for independent directors - IFRS17overview and impact of introduction
Aug. 14, 2023	All independent directors	Financials, economics	2023 2nd quarter business performance briefing
Nov. 13, 2023	All independent directors	Financials, economics	2023 3rd quarter business performance briefing
Dec. 19, 2023	Jin Hei Park, So Young Kim	Risk Management	2024 company-wide risk appetite setting(draft) briefing

Diversity

- The company has stipulated that not only the diversity of experience and expertise of board members but also gender, race, ethnicity, and place of origin are taken into consideration in the process of managing and selecting independent director candidates through the <Policy on Diversity of BOD>

Diversity of Board Members*



*As of April 2024

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Governance

Operation of the Board of Directors and Subordinate Committees

Operation of the Board of Directors

- The BOD discussed a total of 78 agenda items at 13 board meetings in 2023
- The company ensures the board's effective decision-making responsibility by setting the minimum attendance rate for each member at 90%, with the average board participation rate in 2023 being 100%
- Prohibiting independent directors from concurrently serving as directors, executive officers, or auditors at two or more companies other than the company in accordance with related laws, such as the Enforcement Decree of the Act on Corporate Governance of Financial Companies, while all independent directors currently meet the applicable standards

Performance of Discussions on Major ESG-Related Agendas of the Board of Directors in 2023

Classification		Unit	2021	2022	2023
Number of meetings		Times	9	9	13
	Minimum attendance requirement	%	90	90	90
	Actual attendance	%	100	100	100
Number of referring by agenda type	Decision	Cases	43	51	50
	Report	Cases	21	25	28

Classification	Number of referring in 2023	Main agenda*	Note
Internal audit, ethics & compliance management, and internal control system	8	• Report on 2022 year audit results • Report on the operation of the anti-money laundering system in the second half of 2022 • Report on the operation status of the internal accounting management system • Evaluation report on the operating status of the internal accounting management system • Appointment of Samsung Compliance Monitoring Committee members • Amendment of Internal Transaction Committee regulations • Report on the internal control system and operation status inspection results and education status in the first half of 2023 • Report on the operation of anti-money laundering system in the first half of 2023	All resolution items passed
		• Appointment of the chairperson of the Board of Directors • Matter of setting director compensation • Comprising a committee within the Board of Directors • Appointment of the CEO • Report on the evaluation results of the Board of Directors and its committees	

Classification	Number of referring in 2023	Main agenda*	Note
Management and selection of independent directors and executive candidates	10	• Report on management status of independent director candidates • Report on the management status of the CEO candidate group • Review of the adequacy of the CEO's management succession plan	All resolution items passed
Improvement of shareholder rights	1	• Adoption of electronic voting at the 73rd regular general meeting of shareholders	All resolution items passed
Customer-Centered Management	7	• Report on performance of credit information management and guardian duties in 2022 • Report on the results of the Financial Supervisory Service's autonomous assessment of financial consumer protection status in 2022 • Report on the status of major tasks related to consumer protection in 2022 and consumer protection work plan in 2023 • Amendment of consumer protection standards • Report on the results of the 2023 consumer protection internal control system and operation status inspection • Report on revisions to the operating regulations of the Consumer Protection Internal Control Committee	All resolution items passed
Risk Management	2	• Approval of the 2022 Own Risk and Solvency Assessment(ORSA) System • Appointment of risk management manager	All resolution items passed
CSR and community engagement	1	• Execution of donations	All resolution items passed
Safety and health management	1	• Report and approval of 2024 safety and health plan	All resolution items passed
Employees and improving organizational culture	1	• Additional contribution to the company's labor welfare fund	All resolution items passed

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Improving the efficiency of board operation

Committees under the Board of Directors

- Establishing and operating seven committees under the Board of Directors to efficiently manage the Board and make rational decisions that reflects the expertise of its members
- The company appoints a majority of independent directors to all committees under the BOD(except for the Management Committee), and comprises only independent directors to the Internal Transaction Committee and the Audit Committee which require special objectivity in their work

Classification	Internal Director			Independent Director			
	Mun Hwa Lee	Seong Woo Hong	Jun Ha Kim	Jin Hei Park	Young Hoon Seong	Seong Yeon Park	So Young Kim
Audit Committee				● Chair	●	●	
Management Committee	● Chair		●				
Internal Transaction Committee				●		● Chair	●
Risk Management Committee			●		● Chair		●
Remuneration Committee			●			●	● Chair
Executive Candidate Nomination Committee	●			● Chair	●		
ESG Committee	●			●			● Chair

*As of April 2024

Audit Committee

- Ensures reasonable business judgment by management, provides opinions through pre- and post-deliberation on the agenda of the BOD and supervises the legality and appropriateness of business

Classification	Unit	2021	2022	2023
Composition	Persons	3	3	3
	Finance expert	Persons	2	2
	Industry expert	Persons	0	1
	Independent director ratio	%	100	100
Number of times held	Times	6	7	6

Major agenda items discussed in 2023	• Report on audit work results in 2022 and audit work plan in 2023 • Report on the operation status of the internal accounting management system • Report on internal audit council inspection results in 2022	• Report on the status of execution of external donations • Regular daily audit report • Consent to the appointment and dismissal of the head of the audit auxiliary organization
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Management Committee

- Enhances the efficiency of the BOD by making important decisions related to general management matters, asset management, and significant issues except for those that are specifically designated to be resolved by the BOD according to the Articles of Incorporation, and relevant laws and regulations

Classification	Unit	2021	2022	2023
Composition	Persons	2	2	2
	Independent director ratio	%	0	0
Number of times held	Times	3	5	4

Major agenda items discussed in 2023	• Overdraft agreement • Execution of donations • Subscription to executive liability insurance
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Internal Transaction Committee

- Established to improve the transparency of internal transactions between Samsung affiliates
- Oversees internal transactions, deliberates on decisions, takes corrective actions and makes suggestions if required, while conducting prior deliberations on major internal transactions with major shareholders, and executives before final approval by the BOD

Classification	Unit	2021	2022	2023
Composition	Persons	3	3	3
	Independent director ratio	%	100	100
Number of times held	Times	5	5	7

Major agenda items discussed in 2023

- Deliberation on changes to build an integrated platform with Samsung Life Insurance, Samsung Card, and Samsung Securities
- Deliberation on purchase of beneficiary certificates
- Deliberation on the contribution to the company's labor welfare fund

Risk Management Committee

- Installed for efficient risk supervision and policy establishment
- Reviews the enactment(revision) of risk management regulations, establishes company-wide direction and risk appetite for risk management, sets risk tolerance limits, and assesses management status

Classification	Unit	2021	2022	2023
Composition	Persons	3	3	3
	Financial expert	Persons	3	2
	Independent director ratio	%	66.7	66.7
Number of times held	Times	6	5	6

Major agenda items discussed in 2023

- Report on the results of crisis situation analysis
- Report on supervision standards and internal standards solvency ratio(RBC)
- Progress and future plans for internal risk model improvement
- Establishment of company-wide risk appetite(draft) and risk tolerance limit(draft) for 2024

Executive Candidate Nomination Committee

- Performs candidate recommendation and selection by managing candidates for independent directors, CEOs, and audit committee members appointed at the BOD and general shareholders' meetings, while checking qualifications such as expertise, independence, and suitability
- Minimizes management risks due to a leadership vacuum by regularly receiving and managing CEO candidates from support departments and reviewing (emergency) management succession plans once a year

Classification	Unit	2021	2022	2023
Composition	Persons	3	3	3
	Independent director ratio	%	66.7	66.7
		Times	5	5
Number of times held	Agenda related to audit committee candidates	Times	1	1
	Agenda related to CEO candidates	Times	2	3

Major agenda items discussed in 2023

- Management of independent director candidates
- Recommendation of independent director candidates
- Recommendation of candidates for audit committee members
- Management of CEO candidates
- Recommendation of CEO candidate

Remuneration Committee

- Conducts periodic inspections of the design, operation, payment decisions, and appropriateness of the compensation system applied to management, including executives and CEOs, based on the harmony between the company's performance and risk

Classification	Unit	2021	2022	2023
Composition	Persons	3	3	3
	Independent director ratio	%	66.7	66.7
Number of times held	Times	5	4	5

Major agenda items discussed in 2023

- Change in operating regulations for executive long-term incentive system
- Performance evaluation of executive directors in 2022
- Review of the compensation limit for registered directors in 2023
- Arrangement of compensation for registered directors in 2023
- Payment of long-term incentives to executives from 2020 to 2022
- Resolution on payment of long-term incentives to executives in 2024

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ESG Committee

• Establishes sustainability-related policies and strategies, while performing performance management and supervision functions for major ESG management activities by area, to realize the company's sustainable growth and value creation

Classification	Unit	2021	2022	2023
Composition	Persons	3	3	3
	Independent director ratio	%	66.7	66.7
Number of times held		Times	2	2

Major agenda items discussed in 2023

- **Reporting on ESG status and plans for the first half of 2023**
 - Identification of the areas requiring improvement in each ESG area and establishment of implementation tasks
 - Reporting on the status of publication of integrated reports reflecting global disclosure standards
 - Expansion of the scope of application of responsible investment policies(from coal to fossil fuels)
 - Performance of internalization activities for executives and employees using ESG content('EuSsuGi' character, executive and employee eco-friendly campaign(Eco+Office), participation in Earth Hour, etc.)
- **Reporting on the status of ESG progress in 2023**
 - Membership in the RE100 and the establishment of a goal to achieve 100% renewable energy proportion by 2040
 - Establishment of a disclosure system for financial information related to biodiversity, starting with joining TNFD
 - Measurement and disclosure of financed emissions based on PCAF methodology
 - Promotion of environmental management: Calculation of the GHG emissions and promotion of a carbon-neutral portfolio, transition to renewable energy such as starting Korean Green Premium purchases, and conducting other activities to raise ESG awareness among executives and employees, etc.
- **Reporting on ESG promotion plan for 2024**
 - Promotion of response to mandatory ESG information disclosure
 - Promotion of information disclosure in accordance with TNFD recommendations
 - Planning and publication of the ESG Report based on key issues derived from the double materiality assessment results
 - Promotion of the achievement of 2050 Net Zero(Scope 1, 2) goals: Internal GHG emissions reduction, renewal of ISO 14001 and 50001 certifications, conversion to renewable energy
 - ESG internalization activities: Expansion of employee participation through eco-friendly projects

Appointment and Re-appointment of Board Members

Appointment of Board Members

- The Executive Candidate Nomination Committee confirms the candidate group by comprehensively considering both disqualifications prescribed by relevant laws such as the Act on the Corporate Governance of Financial Companies and qualifications such as expertise, job fairness, ethics, responsibility, and diligence for personnel recommended through various channels
- Recommending confirmed executive candidates and executives in need of re-appointment upon expiration of their term to the board of directors, and appointing candidates by submitting and approving individual appointment agendas for each candidate at the general shareholders' meeting
 - The company currently manages 38 independent director candidates including the current independent director and 41 CEO candidates*

Board Members' Term of Office

- The company has set the initial term of office for independent directors for 3 years, with reappointment possible within 3 years, and the total term of office to be at a maximum of 6 years
 - The term range is judged to enable rational decision-making by independent directors, while implementing responsible management centered on shareholder value and pursuing mid- to long-term growth of the company, moving away from the pursuit of short-term profits

*As of the end of February 2024

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Performance Evaluation and Compensation for the Board of Directors and Executives

Board Performance Evaluation

- Conducting annual performance evaluations after the end of the accounting period to assess board members(including independent directors), determining whether reasonable decision-making tasks are being performed, and identifying areas for improvement in future board operations
- Evaluating board members, based on the attendance rate of each board member(20% overall) and survey assessments conducted by the independent directors themselves and the Board Secretariat(each 40%)
 - Conducting an absolute evaluation separately based on expertise, understanding, and fairness, including the fairness and sincerity in performing duties of independent directors, efforts to promote communication between shareholders and management, overall understanding of the insurance industry, and initiatives to enhance decision-making expertise
- Planning to review the outsourcing of advisory services for the overall evaluation system if an external organization capable of conducting objective board performance evaluations operates stably

Evaluation Results for Board Members in 2023

Classification	Qualitative Evaluation Criteria				Quantitative Evaluation Criteria
	Professionalism	Fairness	Ethical Responsibility	Fidelity	Attendance Rate(%)
Sung Jin Kim	Excellent	Excellent	Excellent	Excellent	100
Seong Yeon Park	Excellent	Excellent	Excellent	Excellent	100
Jin Hei Park	Excellent	Excellent	Excellent	Excellent	100
So Young Kim	Excellent	Excellent	Excellent	Excellent	100
Final score	4.98/5.00				

- Confirmed that all independent directors make independent decisions based on their expertise and strive to communicate smoothly with management from a shareholder perspective as a result of the evaluation conducted in February 2024
- Planning to proceed with securing sufficient time to review the agenda when operating the board of directors, providing prior explanations of the agenda to independent directors, supplying supplementary materials, and holding regular company briefing sessions in the future

Performance Measurement and Linkage to Compensation

Classification	Indicator type	Major indicators by category
Company-wide performance measurement	Financial	• Profitability indicators: Earnings per share, pre-tax profit ratio, stock price return • Productivity indicators: Insurance retention rate
	Non-financial	• Soundness indicators: Compliance management • Customer satisfaction indicators: VOC evaluation conducted by Financial supervisory Service • Risk indicators: Loss rate, safety and environmental accident occurrence
Performance measurement for executives*	Financial	• Earnings per share, pre-tax profit, stock price return
	Non-financial	• Utilization of non-financial indicators considering the job characteristics of each executive position

Operation of Compensation System for Executives* to Ensure Mid- To Long-Term Responsible Management

