NLI (NH Nonghyup Life Insurance) signed the UNEP FI PSI in September 2021, and declared that it would internalize ESG factors throughout management to practice sustainable insurance management. In order to practice the vision of ‘Together with customers’ through the practice of social responsibility based on the spirit of cooperatives, We will practice sustainability management activities according to the four principles of PSI and report them every year.

**Principle 1. We will embed in our decision-making environmental, social and governance issues relevant to our insurance business**

**Establishment of company-wide ESG decision-making system**

NLI established the ESG Promotion Council chaired by the vice president in charge of ESG in 2021 to review company-wide ESG initiatives and plans semi-annually. In 2022, the ESG Working Committee, composed of ESG team leaders, was established under the ESG Promotion Council to promote efficient execution of promotion tasks. The major issues discussed through the above council are reported as agendas of the board of directors and officially recognized as an ESG strategy.

**Strengthening ESG performance evaluation within the organization**

NLI sets the ESG implementation details for each core business of the insurance company and assigns them to the relevant departments. It improves execution power by reflecting it in performance evaluation. ESG implementation details include achieving performance targets for ESG investments and products, managing carbon emissions, and conducting ESG campaigns, etc.
Principle 2. We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions

Vitalization of ESG product development
In 2022, NLI develops an insurance product to promote eco-friendly activities of customers. The product guarantees public transportation disasters, and we planted 2,000 trees in a campaign to donate one tree when customers sign up for the ESG pledge when subscribing to the product. NLI is the only policy insurance institution in Korea that sells farmer safety insurance to cover accidents that occur during agricultural work, thereby solving the problem of the lack of guarantee for farmers. The actual benefits of farmers were strengthened by extending the guarantee period for receiving insurance money and introducing a pension payment method.

Investment in consideration of phase-out of coal finance and climate risk
After NH Nonghyup Financial’s declaration of phase-out of coal finance in 2021, NLI stopped investing in fossil fuel development. While expanding ESG investment by discovering new and renewable energy and Green New deal projects, we are reducing the investment limit for high-carbon industries to reduce financial emissions in consideration of climate risk.

Establishment of eco-friendly infrastructure
To promote ESG activities with business partners, we are in the process of converting 100% of business vehicle contracts to electric vehicles by 2025. In preparation for this transition to electric vehicles, electric vehicle charging stations were installed at the head office and training center. In addition, energy saving was practiced by replacing the head office lighting with LED. In order to practice paperless, customer service and work process improvement was promoted. By building a mobile subscription system, customers can self-subscribe using their smartphones without paper. In addition, the product development system was digitized to enable document sharing and storage without paper.
Principle 3. We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues

Social contribution through business agreements with external institutions
NLI entered into business agreements with external institutions for systematic and continuous social contribution activities.

<table>
<thead>
<tr>
<th>Category</th>
<th>Agency</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighbor Love PC Sharing</td>
<td>Korea IT Employment Association for the Disabled</td>
<td>Donate more than 500 computer devices every year in 2022-24</td>
</tr>
<tr>
<td>Green space creation project</td>
<td>Seodaemun-gu Office</td>
<td>A total of KRW 150 million donation in 2022-24, creation of green space</td>
</tr>
<tr>
<td>Rural Medical Support Project</td>
<td>Yonsei Medical Center</td>
<td>A total of 2.5 billion KRW in 2023-26, target of 10,000 beneficiaries</td>
</tr>
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In 2022, we donated 950 obsolete computing devices through the Korea IT Employment Association for the Disabled. Through a donation of KRW 50 million, we created green spaces such as flower paths in Seodaemun-gu Office and nearby downtown areas.

Operation of Modure Economy and Finance Class
Participating in the Financial Supervisory Service’s 1 company 1 school program (financial companies establish sisterhood ties with nearby schools), we have been operating the Modure Economics and Finance Class since 2014. By producing learning materials and video contents for each level, the effectiveness of learning has been increased, and the cumulative number of trainees has reached 10,000 in 2021.

Promotion of community welfare improvement
NLI establishes ties with rural villages and regularly helps rural labor. In addition, to contribute to the local community, employees participate in activities such as making kimchi, making bread, planting trees, etc. And making donations for the underprivileged. In 2022, we achieved cumulative donations of KRW 187 million to the Korean Red Cross and were awarded the honorary title of a Korean Red Cross member.
Principle 4. We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

NLI publishes an annual report every year for regular reporting on ESG-related issues. And business reports are listed on the company website and the Electronic Disclosure System of the Financial Supervisory Service. In addition, social contribution activities are introduced on the company website, and details of social contribution donations and volunteer activities are displayed.