- Recalculating long-term incentives in relation to stock prices and then deferring the payment over a period of 3 years or more as stock-linked products to encourage responsible management activities by executives(CEO included) among the payment amounts calculated according to the performance evaluation results of executives**
 - Adjusting the amount of granted cash or stock based on the performance compared to the KPI imposed on individual executives
 - Paying short-term performance compensation in conjunction with the company's management goal achievement rate, organizational performance, and excess profits
 - Increasing the proportion of long-term incentives among the payment amounts from 60% to 75% in 2023
- Stipulated in the company's Internal Governance Regulations that executives' remuneration may be subject to clawback in cases where executives violate company regulations, intentionally interfere with business activities, or act against the company's interests, causing damage

Classification	Unit	2021	2022	2023
Rate of long-term incentives for executives	%	60	60	75
Deferral period of long-term incentives for executives	Years	3	3	3

*Including CEO
**Excluding financial investment managers from deferred payment scheme due to the nature of their work and difficulties associated with delineating accountability for risk

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CEO's Compensation

Classification	Unit	2021	2022	2023
Guidelines for variable compensation of CEO	Yes / No	Yes	Yes	Yes
CEO's long-term incentives ratio	%	60	60	75
Longest performance evaluation period for CEO	Years	3	3	3
Longest vesting period for stock-based incentives granted to the CEO	Years	4	4	4

Classification		Unit	2021	2022	2023
Remuneration of CEO and employees	Total CEO annual remuneration	KRW million	2,346	1,764	804*
	Average remuneration for executives and employees**	KRW million	127	136	143
	Median remuneration of executives and employees	KRW million	127	137	145
Comparison of CEO total annual remuneration with employee remuneration	Compared to average value	Times	18.5	13	5.6
	Compared to median	Times	18.5	12.9	5.5
Comparison of the total remuneration of the highest-paid person with the remuneration of employees	Compared to median	Times	18.5	12.9	17.2

*As of December 31, 2023, reflecting the change in CEO and the acting CEO duties performed by an internal director due to this change
**Including unregistered executives(CEO excluded)

CEO Management Succession

CEO Management Succession System

- Enacted the CEO management succession regulations through a resolution of the BOD to minimize leadership risk due to the CEO's absence(2015) and integrated these regulations into the internal governance regulations(2018)
- Comprising the CEO management succession regulations, including the minimum qualifications for the CEO, reasons for initiating management succession procedures, candidate selection process and review criteria, and emergency succession policy

Management Succession Process

- Selecting CEO candidates based on satisfaction of the requirements of the Act On Corporate Governance Of Financial Companies, vision as a director of a financial company, a combination of leadership and management innovation mindset, and alignment with the direction for the company's long-term growth, and stipulating these conditions within governance internal norms
- Reviewing each candidate's qualifications and expertise from various perspectives, and approving the final group of candidates by the Board of Directors and the Executive Candidate Nomination Committee, through regular reports from the support department on the management status of the CEO candidate group
 - Reporting to the Executive Candidate Nomination Committee by the support department in charge of management succession in September and December on CEO candidates
 - The Executive Candidate Nomination Committee approved a total of 41 final candidates as a result of review
- Initiating the management succession process upon the expiration of the incumbent CEO's term of office by the Board of Directors, and recommending candidates within 30 days from the start of the process to prevent a management vacuum, by the Executive Candidate Nomination Committee

Management Succession in Emergency Situations

- Initiating the emergency management succession procedure if the CEO experiences a major disruption in the performance of duties due to unavoidable circumstances such as health reasons
- Appointing an acting representative without delay to minimize the management vacuum by the Board of Directors, and confirming final candidates within 30 days of the start of the process
- In cases of delay, the company discloses the reason, the acting CEO until appointment, company operations, and the future CEO appointment schedule

Enhancing shareholder value

Samsung Fire & Marine Insurance pursues long-term growth of the company and increased shareholder value through various activities and systems.

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Status of Major Shareholders

Composition Status of Major Shareholders

Classification	Relationship with Samsung Fire & Marine Insurance	Number of Shares Owned(Shares)*	Share Ratio(%)
Samsung Life Insurance	Largest shareholder	7,099,088	14.98
National Pension Service**	Government agencies with more than 5% shareholders	3,233,647	6.83
Samsung Foundation of Culture	Non-profit corporation affiliated with the largest shareholder	1,451,241	3.06
Samsung Welfare Foundation	Non-profit corporation affiliated with the largest shareholder	170,517	0.36
Jae-yong Lee	Members of the founding family	44,000	0.09

Management* Ownership

Classification	Position	Number of Shares Owned(Shares)*	Value of Stocks Held (KRW million)***	Director's Remuneration (Based on Basic Salary, KRW Million)
Seongwoo Hong****	CEO	102	26.8	804
Jun Ha Kim	Internal director	180	47.3	529
Won Hak Hong*****	Former CEO	0	0	2,471

Classification	Unit	2021	2022	2023*
Shareholding ratio of directors and CEO	%	0.01	0.01	0.00
Average number of stock holdings by non-CEO executives*****	Stock	83.2	61.4	217.3

Other Stock Distribution Status

Classification	Unit	2021	2022	2023*
Treasury stock	%	15.9	15.9	15.9
Foreigners	%	47.8	49.9	52.9

*Based on common shares owned as of December 31, 2023
**Golden shares not introduced for government agency shareholders
***('number of shares held') (share price at the end of the year 2023)
****CEO inaugurated on December 1, 2023
*****CEO resigned on December 1, 2023
*****Executive management members including Jun Ha Kim, an internal director

Guaranteeing Shareholder Rights

Samsung Fire & Marine Insurance shareholder return information

Guaranteeing Shareholders' Right to Know

- Introducing the company's vision, goals, management status, outlook, strategy, and competitiveness in detail to stakeholders, including shareholders, through corporate information sessions such as Non-Deal Road-Show(NDR) and participation in various conferences, and incorporating their feedback into the company-wide management strategy after collecting opinions from shareholders and investors and reporting them to management
- Providing financial information and performance data through website disclosures and the Financial Supervisory Service's electronic disclosure system
- Disclosing the English Integrated Report and Audit Report to ensure information accessibility for international shareholders and investors
- Publishing the dividend policy, dividend payout ratio for the past 5 years, dividend per share, etc., on the website

General Shareholders' Meeting

- Introducing an electronic voting system through a resolution of the BOD before each general shareholders' meeting, while implementing a proxy voting system for all shareholders, and disclosing all relevant regulations

Classification	Unit	2021	2022	2023
Investor Relations(IR) session	Times	12	16	13
Disclosure	Voluntary	Cases	0	1
	Correcting	Cases	3	1
Notice of the agenda before the general shareholders' meeting	Yes/No	Yes	Yes	Yes
Deadline for the annual report on the governance and compensation system to be disclosed before the general shareholders' meeting	Number of days prior to the deadline	22	22	22
Deadline for the audit report to be disclosed before the general shareholders' meeting	Number of days prior to the deadline	8	8	8

Risk Management

Samsung Fire & Marine Insurance, a leading domestic financial company, has implemented a risk management system, recognizing the importance of timely identifying and responding to internal and external risk factors for long-term value creation and growth. The company conducts periodic reviews and monitors financial soundness indicators through scenario analysis that reflects various financial and non-financial risk factors. Emerging risks that may significantly impact the company in the future are being identified to prepare response strategies. Additionally, activities to raise awareness of risk management are conducted.

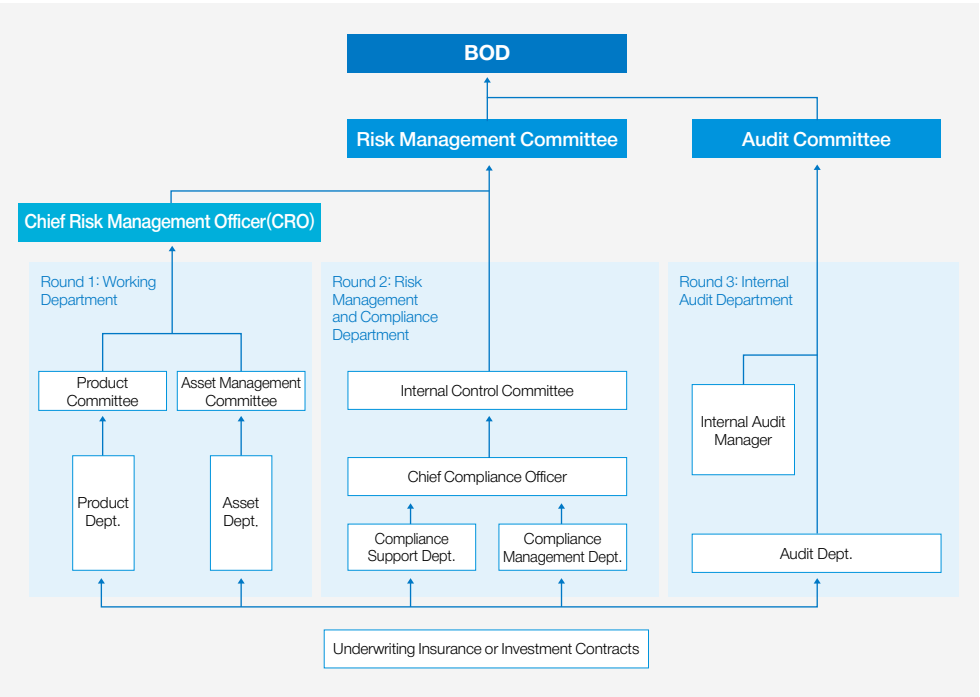
Risk Management System

- Established a Three Lines of Defense(3LoD) model for systematic risk management, consisting of three stages—the first-stage operational department, the second-stage risk management and compliance department, and the third-stage internal audit—and operating an integrated company-wide risk management system centered around the BOD

BOD

- Serves as the company’s highest decision-making body for risk management
- Reviews the results of the Own Solvency Ratio Assessment(ORSA), evaluating company-wide Risk Appetite, management principles, and the adequacy of internal solvency under peacetime and emergency situations once a year

3LoD Internal Control Model for Risk Management



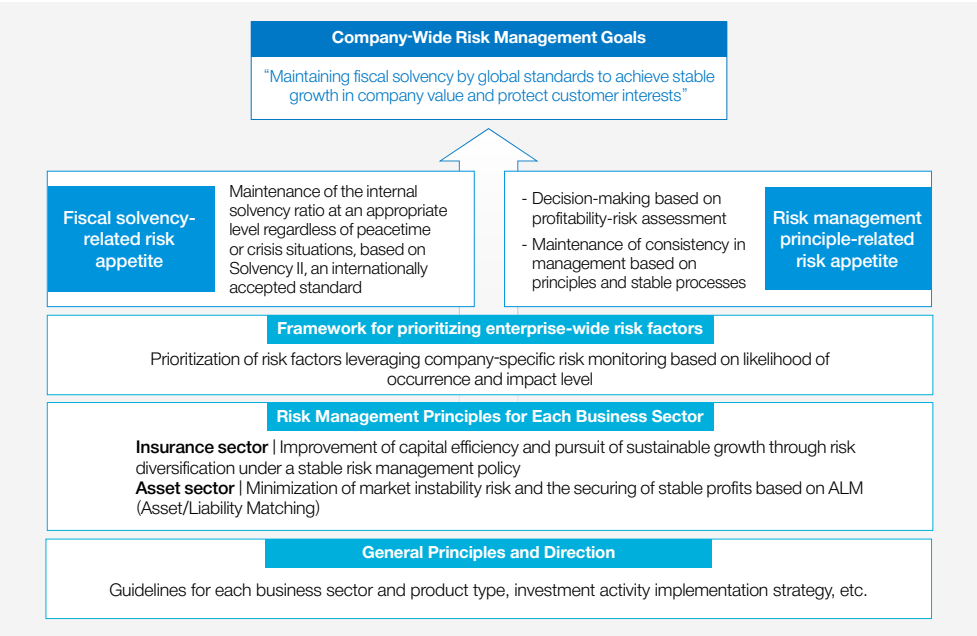
Risk Management Committee

- Determines risk management strategies and risk tolerance
 - Establishes a response plan when the allowable limit is exceeded or a significant risk occurs, based on a report from the CRO
 - The company conducts regular education on the risk management system, direction, solvency system for the Committee members
- Completed a total of two training sessions in 2023

Chief Risk Management Officer(CRO)

- Reflecting risk management policies and strategies established at the board level in practice
- Establishing management plans for each non-quantifiable risk with support from a dedicated risk management department

Risk Framework



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Risk Management

Internalization of Company-Wide Risk Management Culture

Early Response and Management System for Risks

- Established a pre-compliance system accessible to employees for identifying potential compliance risks in business operations, by operating a dedicated company-wide risk management organization and designating a compliance audit manager for each organization
- Developing and promoting business based on ideas and suggestions from executives and employees regarding the risk management system identified through regular and ad-hoc meetings, and reflecting them in the risk management process

Risk Management Training

- Completed education for all independent directors(5 times in total) on managing company-wide financial risks, including the impact of the introduction of new solvency systems such as IFRS 17 and K-ICS on fiscal solvency, the decision-making system for risk management, the risk management framework, and company-wide risk appetite setting(2023)
 - Conducted regular training on overall risk management twice in total for Risk Management Committee members

Classification	Unit	2021	2022	2023
Regular risk management education for Risk Management Committee members	Times	4	2	2

- Providing risk management education opportunities to employees through internal and external education such as in-house education, study groups, and risk management expert courses, to foster risk management experts and spread a company-wide risk management culture
 - Providing risk assessment system education, investment/RM courses hosted by the Korea Insurance Institute

Integrating Risk Management Into the Insurance Product Design Process

- Considering various product sales risks, including those from the Asset Liability Management(ALM) perspective, when planning to launch a new product
- Operating a working committee comprised of asset, insurance, and risk management departments to review corporate embedded value(EV)* and new product risks
- Reviewing consistency and feasibility of calculation method by holding quarterly EV evaluation committee

*Including, but not limited to, renewal premium and efficiency index

Integrating Risk Management Elements(KPI) Within Performance Evaluation

- Including risk indicators such as loss ratio and safety environment accidents within the management compensation system standards, which are regularly reviewed and decided by the Remuneration Committee
- Operating a performance evaluation and compensation system for risk management department heads to reflect the unique characteristics of their work
 - Including elements such as risk management capabilities, embedment of relevant important information, and stable management of high-risk capital in the performance evaluation
- Integrating the company's intrinsic value factors into the performance evaluation for branch managers, and introducing a performance evaluation system to measure risk management performance on a monthly basis by reflecting risks by asset group in the case of the asset management department

Promoting System Advancement to Meet International Risk Management Requirements

- Imposing risk limits by applying internal RBC standards based on the Solvency II system, and assessing risk volume, in addition to the regulations of the Korean Financial Supervisory Service
- Proceeding with preparatory steps to meet ComFrame, the supervisory requirements for internationally active insurance companies

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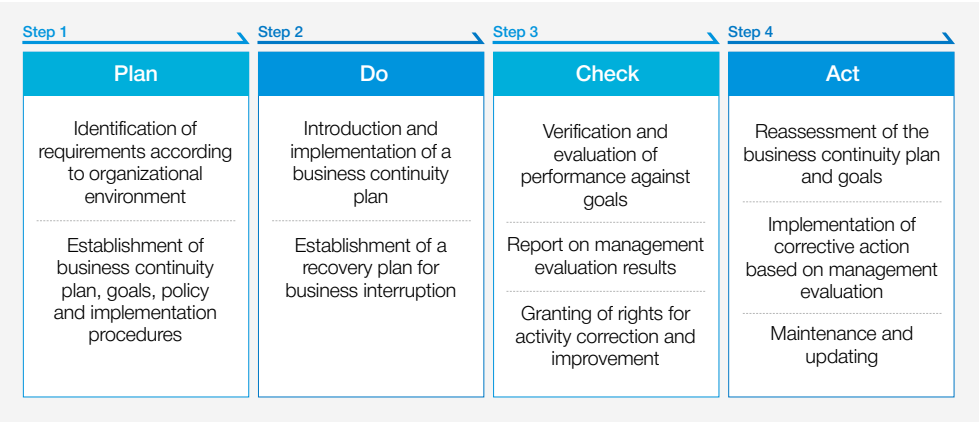
Risk Management

Business Continuity Management

Early Response and Management System for Risks

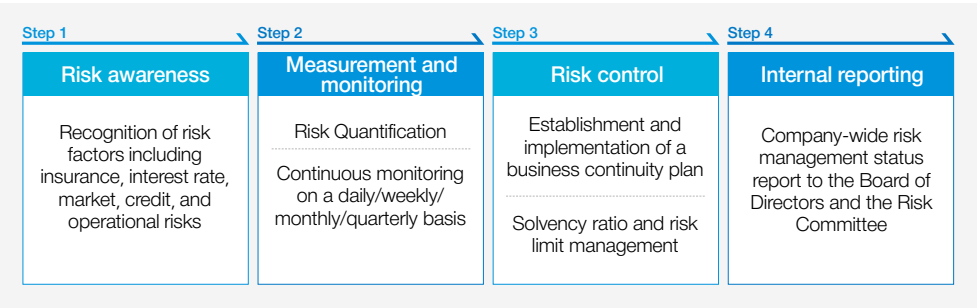
- Established a Business Continuity Plan(BCP) to respond to business interruption situations, such as the loss of critical IT infrastructure from disasters, and the occurrence of major safety and health-related incidents
- Conducting disaster training, disaster evacuation, and business resumption training for major IT assets at least once a year through the operation of a crisis management committee composed of key executives under the CEO
- Acquired and currently maintaining ISO 22301, the international standard for business continuity management(2018~)

Business Continuity Management Process



Risk Management Process

Risk Management Process



Own Solvency Ratio Assessment(ORSA), Sensitivity Analysis, and Crisis Situation Analysis

- Established and regularly conducting an own risk and solvency assessment(ORSA) system at least once a year in accordance with the Insurance Business Supervision Regulations, while obtaining approval from the BOD
- Calculating internal standard solvency ratios, focusing on insurance, interest rate, market, credit, and operational risks, and setting and managing risk limits through the Risk Management Committee, referencing advanced standards such as European Solvency II
- Avoiding short-term performance-oriented responses and making decisions based on value-based management that comprehensively considers potential risks from a mid- to long-term perspective
- Analyzing the influence and profitability of various risk factors through analysis methods such as Embedded Value Analysis(EVA) and Dynamic Financial Modeling(DFS)
- Incorporated climate change risk as a major risk within the enterprise risk management(ERM) framework and established a related management system(2023)
 - Stipulated the relevant response direction in various regulations for company-wide risk management, including the risk management enforcement bylaws
 - Enhanced mid- to long-term evaluation modeling and developed a plan to integrate it into business strategy
 - Monitoring the level of asset loss and the impact on financial soundness due to climate change risks through regular internal climate scenario analysis
- Conducting solvency ratio calculation(once every half year), assuming a financial crisis scenario and the occurrence of a potential crisis situation(worst case), reporting the results to the Risk Management Committee
- Maintaining outstanding fiscal solvency trend even in the worst-case scenarios, with a solvency ratio(RBC) of 273% based on the new solvency system(K-ICS) as of the end of 2023

Risk Management

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Major Risk Management

- Classifying and managing risk factors that can affect the company's management and financial soundness as either financial or non-financial

→ Quantifiable risks(incl. financial risks): Establishing risk tolerance and Key Risk Indicators(KRIs), and performing regular monitoring

→ Non-quantifiable risks(incl. non-financial risks and emerging risks): Minimizing the possibility of occurrence by establishing management and control measures and processes through relevant departments, centered on the CRO's oversight

• Establishing risk guidelines for each stage of the value chain and monitoring the adequacy of their implementation, with consideration given to the company's internal and external environment, such as insurance market conditions and mid- to long-term management strategies.

Financial Risk

Risk type	Classification	Details	Risk type	Classification	Details
Insurance risk	Definition	Risk of decline in the company's value arising from factors related to insurance contracts, such as an increased loss ratio, increased cancellation rate, and insufficient reserves	Credit risk	Definition	Risk of decline in company value resulting from corporate bonds held, bankruptcy of borrower, decline in credit rating, etc.
	Measurement method and system	<div><div>• VaR(Value at Risk)</div><div>• ReMetrica</div><div>• RAFM(Risk Agility Financial Modeler)</div></div>		Measurement method and system	<div><div>• Credit VaR(ASRF model)</div></div>
	Management method	<div><div>• Setting risk tolerance limits and performing periodic monitoring due to fluctuations in loss rates, termination rates, etc.</div><div>• Establishing and operating a retained reinsurance strategy</div></div>		Management method	<div><div>• Establishing and operating limit guidelines by industry</div><div>• Pre-identifying risks through case-by-case reviewing when making large new investments</div><div>• Checking the limit through the risk exposure(exposure level) inquiry system for assets, such as corporate bonds and changes in the borrower's credit rating</div></div>
Market Risk	Definition	Risk of decline in company value due to changes in market-related variables such as stocks, real estate, and exchange rates	Interest rate risk	Definition	Risk arising from situations where the rate of return from asset management, considering interest rates, is lower than the interest paid to policyholders
	Measurement method and system	<div><div>• Market VaR(Parametric VaR)</div></div>		Measurement method and system	<div><div>• VaR</div><div>• ALM(Asset and Liability Management)</div><div>• RAFM(Risk Agility Financial Modeler)</div></div>
	Management method	<div><div>• Stock risk: Establishing guidelines, such as stop-loss standards, through comparison and analysis between risk and return</div><div>• Real estate risk: Establishing Qualifying Investment Criteria and Guidelines</div><div>• Foreign exchange risk: Hedging with derivatives</div><div>• Foreign liability risk: Investing in currency assets</div></div>		Management method	<div><div>• Designing an investment portfolio focused on safe long-term bonds</div><div>• Setting asset-liability duration matching rate targets and performing periodic monitoring that reflects changes in debt structure, interest rate situations, and debt cash flow, based on the asset-liability management(ALM) system</div></div>

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Risk Management

Major Risk Management

Non-financial Risk

- Risk of loss in business operation and decline in company value that may occur due to insufficient internal control, mistakes by employees, occurrence of external events, failure in strategic decision-making

• Establishing response guidelines for each risk factor and conducting preventive activities collaborating with related departments by the risk management division in charge, centered around CRO

Classification	Definition	Response activities	Major related departments
Infrastructure risk	Risk of loss related to IT system and business operation due to poor management, external factors, etc.	<div><div>• Establishment of emergency system failure response plan</div><div>• Malware mock training</div><div>• Recovery training</div><div>• Self-compliance security activities</div><div>• Safety inspection and safety and health education at the business site</div></div>	<div><div>• IT Strategy Department</div><div>• Audit Department</div><div>• Human Resources Department</div><div>• Risk Management Department</div></div>
Process risk	Risk of loss due to lack of procedures and decision-making system in the business process, mistakes by employees, lack of internal control, etc.	<div><div>• Regular inspection by sector</div><div>• Automatic authorization according to delegation of authority rules</div><div>• Compliance education</div></div>	<div><div>• Chief Compliance Officer(CCO)</div><div>• Risk Management Department</div></div>
Strategic risk	Risk of potential losses, such as decline in market position due to failure of response strategies, M&A, marketing strategies, etc., to changes in systems, industrial structure, and demographic structure	<div><div>• Constant monitoring of domestic and international industry trends and the impact of changes in related laws and regulations</div></div>	<div><div>• Strategic Planning Department</div></div>
Reputation risk	Risk of potential loss due to civil complaints, negative public opinion, credit rating downgrade, etc.	<div><div>• Prompt and systematic response to complaints tailored to customer expectations</div><div>• Chief Compliance Officer-led daily monitoring activities</div></div>	<div><div>• Chief Compliance Officer(CCO)</div><div>• Public Relations Team</div><div>• Customer Policy Team</div><div>• Individual business function at Product/Sales/ Compensation Departments</div></div>

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Risk Management

Emerging Risk

- The company defines emerging risks as risk factors that meet the following criteria
 - Risks identified differently from existing financial and non-financial(operational) risks due to external factors such as sustainability-related laws and regulations
 - Risks that may arise due to the unique characteristics of the businesses that only Samsung Fire & Marine Insurance owns or is newly pursuing, and that have the potential to significantly impact the company's long-term management performance
 - Risks that urgently require the establishment of necessary knowledge or response systems to manage potential impacts due to low predictability and a lack of past experience in responding
- Regularly verifying the management status and identifying new items through close collaboration with related departments to take preemptive actions and establish related systems, by the Risk Management Department

Classification	Risks associated with the introduction of artificial intelligence in the insurance underwriting process	Mental health risk
Type	Technical risk	Social risk
Definition of risk and context	<ul style="list-style-type: none">• New technologies such as artificial intelligence(AI) and big data are actively being introduced across the financial industry, including insurance companies.• Digital transformation is recognized as a key area for new business development, with continuous efforts to introduce artificial intelligence in the insurance review process<ul style="list-style-type: none">→ A patent for 'JangGi U', a long-term insurance injury screening system based on artificial intelligence and machine learning, was acquired in the first half of 2024• However, with the ongoing development of artificial intelligence and big data technology, not only can the risk of errors occur in the insurance design and review process during operation, but various ethical issues can also arise	<ul style="list-style-type: none">• The rate of depression** among members of Korean society was estimated to be 11.3% as of 2021, according to the National Center for Mental Health's 2022 research report• The prolongation of the COVID-19 pandemic has resulted in disruption in overall social recovery, causing deterioration in mental health• Observations are being made of the continuously growing number of individuals in society suffering from deteriorating mental health due to the pressure to conform to unhealthy aesthetic standards spread among youth experiencing the Internet and digital transition
Business impact	<ul style="list-style-type: none">• Having the following potential risks as a result of performing artificial intelligence and machine learning based on biased data<ul style="list-style-type: none">→ Having a possibility of worsening the profit and loss structure in the insurance sector by favoring certain groups during the insurance planning and underwriting process, despite the introduction of artificial intelligence→ Incurring recovery costs, such as additional marketing expenses, for the company due to reputational risk from unfair discrimination among customers during the insurance subscription screening and compensation process• Having the possibility of causing legal risks due to the inappropriate use of customers' privacy during insurance subscription screening and marketing	<ul style="list-style-type: none">• Increasing the likelihood of compensation claims from long-term insurance subscribers struggling with mental health, thereby worsening the profit and loss ratios in the related insurance sector, considering the close relationship between mental health and physical health• Having the possibility of decreased productivity among stakeholders closely related to the company's direct management activities, such as employees, and RCs
Response	<ul style="list-style-type: none">• Establishment of 'Digital Transformation Ethics Regulations' that assume various risk scenarios related to artificial intelligence and big data• Expansion of artificial intelligence and big data capacity-building programs through employee contests, training, and other initiatives	<ul style="list-style-type: none">• Active introduction of new technologies, such as the diagnosis of mental health conditions based on language usage patterns using artificial intelligence and big data• Provision of diagnostic and counseling services for the mental health management of employees and RCs

^{*}National Center for Mental Health of the Ministry of Health and Welfare, Health Insurance Review and Assessment Service, and Korea Institute for Health and Social Affairs(2023). Key Indicators of National Mental Health Status 2022
^{**}Proportion of adults who have felt sad or hopeless enough to interfere with their daily lives for more than two consecutive weeks in the past year

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Risk Management

Advancement of Integrated Risk Management Process

Establishing a Three-Year Roadmap to Advance the Cumulative Risk Management Process(2024~2026)

- Expanding management to include not only traditional natural disasters such as earthquakes and typhoons, but also newly emerging natural disasters such as floods, cold waves, and forest fires
- Establishing a cumulative risk management system for non-natural disasters including cyber and liability disasters
- Strengthening the selection and analysis of key areas by considering the characteristics of each type of natural disaster, such as earthquakes and typhoons
- Improving the risk monitoring system to a holistic perspective by peril, region, insurance type, and recurrence interval
- Minimizing manual work and promoting work efficiency through system automation, while strengthening natural disaster risk analysis capabilities

Introducing a Risk Management Process That Incorporates New Technologies

- Accuracy may be compromised when entering the address of the location of the acquired businesses and risks during the survey of latitude and longitude information necessary for cumulative natural disaster risk management due to issues such as similar address names, various methods of representing country names, disputed areas, and address typos
- Currently pursuing activities to improve the precision of cumulative risk management by utilizing software that applies AI-based machine learning technology to correct errors in address searches around the world



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Principle 1.

Embedding ESG Issues Relevant to Insurance Business in Decision-making

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Sustainable Finance Framework

ESG Committee

- Comprises two independent directors and the CEO
- Serves as the highest decision-making body that establishes ESG strategies, and deliberates and decides on ESG activities
- Determines the direction of response based on received reports on the relevant agenda when identifying significant actual or potential ESG risks in the insurance and investment sectors
- Carried out decision-making activities to improve the level of sustainability internalization in company-wide decisions and risk responses in 2023
 - Established a basis and detailed guidelines for climate risk management to embed sustainability in the risk management system across all business sectors, including insurance underwriting
 - Expanded the scope of responsible investment policy from coal to fossil fuels in general

Sustainability Management Committee

- An executive-level ESG management council with key executives, including the CEO, CFO, head of Strategic Planning Division, head of the Long-Term Insurance Division, HR Team leader, Chief Compliance Officer, and head of Corporate Planning Dept. 1(2021~)
- Discusses the current status and performance of sustainable management, recent trends related to sustainable management, future direction and tasks as major agenda items

ESG Working Group

- A working-level consultative body consisting of heads and staffs from major departments related to ESG management promotion, centered around the ESG Secretariat

Sustainable Finance Policy

Social Responsibility Management Regulation

- Established principles to efficiently reflect environmental, social, and governance considerations in company-wide decision-making and activity processes(2013)
- Added provisions to reflect ESG-related matters in the company's underwriting and asset management strategies(2019)
- Added a 'Coal-free Principle' provision to suspend new investments/loans and underwriting of insurance contracts related to coal-fired power generation(2020)

Policy on Responsible Investment

- Stipulated as a basic policy for conducting investment screening that applies ESG factors and negative screening methods

Applicable Items for Responsible Investment*	① Investment and financing in companies (including corporate bonds, bills, loans, and stocks)
	② Alternative investments and financing(including refinancing)
	③ Project-type funds investing in assets from ①~②
	④ Blind funds with confirmed detailed investment sectors and industries
Types of businesses and investees subject to exclusion as a source of investment	① Companies and businesses related to coal, oil and gas mining and power generation, tobacco, or gambling
	② Companies and businesses where, in cases of operating multiple businesses, the proportion of sales corresponding to ①, based on recent sales, accounts for 30% or more of the total sales
	③ Other companies and businesses judged to be contrary to social responsibility

*Applies to all active and passive investment assets, Matters that may be subject to exceptions upon review by the financial review division: ① Companies with energy conversion plans and a company or business of a public nature such as domestic public institution, ②Special purpose bonds and funds aligned with the purpose of ESG (green bonds, etc.), ③Matters that meet ESG investment guidelines, such as issuance of certificates that meet K-taxonomy and equivalent ESG standards

Principle 1.

Embedding ESG Issues Relevant to Insurance Business in Decision-making

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ESG Insurance Underwriting Policy

- Stipulated as a policy basis to consider sustainability and social responsibility factors in the (re)insurance risk acquisition and related decision-making processes
 - The company prohibits underwriting to companies with human rights & labor risks and unethical business as well as environmental risks
 - All customers in insurance business lines are informed on the sustainability-related risks and opportunities based on the Policy

Classification	Detail
Subject of policy application	• General Insurance, Reinsurance*
Subject to prohibition on acquisitions based on negative screening principles	• Items related to coal mining facilities, new coal-fired power plants, and new coal infrastructure - Suspending underwriting of construction and operation insurance, in the case of new coal-fired power plants • Items including oil sands, Arctic oil fields, and resource development-related items that have a significant impact on the environment
Policy application method	• Continuation of underwriting activities aimed at achieving coal-free insurance, particularly focusing on coal power generation • Strengthening ESG factors gradually and applying them to ESG insurance underwriting policies • Reviewing existing acquired property insurance for phased reduction based on contract characteristics
Exceptions to policy	• Underwriting construction insurance aimed at improving the environment, such as reducing fine dust levels • Underwriting insured items taking into account national energy policies, other considerations of relevant countries, OECD arrangements, and other international guidelines

Position on Investment in the unconventional Oil and Gas Industry and Insurance Underwriting

- Unconventional oil & gas(including oil sands, shale oil and gas, Arctic oil and gas, and ultra-deepwater(UDW) oil and gas) refers to energy produced by methods different from conventional energy production methods such as traditional fossil fuel
- Such fuels tend to be heavier and contain more carbon and sulfur, while the amount of resources input during the production process is much higher than that of existing fossil fuels imply material adverse impact on the environment, ecosystem destruction, and acceleration of climate change
- The company prohibits, and does not provide any funding, investment, or underwrite for companies and businesses related to the industry

*Excluding treaty reinsurance

Raising ESG Awareness Among Employees

Internalization of ESG in Own Management Activities

- Stipulated sustainability-specific guidelines that all employees must follow in the Code of Conduct
- Encouraging employees to voluntarily participate in ESG management by the <EuSsuGi Paperless Campaign>, and the creation of a paperless work environment
- Raising the level of ESG-related knowledge by sharing the direction and activities of ESG management, such as company-wide efforts to reduce greenhouse gas emissions through 'Value Empathy', a company vision internalization program implemented for employees

Employee ESG Management Internalization Program in 'Value Empathy'



Principle 2.

Working Together with Clients and Business Partners to Raise Awareness of ESG Issues, Manage Risk and Develop Solutions

Promoting Sustainable Growth With Business Partners

Embedding ESG in the Upstream Value Chain

- Concluding a contract after reviewing ESG factors, including the company's ability to take measures to prevent industrial accidents, when selecting a partner company, such as RC partner companies
- Stipulated basic regulations and detailed guidelines to encourage partners to internalize ESG management by establishing the Samsung Fire & Marine Insurance Partners Code of Conduct
 - Recommended voluntary consent when signing contracts with new partners, ensuring that all partners agree to the policy as of 2023
- Checking ESG management progress through regular monitoring and meetings with our partners, and identifying and addressing related risks at an early stage through the partner grievance mechanism

Internalization of ESG in the Downstream Value Chain

- Developing and selling insurance products and special contracts that encourage eco-friendly behavior and provide incentives to subscribers, such as Eco-mileage Auto Insurance and No-driving Day Auto Insurance
- Operating a 'Customer Panel' classified by customer group such as seniors, foreigners, and Millennials & Gen-Z twice a year, and reflecting customer feedback throughout management activities, including the provision of products and services

Our Commitment to Financial Inclusion

As a partner and social safety net that protects customers' daily lives, Samsung Fire & Marine Insurance will strive to proactively identify and respond to diverse customer needs. Financial Inclusion initiatives and related activities conducted by Samsung Fire & Marine Insurance are managed and supervised by the ESG Committee.

First, to improve the inconveniences faced by customers from underprivileged groups such as the disabled, the elderly, and foreigners, we strive to listen to customers' voices and actively reflect them in management activities by utilizing systems such as customer panels and a grievance handling process exclusively for the disabled.

Second, we operate a website that complies with the Korean Web Content Accessibility Guidelines and strive to enable more customers to use financial services comfortably through the deployment of sign language counselors.

Third, we strive to protect the underprivileged from excessive economic burden through various special contracts and products.

Fourth, we recognize the dignity of customers and strives to avoid aggressive or rude treatment during consultations and transactions, including with those from underprivileged groups.

Fifth, beyond selling insurance products and providing related services, we discover and implement activities to strengthen the financial capabilities of the underprivileged.

Finally, we strive to expand the scope of financial Inclusion through collaboration with external stakeholders.

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Principle 3.

Working Together with Governments, Regulators and Other Key Stakeholders to Promote Widespread Action Across Society on ESG Issues

Private Sector-Government Linkage Activities Led by the Samsung Traffic Safety Research Institute

Samsung Traffic Safety Research Institute

Performing the Role of a Social Safety Net and Accumulating Know-How through ESG and Safety Consulting

- Analyzing and evaluating natural disaster risks, and reflecting them in insurance products through collaboration with the Global Loss Control Center, an in-house expert group, based on the company-wide goal of '2050 Net Zero' and the Korean government's Green New Deal policy
 - Sharing expert knowledge to advance risk management through joint seminars with domestic and foreign industries, including non-life insurance companies, reinsurance companies, and companies developing cumulative risk management tools
- Samsung Traffic Safety Research Institute: Korea's first private research institute specializing in traffic safety, established to foster an advanced traffic culture and build a society with 'Zero' traffic accidents
 - Conducting systematic research activities focusing on the three major factors of traffic safety —road environment, automobiles, and drivers— to achieve the national traffic accident fatality reduction target and prevent customer accidents
 - Developing traffic safety policies, improving systems, and promoting safety education for transportation-vulnerable individuals and accident-prone areas based on R&D results
 - Operating a traffic safety policy advisory committee with the participation of various stakeholders, including the government, civil society, public and research institutions, and academia(April 2022~)
 - Contributing to a total of four law amendments, including the expansion of senior protection zone designations in traditional markets and hospitals, and mandatory temporary stops for right turns at red lights
- Developing insurance products that support customers in responding to external ESG risks such as climate change by utilizing accumulated know-how and data through safety and disaster prevention consulting, and reflecting these in the enhancement of services and recommendations for policy development



Principle 4.

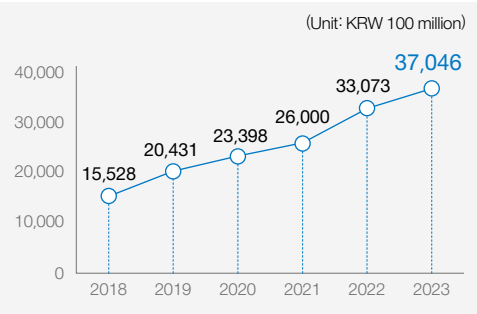
Demonstrating Accountability and Transparency in Regularly Disclosing Publicly the Progress in Implementing the Principles

Mid- to Long-Term Sustainable Finance Targets and Achievement in 2023

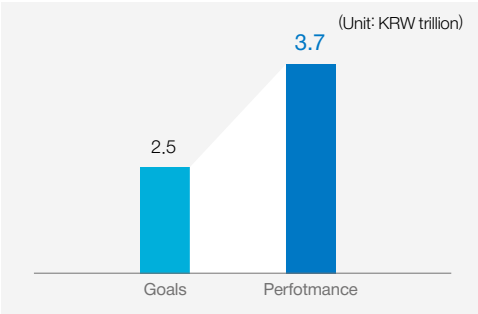
Eco-Friendly and Climate Change-Related Disaster Insurance

- Selling catastrophe insurance products fulfilling the role of a social safety net by providing compensation for damage caused by natural disasters due to climate change, as well as eco-friendly insurance incentivizing consumers to engage in eco-friendly activities such as walking, adhering to daily driving schedules, and receiving discounts for using public transportation

Trends in Total Sales of Eco-Friendly and Climate Change-Related Catastrophe Insurance



2023 Eco-Friendly and Catastrophe Insurance Total Sales Target and Performance



Financial Inclusion Products & Services

- Providing insurance products and services with special terms and conditions for customers who are socially underprivileged or financially vulnerable, such as low-income individuals and households, migrant workers, and individuals with disabilities

Classification	KPI	Unit	2021	2022	2023
Single parent family medical insurance (formerly low-income children's insurance) <ul style="list-style-type: none">• A product to protect children from low-income families, who have a weak economic base and are exposed to various risks, including disease and injury• Supporting Social Protection Microinsurance for children under the age of 17 from single-parent, grandparent, and multicultural families in the lower-income class using dormant insurance funds with the Korea Inclusive Finance Agency	Registration	Cases	1	1	1
	Collected premiums	KRW million	1,308	831	789
	Number of beneficiaries	Persons	213,894	155,554	144,079

Classification	KPI	Unit	2021	2022	2023
Auto insurance rider for low-income drivers <ul style="list-style-type: none">• A product launched to reduce the financial burden of recipients of basic livelihood security, etc.• Providing the benefit of low insurance premiums with the same coverage as other insurance products	Registration	Cases	13,106	12,080	11,562
	Collected premiums	KRW million	8,579	8,054	7,927
	Number of beneficiaries	Persons	13,106	12,080	11,562

Classification	KPI	Unit	2021	2022	2023
Cyber accident insurance <ul style="list-style-type: none">• A product that allows individuals to prepare for cyber risks by subscribing to cyber insurance, commonly adopted by many companies• Classifying contractors over 60 years of age as digitally vulnerable, especially to financial fraud such as phishing or hacking, and applying preferential discounts on insurance premiums	Registration (Number of beneficiaries)	Cases	0	0	202
	Collected premiums	KRW million	0	0	3

Classification	KPI	Unit	2021	2022	2023
Silver volunteer comprehensive insurance <ul style="list-style-type: none">• Supporting the creation of jobs for the elderly, which is a key aspect of Korea's response strategy, in a situation of population structure changes such as aging• Covering bodily injury and liability of volunteers against accidents that may occur during volunteer activities, enabling participants in senior job and social activity support projects(including volunteer activities such as public interest activities and talent sharing activities) to perform their tasks in a safe environment	Registration (Number of beneficiary facilities)	Cases	606,500	628,395	312,085
	Collected premiums	KRW million	6,785	5,863	4,405

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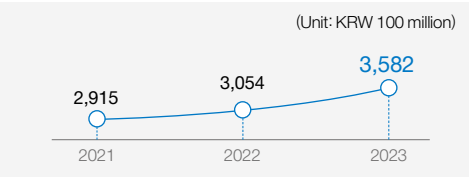
Principle 4.

Demonstrating Accountability and Transparency in Regularly Disclosing Publicly the Progress in Implementing the Principles

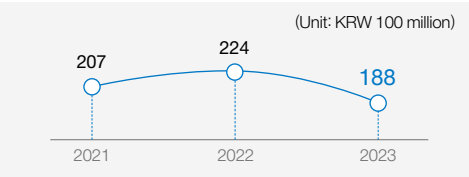
Classification	KPI	Unit	2021	2022	2023
Umbrella insurance · A product that covers fire, liability, and risk of injury to facility users that may occur in welfare facilities for the disabled	Registration (Number of beneficiary facilities)	Cases	19	16	14
	Collected premiums	KRW million	11	9	9
Classification	KPI	Unit	2021	2022	2023
Foreign worker insurance · Providing accident insurance, return cost insurance, departure maturity insurance, etc., to foreign workers in case of injury or illness unrelated to work accidents, as well as for covering return home expenses · Operating a dedicated consultation center and website exclusively for foreigners to ensure they can easily and conveniently receive insurance consultations and sign up	Registration (Number of beneficiaries)	Cases	159,417	398,601	449,363
	Collected premiums	KRW million	271,610*	284,651*	1,768**
Classification	KPI	Unit	2021	2022	2023
Volunteer comprehensive insurance · Covering physical injuries to volunteers resulting from accidents that may occur during volunteer work and the liability of facility owners	Registration (Number of beneficiaries))	Cases	0	223	0
	Collected premiums	KRW million	0	3,087	0

Financial Inclusion Products Sales Trend

Sales Trends Based on IFRS4***



Sales Trends based on IFRS17***



*Restated to indicate the premium written by the company rather than the gross premium written by joint acquisition
**The Corporate Accounting Standards No. 1117(IFRS 17) stipulates that premiums written by deposit-type insurance products not to be recognized as revenue; accordingly, only the premium written from guarantee-type insurance products is prepared. As the transitional provision of the Standards, the gross written premiums(original insurance premiums) of the year 2022 and 2021 are not restated
***The transitional provisions of Corporate Accounting Standards No. 1117(IFRS 17) stipulates that the gross written premium(original insurance premiums) of the year 2022 and 2021 not to be restated according to the newly introduced Standards; however, the figures showing the sales trends in this page were prepared according to two accounting standards side by side, to ensure comparability of three-year sales by accounting standard



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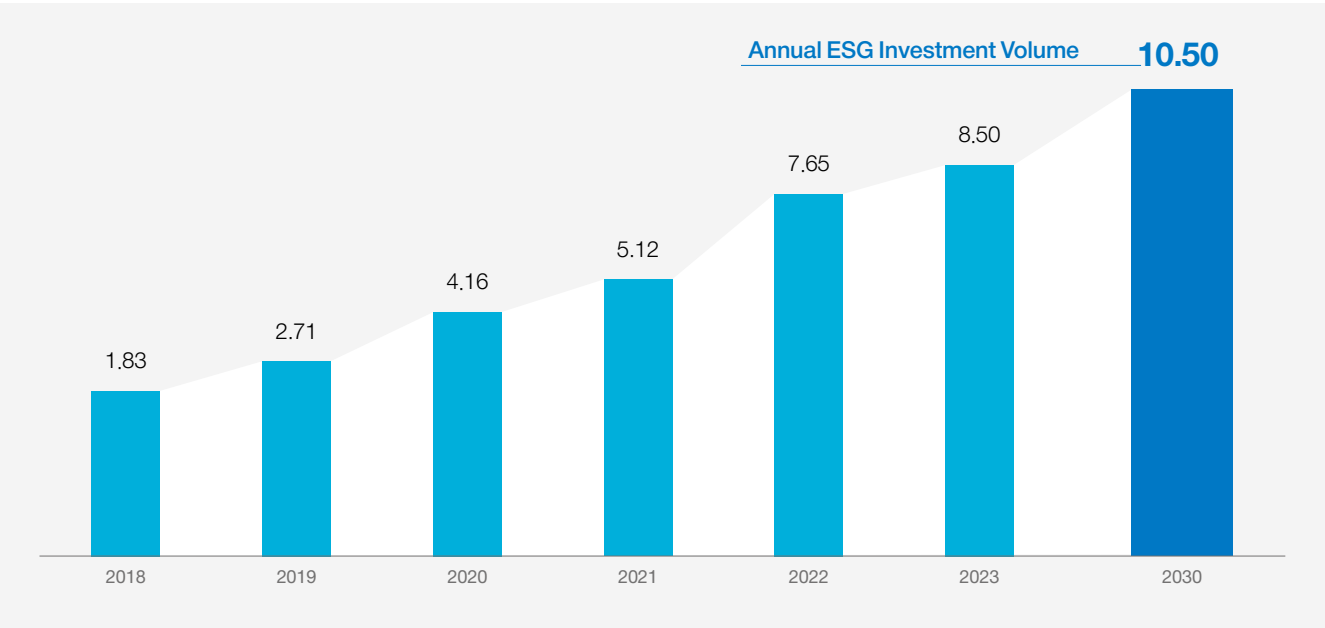
Mid- to Long-Term Sustainable Finance Goals and Performance in 2023

Sustainability Management Performance Disclosure

· Enhancing accessibility and transparency for stakeholders by disclosing the system, performance, and future targets for sustainable finance development through annual Integrated Reports, company website, and other means of public reporting

ESG Investment Trends and Goals

(Unit: KRW trillion)



Classification	Detailed areas of investment	
ESG investment areas in corporate finance sector based on K-Taxonomy(2023)	GHG reduction	Renewable energy, LNG
	Water resources	Sewage pipe, seawater desalination
	Circular economy	Waste energy recovery
ESG investment areas in the bond sector(2023)	· Sustainability management sector · Green management sector · Social responsibility sector	

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Consolidated Statements of Financial Position

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SAMSUNG FIRE & MARINE INSURANCE CO., LTD. AND SUBSIDIARIES

(Unit: KRW)

	2023	2022	2021
Assets			
I.Cash and deposits	1,741,176,013,308	1,519,118,624,646	1,733,734,341,558
II.Financial assets measured at FVTPL	10,351,505,449,649	0	0
III.Financial assets at fair value through profit or loss ("FVTPL")	0	3,076,783,053,814	1,989,586,385,800
IV.Financial assets at fair value through other comprehensive income ("FVOCI")	37,733,033,569,686	0	0
V.Available-for-sale financial assets	0	36,995,024,135,306	44,912,034,859,785
VI.Financial assets measured at amortized cost	1,721,733,611,389	0	0
VII.Held-to-maturity financial assets	0	6,699,782,296,358	175,638,129,035
VIII.Loans measured at amortized cost	27,822,027,734,369	0	0
IX.Loans	0	26,748,867,157,104	27,245,717,119,885
X.Other receivables at amortized cost	838,545,271,660	0	0
XI.Other receivables	0	828,438,845,970	1,312,886,311,915
XII.Investments in associates	604,619,443,743	567,459,050,851	287,860,458,102
XIII.Derivative assets	129,293,692,723	172,626,810,546	23,528,420,742
XIV.Insurance contract assets	2,660,233	92,337,482	0
XV.Reinsurance contract assets	1,576,478,336,230	1,627,353,799,851	1,153,837,042,703
XVI.Investment properties	1,227,113,241,267	1,242,328,693,773	919,737,714,879
XVII.Property and equipment	613,906,903,728	600,327,496,550	791,132,418,675
XVIII.Intangible assets	265,280,989,359	246,635,349,668	224,304,003,426
XIX.Non-current assets scheduled for sale	0	0	629,751,654,602
XX.Right-of-use assets	153,434,543,445	170,816,488,097	0
XXI.Net defined benefit asset	137,145,937,753	203,506,295,942	77,670,948,436
XXII.Current tax assets	135,903,060	2,329,409,939	1,060,657,624
XXIII.Deferred tax assets	15,594,457,599	6,181,809,654	40,523,724,369
XXIV.Other assets	88,002,230,220	88,338,779,488	2,470,114,414,080
XXV.Separate account assets	0	0	10,944,892,504,836
Total assets	85,019,029,989,421	80,796,010,435,039	94,934,011,110,452

*As the Group applied K-IFRS No. 1109 and 1117 from January 1, 2023, our accounting policies have changed and the amounts recognized in our financial statements have been revised. In accordance with the transition provisions of K-IFRS No. 1109, the comparative financial statements have not been restated
**The financial instrument classification in the 2022 financial statements presented for comparison was prepared in accordance with K-IFRS No. 1104 and 1039

	2023	2022	2021
Liabilities and shareholders' equity			
Liabilities			
I.Insurance liabilities	51,776,856,117,331	51,737,521,733,546	60,876,109,429,118
II.Reinsurance contract liabilities	0	0	0
III.Financial liabilities	13,236,155,487,685	13,853,813,515,974	1,889,758,901,294
IV.Lease liabilities	149,108,400,334	171,528,641,479	0
V.Derivative liabilities	343,482,972,584	273,449,808,519	229,760,951,294
VI.Provisions	69,317,804,279	67,910,651,274	68,178,365,551
VII.Current tax liabilities	25,911,395,922	266,780,694,560	174,722,131,579
VIII.Deferred income tax liabilities	2,528,918,581,667	1,231,871,240,384	2,735,203,404,157
IX.Other liabilities	744,880,948,182	669,661,434,452	611,047,248,480
X.Non-current liabilities scheduled for sale	0	0	488,450,888,434
XI.Separate account liabilities	0	0	12,368,448,009,828
Total liabilities	68,874,631,707,984	68,272,537,720,188	79,441,679,329,735
Equity			
I.Equity attributable to owners of the Group	16,114,211,783,285	12,495,527,784,838	15,467,008,869,690
1.Share capital	26,473,418,500	26,473,418,500	26,473,418,500
2.Capital surplus	939,233,350,327	939,233,350,327	939,233,350,327
3.Capital adjustment	(1,487,219,924,864)	(1,487,219,924,864)	(1,487,219,924,864)
4.Accumulated other comprehensive income	4,356,547,263,208	1,971,563,588,820	5,717,828,814,082
5.Retained earnings	12,279,177,676,114	11,045,477,352,055	10,270,693,211,645
Regulatory reserve for loan loss	Amount expected to transfer to reserve (reversal from reserve): (78,169,962,883) Beginning balance: 247,412,854,764		
Catastrophe reserve	Amount expected to transfer to reserve (reversal from reserve): 97,132,670,661 Beginning balance: 2,572,265,386,862		
Surrender value reserve	Amount expected to transfer to reserve (reversal from reserve): 1,180,012,136,359		
II.Non-controlling interests	30,186,498,152	27,944,930,013	25,322,911,027
Total shareholders' equity	16,144,398,281,437	12,523,472,714,851	15,492,331,780,717
Total liabilities and shareholders' equity	85,019,029,989,421	80,796,010,435,039	94,934,011,110,452

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Consolidated Statements of Comprehensive Income(loss)

SAMSUNG FIRE & MARINE INSURANCE CO., LTD. AND SUBSIDIARIES

(Unit: KRW)

	2023	2022	2021
I. Insurance service result	1,936,082,397,269	1,538,847,546,478	(660,287,177,128)
1. Insurance operating income	17,020,053,932,407	16,040,470,822,479	21,255,457,261,252
(1) Insurance revenue	16,485,954,618,894	15,221,298,979,669	0
(2) Reinsurance revenue	511,054,343,427	799,592,366,011	0
(3) Other operating income	23,044,970,086	19,579,476,799	0
(4) Premium income IFRS4	0	0	20,106,066,001,421
(5) Reinsurance income IFRS4	0	0	733,032,400,969
(6) Other insurance operating income IFRS4	0	0	416,358,858,862
2. Insurance operating expenses	15,083,971,535,138	14,501,623,276,001	21,915,744,438,380
(1) Insurance service expenses	13,481,857,455,155	13,068,412,032,420	0
(2) Reinsurance expenses	1,215,565,892,787	1,018,793,822,858	0
(3) Other business expenses	386,548,187,196	414,417,420,723	0
(4) Claims paid and refund of insurance policies IFRS4	0	0	14,496,495,268,225
(5) Reinsurance expenses IFRS4	0	0	1,331,332,042,415
(6) Other insurance operating expenses IFRS4	0	0	6,087,917,127,740

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**The financial instrument classification in the 2022 financial statements presented for comparison was prepared in accordance with K-IFRS No. 1104 and 1039

	2023	2022	2021
II. Investment gains and losses	421,201,020,216	505,811,439,306	2,122,044,482,443
1. Investment income	3,804,653,397,761	3,570,826,903,192	2,897,738,061,264
(1) Insurance finance income from insurance contracts issued recognized through profit or loss	184,156,479,643	227,002,766,714	0
(2) Reinsurance finance income from reinsurance contracts held recognized through profit or loss	99,347,473,035	116,730,118,599	0
(3) Interest income	2,104,556,761,339	1,968,099,509,678	1,740,569,291,765
(4) Dividend income	144,145,216,088	366,888,574,376	465,437,962,374
(5) Gain from financial assets measured at FVTPL	310,803,758,083	0	0
(6) Gain on financial assets at FVTPL	0	60,558,210,464	0
(7) Gain from financial assets measured at FVOCI	11,894,002,036	0	0
(8) Gain on available-for-sale ("AFS") financial assets	0	126,771,671,358	0
(9) Gain on financial assets at amortized cost	1,209,843,317	0	0
(10) Gains on loans and receivables	0	45,719,855	0
(11) Gain on valuation and sale of derivative Instruments	138,196,612,419	164,058,439,834	30,081,285,620
(12) Reversal of impairment losses of financial assets	38,553,440,397	0	0
(13) Reversal of impairment losses	0	66,118,534	320,370,118
(14) Gain on foreign exchange transactions	368,531,824,596	425,886,942,392	358,505,606,683
(15) Other investment income	403,257,986,808	114,718,831,388	86,356,052,467
(16) Gain on valuation and sale of financial Instruments	0	0	216,467,492,237
2. Investment expenses	3,383,452,377,545	3,065,015,463,886	775,693,578,821
(1) Insurance finance expenses from insurance contracts issued recognized through profit or loss	1,601,510,630,133	1,797,570,170,003	0
(2) Reinsurance finance expenses from reinsurance contracts held recognized through profit or loss	53,052,301,377	73,969,538,618	0
(3) Interest expense	445,160,420,333	301,080,534,447	59,175,208,865
(4) Loss from financial assets measured at FVTPL	302,106,200,680	0	0
(5) Loss on financial assets recognized at FVTPL	0	47,291,774,319	0
(6) Loss from financial assets measured at FVOCI	278,124,544,358	0	0
(7) Loss on AFS financial assets	0	115,549,741,092	0
(8) Loss on financial assets at amortized cost	726,602,764	0	0
(9) Loss on loans and receivables	0	197,687,184	0
(10) Loss on valuation and sale of derivative instruments	396,854,361,987	351,564,673,723	345,196,553,393
(11) Additional impairment losses of financial assets	19,260,655,738	0	0
(12) Additional impairment losses	0	44,305,526,969	56,181,111,449
(13) Investment management expenses	63,602,364,342	51,565,664,699	168,366,996,387
(14) Loss on foreign exchange transactions	147,208,905,851	215,843,285,637	54,196,340,817
(15) Other investment losses	75,845,389,982	66,076,867,195	31,926,818,906
(16) Gain on valuation and sale of financial Instruments	0	0	60,650,549,004

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	(Unit: KRW)		
	2023	2022	2021
III, Separate account gains and losses	0	0	45,104,430,758
(1) Separate account commission	0	0	46,962,915,080
(2) Separate account income	0	0	244,099,283,737
(3) Separate account commission paid	0	0	1,858,484,322
(4) Separate account expenses	0	0	244,099,283,737
IV, Operating profit	2,357,283,417,485	2,044,658,985,784	1,506,861,736,073
V, Non-operating revenues	118,672,950,353	55,894,493,080	24,421,580,805
VI, Non-operating expenses	29,374,611,696	29,736,595,218	30,995,273,839
VII, Profit before income tax	2,446,581,756,142	2,070,816,883,646	1,500,288,043,039
VIII, Income tax expenses	624,967,413,095	533,821,155,465	389,003,037,160
IX, Profit from continuing operation	1,821,614,343,047	1,536,995,728,181	1,111,285,005,879
X, Post-tax profit of discontinued operation	0	89,705,832,728	13,425,305,328
XI, Profit for the year	1,821,614,343,047	1,626,701,560,909	1,124,710,311,207
Adjusted income after reflecting regulatory reserve for loan loss	1,899,784,305,930	1,629,458,649,475	1,102,587,788,630
Adjusted income after reflecting catastrophe reserve	1,724,481,672,386	1,515,475,789,439	1,012,161,774,153
Adjusted income after surrender value reserve	641,602,206,688	0	0
XII, Total other comprehensive income (loss), net of tax	2,632,490,526,672	(3,772,862,083,507)	(1,540,854,377,190)
1. Items that will not be reclassified subsequently to profit or loss	1,478,038,619,831	38,184,057,381	(2,394,627,051)
2. Items that are or may be reclassified subsequently to profit or loss	1,154,451,906,841	(3,811,046,140,888)	(1,538,459,750,139)
XIII, Total comprehensive income (loss) for the year	4,454,104,869,719	(2,146,160,522,598)	(416,144,065,983)

	2023	2022	2021
1. Profit attributable to			
(1) Profit attributable to owners of the parent	1,818,433,660,138	1,622,986,903,060	1,122,218,422,074
1) Profit from continuing operations attributable to equity holders of the parent	1,818,433,660,138	1,533,281,070,332	1,108,793,116,746
2) Profit from discontinued operations attributable to equity holders of the parent	0	89,705,832,728	13,425,305,328
(2) Profit attributable to non-controlling interests	3,180,682,909	3,714,657,849	2,491,889,133
1) Profit from continuing operations attributable to non-controlling interests	3,180,682,909	3,714,657,849	2,491,889,133
2) Profit from discontinued operations attributable to non-controlling interests	0	0	0
2. Total comprehensive income (loss) attributable to			
(1) Equity holders of the parent	4,450,891,760,042	(2,149,826,817,355)	(420,774,296,092)
(2) Non-controlling interests	3,213,109,677	3,666,294,757	4,630,230,109
XIV, Earnings per share			
1. Basic earnings per share ("EPS")	42,777.00	38,179.00	26,399.00
2. Diluted EPS	42,777.00	38,179.00	26,399.00
3. Continued operating basic EPS	42,777.00	36,069.00	26,083.00
4. Continued operating diluted EPS	42,777.00	36,069.00	26,083.00

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SAMSUNG FIRE & MARINE INSURANCE CO., LTD.

(Unit: KRW)

	2023	2022	2021
Assets			
I,Financial assets at fair value through profit or loss ("FVTPL")	1,213,422,906,482	1,090,749,985,262	1,345,621,453,025
II,Financial assets at fair value through other comprehensive income ("FVOCI")	11,482,430,335,878	0	0
III,Available-for-sale financial assets	0	1,655,657,715,586	858,051,904,674
IV,Financial assets measured at amortized cost	37,719,997,078,624	0	0
V,Held-to-maturity financial assets	0	39,505,454,550,366	46,826,111,297,783
VI,Loans measured at amortized cost	1,669,987,493,776	0	0
VII,Loans	0	6,643,017,626,656	134,713,819,995
VIII,Other receivables at amortized cost	27,231,414,183,783	0	0
IX,Other receivables	0	26,185,968,265,273	26,698,135,711,041
X,Investments in associates	794,885,797,313	0	0
XI,Derivative assets	0	737,283,279,675	1,302,286,800,919
XII,insurance contract assets	579,396,890,722	571,809,185,675	571,851,107,306
XIII,Reinsurance contract assets	91,506,655,754	85,008,432,152	15,263,423,075
XIV,Investment properties	2,660,233	92,337,482	0
XV,Property and equipment	1,490,257,691,699	1,526,775,535,331	1,009,258,454,555
XVI,Intangible assets	244,005,775,742	246,299,917,995	241,446,817,013
XVII,Non-current assets scheduled for sale	518,445,228,563	509,765,174,029	684,815,363,010
XVIII,Right-of-use assets	257,728,846,812	240,782,927,730	218,689,032,888
XIX,Net defined benefit asset	132,903,487,539	148,396,755,190	0
XX,Current tax assets	102,022,582,881	156,027,551,089	60,663,313,069
XXI,Deferred tax assets	12,961,153,538	15,545,390,375	17,006,938,408
XXII,Other assets	76,031,549,228	75,907,783,501	2,456,004,784,018
XXIII,Separate account assets	0	0	10,944,892,504,836
Total assets	83,617,400,318,567	79,394,542,413,367	93,384,812,725,615

	2023	2022	2021
Liabilities and shareholders' equity			
Liabilities			
I,Insurance liabilities	51,620,536,425,094	51,564,279,779,491	60,639,466,710,571
II,Reinsurance contract liabilities	0	0	0
III,Financial liabilities	12,325,504,287,033	12,933,894,883,676	1,229,980,952,467
IV,Lease liabilities	129,104,076,516	150,645,261,104	0
V,Derivative liabilities	305,292,799,383	241,262,740,793	196,769,764,050
VI,Provisions	65,849,743,325	65,490,300,139	65,972,782,049
VII,Current tax liabilities	14,313,396,019	259,636,004,283	172,607,023,617
VIII,Deferred income tax liabilities	2,574,465,387,904	1,291,408,887,757	2,776,104,326,897
IX,Other liabilities	677,158,736,327	597,664,131,624	535,236,215,883
X,Separate account liabilities	0	0	12,368,448,009,828
Total liabilities	67,712,224,851,601	67,104,281,988,867	77,984,585,785,362
Equity			
I,Share capital	26,473,418,500	26,473,418,500	26,473,418,500
II,Capital surplus	939,233,350,327	939,233,350,327	939,233,350,327
III,Capital adjustment	(1,483,503,688,276)	(1,483,503,688,276)	(1,483,503,688,276)
IV,Accumulated other comprehensive income	4,343,488,248,398	2,111,193,570,499	5,844,064,626,233
V,Retained earnings	12,079,484,138,017	10,696,863,773,450	10,073,959,233,469
Regulatory reserve for loan loss	Amount expected to transfer to reserve (reversal from reserve): (78,169,962,883) Beginning balance: 247,412,854,764		
Catastrophe reserve	Amount expected to transfer to reserve (reversal from reserve): 97,132,670,661 Beginning balance: 2,572,265,386,862		
Surrender value reserve	Amount expected to transfer to reserve (reversal from reserve): 1,180,012,136,359		
Total shareholders' equity	15,905,175,466,966	12,290,260,424,500	15,400,226,940,253
Total liabilities and shareholders' equity	83,617,400,318,567	79,394,542,413,367	93,384,812,725,615

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SAMSUNG FIRE & MARINE INSURANCE CO., LTD.

(Unit: KRW)

	2023	2022	2021
I. Insurance service result	1,863,078,758,160	1,491,848,842,717	(682,092,128,005)
1. Insurance operating income	16,794,121,007,131	15,842,303,842,834	20,966,509,822,969
(1) Insurance revenue	16,303,348,124,629	15,049,062,013,953	0
(2) Reinsurance revenue	490,772,882,502	793,241,828,881	0
(3) Premium income IFRS4	0	0	19,929,641,761,136
(4) Reinsurance income IFRS4	0	0	717,218,204,456
(5) Other operating income IFRS4	0	0	319,649,857,377
2. Insurance operating expenses	14,931,042,248,971	14,350,455,000,117	21,648,601,950,974
(1) Insurance service expenses	13,405,537,702,625	12,992,391,912,968	0
(2) Reinsurance expenses	1,125,201,831,404	929,265,167,537	0
(3) Other business expenses	400,302,714,942	428,797,919,612	0
(4) Claims paid and refund of insurance policies IFRS4	0	0	14,457,973,891,874
(5) Reinsurance expenses IFRS4	0	0	1,222,654,978,552
(6) Other insurance operating expenses IFRS4	0	0	5,967,973,080,548

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**The financial instrument classification in the 2022 financial statements presented for comparison was prepared in accordance with K-IFRS No. 1104 and 1039

	2023	2022	2021
II. Investment gains and losses	513,146,179,233	476,375,965,744	2,097,148,042,379
1. Investment income	3,534,835,446,835	3,202,439,128,661	2,709,452,477,409
(1) Insurance finance income from insurance contracts issued recognized through profit or loss	154,628,887,049	189,441,663,870	0
(2) Reinsurance finance income from reinsurance contracts held recognized through profit or loss	87,361,327,908	95,507,267,297	0
(3) Interest income	2,040,966,273,439	1,917,802,200,226	1,697,462,180,500
(4) Dividend income	287,350,726,652	422,757,191,631	510,485,685,540
(5) Gain from financial assets measured at FVTPL	373,597,774,851	0	0
(6) Gain on financial assets at FVTPL	0	16,260,278,797	0
(7) Gain from financial assets measured at FVOCI	11,894,002,036	0	0
(8) Gain on available-for-sale ("AFS") financial assets	0	126,771,671,358	0
(9) Gain on financial assets at amortized cost	1,209,843,317	0	0
(10) Gains on loans and receivables	0	45,719,855	0
(11) Gain on valuation and sale of derivative Instruments	71,972,562,586	80,473,157,395	19,640,685,904
(12) Reversal of impairment losses of financial assets	6,805,706,763	0	0
(13) Reversal of impairment losses	0	66,118,534	320,370,118
(14) Gain on foreign exchange transactions	227,898,206,037	305,524,937,029	290,445,197,353
(15) Other investment income	271,150,136,197	47,788,922,669	39,693,278,522
(16) Gain on valuation and sale of financial Instruments	0	0	151,405,079,472
2. Investment expenses	3,021,689,267,602	2,726,063,162,917	612,304,435,030
(1) Insurance finance expenses from insurance contracts issued recognized through profit or loss	1,572,926,273,090	1,753,750,336,444	0
(2) Reinsurance finance expenses from reinsurance contracts held recognized through profit or loss	41,116,861,203	59,380,052,327	0
(3) Interest expense	407,837,267,613	254,880,777,086	20,156,018,458
(4) Loss from financial assets measured at FVTPL	297,888,769,317	0	0
(5) Loss on financial assets recognized at FVTPL	0	28,483,412,052	0
(6) Loss from financial assets measured at FVOCI	278,124,544,358	0	0
(7) Loss on AFS financial assets	0	115,549,741,092	0
(8) Loss on financial assets at amortized cost	724,082,657	0	0
(9) Loss on loans and receivables	0	197,658,391	0
(10) Loss on valuation and sale of derivative instruments	252,170,540,064	293,194,337,169	281,875,517,848
(11) Additional impairment losses of financial assets	19,197,316,837	0	0
(12) Additional impairment losses	0	44,305,526,969	56,181,111,449
(13) Investment management expenses	29,548,213,026	25,655,989,347	147,458,737,619
(14) Loss on foreign exchange transactions	53,046,656,644	89,761,556,136	26,876,908,798
(15) Other investment losses	69,108,742,793	60,903,775,904	21,568,814,663
(16) Gain on valuation and sale of financial Instruments	0	0	58,187,326,195

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(Unit: KRW)

	2023	2022	2021
III, Separate account gains and losses	0	0	45,104,430,758
1, Separate account commission	0	0	46,962,915,080
2, Separate account income	0	0	244,099,283,737
3, Separate account commission paid	0	0	1,858,484,322
4, Separate account expenses	0	0	244,099,283,737
IV, Operating profit	2,376,224,937,393	1,968,224,808,461	1,460,160,345,132
V, Non-operating revenues	36,286,217,091	23,039,879,250	20,244,806,441
VI, Non-operating expenses	51,454,736,010	9,816,258,805	6,315,531,057
VII, Profit before income tax	2,361,056,418,474	1,981,448,428,906	1,474,089,620,516
VIII, Income tax expenses	605,682,131,523	508,240,669,870	381,504,980,086
IX, Profit for the year	1,755,374,286,951	1,473,207,759,036	1,092,584,640,430
Adjusted income after reflecting regulatory reserve for loan loss	1,833,544,249,834	1,475,964,847,602	1,070,462,117,853
Adjusted income after reflecting catastrophe reserve	1,658,241,616,290	1,361,981,987,566	980,036,103,376
Adjusted income after surrender value reserve	575,362,150,592	0	0
X, Total other comprehensive income (loss), net of tax	2,649,119,578,504	(3,766,553,044,854)	(1,556,018,230,268)
1, Items that will not be reclassified subsequently to profit or loss	1,494,992,513,277	19,712,350,059	(3,421,863,979)
2, Items that are or may be reclassified subsequently to profit or loss	1,154,127,065,227	(3,786,265,394,913)	(1,552,596,366,289)
XI, Total comprehensive income (loss) for the year	4,404,493,865,455	(2,293,345,285,818)	(463,433,589,838)
XII, Earnings per share			
1, Basic earnings per share ("EPS")	41,293.00	34,656.00	25,702.00
2, Diluted EPS	41,293.00	34,656.00	25,702.00

*As the Group applied K-IFRS No. 1109 and 1117 from January 1, 2023, our accounting policies have changed and the amounts recognized in our financial statements have been revised. In accordance with the transition provisions of K-IFRS No. 1109, the comparative financial statements have not been restated

**The financial instrument classification in the 2022 financial statements presented for comparison was prepared in accordance with K-IFRS No. 1104 and 1039

Key Sustainability Indices

GRI 2021 Index

Statement of Use	Samsung Fire & Marine Insurance Ltd. has reported in accordance with the GRI Standards for the period 01/01/2023 to 12/31/2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable as of June 2024

GRI 2: General disclosures 2021

No.	Disclosure	Location	note
2-1	Organizational details	2, 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	14, 42, 114	
2-5	External assurance	129	
2-6	Activities, value chain and other business relationships	5, 7	
2-7	Employees	70	
2-8	Workers who are not employees	70	
2-9	Governance structure and composition	10, 91-93	
2-10	Nomination and selection of the highest governance body	92-93, 97	
2-11	Chair of the highest governance body	91	
2-12	Role of the highest governance body in overseeing the management of impacts	10, 15, 33, 78, 91	
2-13	Delegation of responsibility for managing impacts	10	
2-14	Role of the highest governance body in sustainability reporting	10	
2-15	Conflicts of interest	50, 91, 92, 100	
2-16	Communication of critical concerns	94, 95-97, 101	
2-17	Collective knowledge of the highest governance body	93	
2-18	Evaluation of the performance of the highest governance body	98	
2-19	Remuneration policies	98-99	
2-20	Process to determine remuneration	91	
2-21	Annual total compensation ratio	98	
2-22	Statement on sustainable development strategy	99	
2-23	Policy commitments	66, 111	
2-24	Embedding policy commitments	10, 22-23, 28, 33, 56-58, 66, 78-79, 80, 83, 101-102, 109-110	
2-25	Processes to remediate negative impacts	40, 59, 67	
2-26	Mechanisms for seeking advice and raising concerns	59, 67	
2-27	Compliance with laws and regulations	59	
2-28	Membership associations	14	
2-29	Approach to stakeholder engagement	12	
2-30	Collective bargaining agreements	77	

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GRI 3: Material topics 2021

No.	Disclosure	Location	note
3-1	Process to determine material topics	15	
3-2	List of material topics	16-17	

Customer-centric Management

No.	Disclosure	Location	note
3-3	Management of material topics	22-27	
416-1	Assessment of the health and safety impacts of product and service categories	19, 22	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	59	
417-2	Requirements for product and service information and labeling	59	
417-3	Incidents of non-compliance concerning product and service information and labeling	59	

Information Security and Privacy Protection

No.	Disclosure	Location	note
3-3	Management of material topics	28-31	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	31, 59	

Enhancement of Efforts to Achieve Carbon Neutrality

No.	Disclosure	Location	note
3-3	Management of material topics	33-45	
302-1	Energy consumption within the organization	44	
302-3	Energy intensity	44	
302-4	Reduction of energy consumption	44	
305-1	Direct (Scope 1) GHG emissions	41	
305-2	Energy indirect (Scope 2) GHG emissions	41	
305-3	Other indirect (Scope 3) GHG emissions	42-43	
305-4	GHG emissions intensity	42-43	
305-5	Reduction of GHG emissions	42	

Overseas Business Advancement and Global Portfolio Diversification

No.	Disclosure	Location	note
3-3	Management of material topics	50	
Company-specific indicator	- Financial performance of companies invested based on Inorganic strategy - Foreign reinsurance income and pre-tax profit	50	

Ethics & Compliance Management

No.	Disclosure	Location	note
3-3	Management of material topics	56-59	
205-2	Communication and training about anti-corruption policies and procedures	58	
205-3	Confirmed incidents of corruption and actions taken	59	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	59	

Digital Innovation

No.	Disclosure	Location	note
3-3	Management of material topics	51-54	
Company-specific indicator	- KPIs of major digital platform-based services and businesses	53	

Biodiversity and Ecosystem Restoration

No.	Disclosure	Location	note
3-3	Management of material topics	46-48	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	47	
304-2	Significant impacts of activities, products and services on biodiversity	46-48	

Clear Identification of the Business Impact of Climate Change

No.	Disclosure	Location	note
3-3	Management of material topics	33-45	

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GRI 201: Economic Performance 2016

No.	Disclosure	Location	note
201-1	Direct economic value generated and distributed	7, 88, 89, 118-119	

GRI 203: Indirect Economic Impacts 2016

No.	Disclosure	Location	note
203-1	Infrastructure investments and services supported	88, 115	

GRI 207: Tax 2019

No.	Disclosure	Location	note
207-1	Approach to tax	89	
207-2	Tax governance, control, and risk management	89	
207-3	Stakeholder engagement and management of concerns related to tax	89	
207-4	Country-by-country reporting	89	

GRI 303: Water and Effluents 2018

No.	Disclosure	Location	note
303-5	Water consumption	64	

GRI 306: Waste 2020

No.	Disclosure	Location	note
306-3	Waste generated	64	
306-4	Waste diverted from disposal	64	
306-5	Waste directed to disposal	64	

GRI 401: Employment 2016

No.	Disclosure	Location	note
401-1	New employee hires and employee turnover	69, 76	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	75	The company's welfare scheme covers all employees regardless of their employment type
401-3	Parental leave	75	

GRI 403: Occupational Health and Safety 2018

No.	Disclosure	Location	note
403-1	Occupational health and safety management system	78	
403-2	Hazard identification, risk assessment, and incident investigation	79	
403-3	Occupational health services	78	
403-4	Worker participation, consultation, and communication on occupational health and safety	78	
403-5	Worker training on occupational health and safety	79	
403-6	Promotion of worker health	78	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	78-79	
403-8	Workers covered by an occupational health and safety management system	78-79	
403-9	Work-related injuries	79	

GRI 404: Training and Education 2016

No.	Disclosure	Location	note
404-1	Average hours of training per year per employee	73	
404-2	Programs for upgrading employee skills and transition assistance programs	71-73	
404-3	Percentage of employees receiving regular performance and career development reviews	74	

GRI 405: Diversity and Equal Opportunity 2016

No.	Disclosure	Location	note
405-1	Diversity of governance bodies and employees	70, 93	

GRI 406: Non-discrimination 2016

No.	Disclosure	Location	note
406-1	Incidents of discrimination and corrective actions taken	59, 67	

GRI 413: Local Communities 2016

No.	Disclosure	Location	note
413-1	Operations with local community engagement, impact assessments, and development programs	82	

GRI 415: Public Policy 2016

No.	Disclosure	Location	note
415-1	Political contributions	14	

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SASB Index

Transparent Information & Fair Advice for Customers

Code	Metric	Location and/or disclosure contents
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	59
FN-IN-270a.2	Complaints-to-claims ratio	13.8 cases per 100,000 claims
FN-IN-270a.3	Customer retention rate	13 th term: 86.27% 25 th term: 68.49% 37 th term: 58.23% 49 th term: 47.41% 61 st term: 33.18% 73 rd term: 28.78% 85 th term: 29.67%
FN-IN-270a.4	Description of approach to informing customers about products	25, 111

Incorporation of Environmental, Social and Governance Factors in Investment Management

Code	Metric	Location and/or disclosure contents
FN-IN-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment management processes and strategies	109-110

Policies Designed to Incentivise Responsible Behaviour

Code	Metric	Location and/or disclosure contents
FN-IN-410b.1	Net premiums written related to energy efficiency and low carbon technology	64, 113
FN-IN-410b.2	Discussion of products or product features that incentivise health, safety or environmentally responsible actions or behaviours	52-53, 64

Financed Emissions

Code	Metric	Location and/or disclosure contents
FN-IN-410c.1	Absolute gross financed emissions, disaggregated by (1) Scope 1, Scope 2 and (2) Scope 3	(2) 41-43
FN-IN-410c.2	Gross exposure for each industry by asset class	-
FN-IN-410c.3	Percentage of gross exposure included in the financed emissions calculation	97.70%
FN-IN-410c.4	Description of the methodology used to calculate financed emissions	43

Physical Risk Exposure

Code	Metric	Location and/or disclosure contents
FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	-
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)	-
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	40, 103, 109

Systemic Risk Management

Code	Metric	Location and/or disclosure contents			
FN-IN-550a.1	Exposure to derivative instruments by category: (1) total exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with a central clearinghouse, and (3) total exposure to centrally cleared derivatives	-			
		End of the 74 th year(current)		(Unit: KRW million)	
				Lifetime Expected Credit Loss	
FN-IN-550a.2	Total fair value of securities lending collateral assets	Item	Expected Credit Loss (12 Months)	Loans Receivable	Impairment of Loans Receivable
		Real Estate	32,602,219	946,158	16,134
FN-IN-550a.3	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	104-105			

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<div><div>1</div><div>NO POVERTY</div><div></div></div>	<div>Goal 1: End poverty in all its forms everywhere</div>	
<div><div>1.3</div><div>Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable</div></div>	<div>Provided a social safety net through inclusive insurance products and services for vulnerable populations at risk of economic hardship, including low-income individuals, children and youth in single-parent households, and migrant workers.</div>	
<div><div>1.b</div><div>Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions</div></div>	<div>Established "Let's go to the future together! Enabling People!" as our social contribution vision and conducted systematic social contribution activities led by Samsung Fire Volunteers and RC Volunteers, Continued donations and volunteer activities for economically disadvantaged and underprivileged youth through 'Dream Fund', a voluntary donation campaign for employees, and 'Dream Class', a joint educational talent donation program among Samsung affiliates.</div>	
<div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div><div></div></div>	<div>Goal 3: Ensure healthy lives and promote well-being for all at all ages</div>	
<div><div>3.4</div><div>By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being</div></div>	<div>Respect for Life' is a suicide prevention social contribution activity jointly promoted by Samsung Financial Network affiliates that operates awareness-raising programs and counseling channels to strengthen mental health among middle and high school students, and develops peer leaders who spread the value of respect for life.</div>	
<div><div>3.6</div><div>By 2020, halve the number of global deaths and injuries from road traffic accidents</div></div>	<div>Through policy research and recommendations by the Traffic Safety Culture Research Institute, public awareness of traffic safety has been raised through media reports and suggestions on policies such as the '5030' policy and future mobility safety. In 2023, marking its 25th anniversary, the Samsung Mobility Museum offered experiential traffic safety education for young visitors.</div>	
<div><div>4</div><div>QUALITY EDUCATION</div><div></div></div>	<div>Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</div>	
<div><div>4.3</div><div>By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university</div></div>	<div>Through systematic employee competency enhancement programs, we improved the job expertise of our employees and supported them in becoming financial experts. We also support youth in acquiring proper financial knowledge through inclusive non-financial support programs such as 'Hope Stepping Stone' and 'One Company, One School'.</div>	
<div><div>4.b</div><div>By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries</div></div>	<div>Samsung Fire & Marine Insurance's Indonesia subsidiary is running the 'B&B Program', a scholarship program for low-income students.</div>	

<div><div>5</div><div>GENDER EQUALITY</div><div></div></div>	<div>Goal 5: Achieve gender equality and empower all women and girls</div>	
<div><div>5.1</div><div>End all forms of discrimination against all women and girls everywhere</div></div>	<div>Through the Human Rights Policy and the Sexual Harassment and Workplace Bullying Prohibition Policy, we have formalized the principles of respect for human rights for all stakeholders, including employees. The company identifies and addresses areas for improvement through regular training and human rights impact assessments.</div>	
<div><div>5.5</div><div>Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</div></div>	<div>We aim to establish and increase the overall percentage of women and the percentage of female managers company-wide by 2030.</div>	
<div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div>	<div>Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all</div>	
<div><div>7.2</div><div>By 2030, increase substantially the share of renewable energy in the global energy mix</div></div>	<div>Since 2018, through the solar power generation facilities at the Global Campus(training center), we have been generating a portion of its electricity consumption on-site. Starting in 2023, we also started procuring eco-friendly renewable energy through the Korean Green Premium policy.</div>	
<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div>	<div>Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</div>	
<div><div>8.5</div><div>By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</div></div>	<div>There is no wage discrimination based on gender among the company's employees.</div>	
<div><div>8.8</div><div>Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</div></div>	<div>Through the operation of decision-making systems such as the Occupational Safety and Health Committee, and the implementation of Safety and Health Management Policy, we ensure that stakeholders can work in a safe environment by carrying out related activities. The company operates programs to support physical and mental health management and addresses safety and health risks through regular risk assessments.</div>	
<div><div>8.10</div><div>Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all</div></div>	<div>During the insurance subscription consultation process, the company enhances accessibility by improving web pages and deploying sign language consultants to help vulnerable customers, such as seniors, foreigners, and people with disabilities, easily understand complex terms and make informed decisions.</div>	

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<div><div>10</div><div>REDUCED INEQUALITIES</div></div> <div><div></div></div>	Goal 10: Reduce inequality within and among countries
<div>10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</div>	<p>Samsung Fire & Marine Insurance strengthen the capabilities of vulnerable groups through various social contribution activities and non-financial support programs.</p> <p>In 2023, marking the 30th anniversary of the guide dog support program, Samsung Fire & Marine Insurance, along with civil society, the government, and local authorities, participated in this program. We not only support guide dogs but also conduct various awareness-raising activities to ensure the mobility rights of the visually impaired.</p>
<div>10.5 Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations</div>	<p>Through regular Own Risk and Solvency Assessment (ORSA) evaluations, we consider various financial and non-financial scenarios to assess potential losses and the level of financial soundness resulting from risk occurrences.</p> <p>In addition to complying with the regulations of the Financial Supervisory Service of Korea, we set and monitor company-wide risk limits based on the European Solvency II framework. We are also preparing to meet the requirements for ComFrame, supervisory requirements for internationally active insurance groups.</p>
<div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div></div> <div><div></div></div>	Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable
<div>11.5 By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations</div>	<p>Amid increasing social losses due to climate change, Samsung Fire & Marine Insurance continues to sell eco-friendly catastrophe insurance to protect customers' property rights and the economic rights of rural communities.</p> <p>Through the research and policy recommendations of the Traffic Safety Culture Research Institute and the Corporate Safety Research Institute, Samsung Fire & Marine Insurance promotes the widespread adoption of a safety culture across society and enhances the operational stability of clients against major disasters.</p>
<div><div>13</div><div>CLIMATE ACTION</div></div> <div><div></div></div>	Goal 13: Take urgent action to combat climate change and its impacts
<div>13.2 Integrate climate change measures into national policies, strategies and planning</div>	<p>Samsung Fire & Marine Insurance has established goals such as 'Net Zero Internal Carbon Emissions by 2050' and 'Net Zero Portfolio by 2050.' We monitor annual greenhouse gas emissions, energy consumption, water usage, and waste generation to achieve these targets.</p>
<div>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</div>	<p>Regular energy management system training is conducted for building managers and facility managers.</p> <p>Through campaigns such as 'Eco+Office' and 'EuSug-Paperless,' Samsung Fire & Marine Insurance encourages employee participation in environmental management and raises awareness about related issues.</p>

<div><div>15</div><div>LIFE ON LAND</div></div> <div><div></div></div>	Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
<div>15.9 By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts</div>	<p>After joining the TNFD in 2023, the company has begun analyzing the impact and dependence of its insurance and investment portfolios on natural capital, identifying high-risk industries in the process.</p>
<div><div>16</div><div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div> <div><div></div></div>	Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
<div>16.5 Substantially reduce corruption and bribery in all their forms</div>	<p>The company operates principles and systems for ethical and compliance management. Through proactive monitoring of daily operations and a compliance officer-led fair trade compliance program, we minimize corruption and compliance risks.</p>
<div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div> <div><div></div></div>	Goal 17: Revitalize the global partnership for sustainable development
<div>17.14 Enhance policy coherence for sustainable development</div>	<p>The company operates consultative bodies at the board, executive, and working levels to promote ESG management and monitor performance.</p> <p>By actively participating in external ESG assessments, we accurately diagnose the level of our sustainability management and identify and implements future improvement tasks.</p>

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GHG Emissions

Verification Target

Korean Foundation for Quality (hereinafter ‘KFQ’) has conducted a verification of Scope 1, 2, 3 Greenhouse Gas Emissions (hereinafter ‘GHG emissions’) of Samsung Fire & Marine Insurance Co., Ltd. (hereinafter ‘Company’) for 2023.

Verification Scope

The verification Scope covered the operational control and organizational boundary and the categories selected by the company between January 1st, 2023 to December 31st, 2023.

Verification Criteria

The following criteria and coefficients used by the company were applied.

- Criteria
 - WBCSD/WRI, Corporate Value Chain (Scope 3) Accounting and Reporting Standard
 - ISO14064-1:2018
 - GHG Protocol Corporate Standard
 - Rule for emission reporting and certification of greenhouse gas emission trading Scheme
 - ISO14064-3:2019
- Coefficient
 - Environmental Product Declaration evaluation coefficient (2021), Ecoinvent database
 - 2006 IPCC Guidelines for National Greenhouse Gas Inventories

Level of Assurance

The verification was performed in accordance with the procedures specified in ISO14064-3 and the assurance level of the verification was performed to satisfy the limited assurance level.

Verification Limitation

GHG emissions verification involves inherent limitations that may arise depending on the organization's data characteristics, calculations and estimates, sampling method, and limited assurance level. Additionally, this verification does not include responsibility for the accuracy of the original data provided by the company.

Verification Opinions

Through the verification process according to the 'ISO14064-3:2006' KFQ could obtain reasonable basis to express following conclusion on the GHG emissions Report.

- 1) GHG emissions for 2023 of Company were properly calculated according to the verification standards.
- 2) For Scope 3 emissions, no material errors or omissions were found, except for emissions information not considered within the selected category range.
- 3) The criteria and process established or estimated/assumed by the company to calculate emissions were transparently reflected in the internal calculation process.
- 4) The data and information used in calculating the GHG emissions were appropriate, reasonable, and no significant errors or omissions could affect verification statement were not found;

Greenhouse Gas Emissions verification Results

(Unit: tCO₂eq, from January 1st to December 31st, 2023)

Category		GHG Emissions
Scope 1, 2	Total	15,130
	Scope 1	3,144
	Scope 2	11,986
Scope 3	Total	29,162
	1Purchased goods & services(water and paper use)	1,459
	2Capital goods	822
	3Fuel- and Energy-Related Activities Not Included in Scope1 or Scope2	1,908
	5Waste Generated in Operations	396
	6Business Travel	1,239
	7Employee Commuting	2,170
	8Upstream Leased Asets	16,566
	11Use of Sold Products	717
	13Downstream Leased Assets	1,234
	15Investment (Subsidiaries)	2,651



April 25th, 2024

Ji Young Song

CEO Ji-Young Song

Korean Foundation for Quality

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Dear Stakeholders of Samsung Fire & Marine Insurance Co., Ltd.

Assurance Outline

Korea Productivity Center Quality Assurance (hereinafter "KPCQA") was commissioned by Samsung Fire & Marine Insurance Co., Ltd. (hereinafter "SFMI") to conduct an independent assurance on the 2024 ESG Sustainability Report (hereinafter "the report") and issues an assurance statement. SFMI has sole responsibility for the preparation of the data within the report. KPCQA's responsibility is to provide objective opinions on this report with the specified criteria and scope of assurance.

Scope

This report describes SFMI 's sustainability efforts and performance. The scope of assurance was included on activities from January 1, 2023 to December 31, 2023. Activities through 2024 has also been used in some areas. The report was assured focusing on the reporting of sustainable management policies, strategies, goals, businesses, and performance, and conformity of data collection and analysis, and the report creation process.

Criteria

The assurance was carried out in accordance with the following standards:

- A1000AS v3
- KPCQA ESG Report Assurance Protocol

Levels

The assurance of this report was conducted in line with the requirements of the AA1000AS v3 Type 2(Adherence to the AA1000 four principles) at moderate level of assurance. The assurance was applied by professional judgement about materiality.

The report has been produced in accordance with GRI Standards. We confirmed that the report complied with reporting principles of GRI Standards, Universal Standards, and Topic Standards based on the data and information provided by SFMI.

Universal Standards

Organizational and its reporting practices	2-1 ~ 2-5
Activities and workers	2-6 ~2-8
Governance	2-9 ~ 2-21
Strategy, policies and practices	2-22 ~ 2-28
Stakeholder engagement	2-29 ~ 2-30
Material topics	3-1 ~ 3-3

Topic Standards

Economic Performance	201-1, 201-2
Indirect Economic Impacts	203-1
Anti-corruption	205-2, 205-3
Anti-competitive Behavior	206-1
Tax	207-1, 207-2,207-3, 207-4
Energy	302-1, 302-3, 302-4
Water and Effluents	303-5
Biodiversity	304-1, 304-2
Emissions	305-1, 305-2, 305-3, 305-4, 305-5
Effluents and Waste	306-2, 306-3, 306-4
Employment	401-1, 401-2, 401-3
Occupational Health and Safety	403-1,403-2, 403-3, 403-4, 403-5, 403-6,403-7, 403-8, 403-9
Training and Education	404-1, 404-2, 404-3
Diversity and Equal Opportunity	405-1
Non-discrimination	406-1
Local Communities	413-1
Public Policy	415-1
Customer Health and Safety	416-1, 416-2

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Methodology

- Review of Sustainability Performance Data and Management System
- Review of the reporting process and data management framework
- Review of materiality assessment process and Internal Analysis Procedure
- Review of media report on sustainability
- Interviews with executives and employees involved in material topics and report preparation
- Review of the overall report

Limitations

This assurance is limited assurance in limited criteria with comparative review of data provided by SFMI. It has its own limitations depending on the characteristics and calculation method of the data.

Conclusions

KPCQA conducted assurance on the draft by review of the data, onsite verification and interview with the employees. It was confirmed that all errors identified during the assurance were corrected.

As a result of the assurance of this report, no material errors or improper descriptions have been found and the conclusions are as follows.

► Inclusivity : Participation of stakeholders

SFMI operates stakeholder communication channels to gather opinions from various stakeholders to derive material topics and ensure that they are reflected in decision-making.

► Materiality : Selection and reporting of material topics

SFMI presented sustainability performance data without any material omissions. Relating to the material issues in the report, nothing had come to our attention that would cause problem in decision-making process.

► Responsiveness : Organizational response to issues

KPCQA checked and reviewed the data related to the internal and external stakeholders of SFMI, we confirmed SFMI identified the reporting scope and stakeholders' interests and reflected them. we confirmed SFMI has management process of material topics through materiality assessment.

► Impact : Monitoring and measurement of business activities

KPCQA reviewed SFMI identified and monitored the impact of SFMI's business activities on stakeholders. we confirmed the impact associated with material issues have been properly measured.

Competencies and Independence of Assurance

KPCQA is a 3rd Party Conformity Assessment Body that conforms to ISO/IEC 17021:2015 and has documented policies, assessment processes, and quality assurance systems with assurance team of ESG experts.

KPCQA was not involved in any of the business operations of the SFMI and the assurance was conducted with independence.



June 2024
Korea Productivity Center Quality Assurance
President **Jang Jean, Kang**

Kang Jang Jean

ESG History & NOW

ESG Management

Sustainability Core Values

Sustainability Performance

Appendix

Financial Performance

Key Sustainability Indices

GHG Verification Statement

Third-party Verification Statement

Samsung Fire & Marine Insurance Policies and Guidelines

Samsung Fire & Marine Insurance Policies and Guidelines

ESG Policies/Guidelines

ESG Policies/Guidelines



SFMI has established enterprise-wide ESG-related policies and reflected them in the practical process.

Customer Rights Policy

Customer Rights Policy



SFMI develops and discloses privacy policies to protect the rights of customers.

Privacy Protection Policy

Privacy Protection Policy



SFMI has established and disclosed policies to protect the personal information and rights of its users and to facilitate the smooth handling of any user complaints.

SFMI Business Principles

SFMI Business Principles



SFMI has enacted the SFMI Business Principles to raise integrity and transparency in its operations.

SFMI Code of Conduct Guideline

SFMI Code of Conduct Guideline



SFMI executives and employees fulfill higher moral obligations and social responsibilities.

Environment & Energy Management Guidelines

Environment & Energy Management Guidelines



SFMI holds policies to minimize and improve the environmental impact of corporate management activities.

Samsung Fire & Marine Insurance