

Accumulation of Various Reserves

As of the end of 2025, TREIF's cumulative special reserve was NT44.703billion, net unearned premium reserve was NT\$1.987billion, reserve adjustment was NT\$1.167billion, and credit risk reserve was NT\$700million. Total reserves reached NT\$48.557billion, up by 5.32% in comparison with NT\$46.105billion in 2024. At the end of each year, the entire balance of the total amount of pure premium received by the TREIF after deduction of premium allocated to the coinsurance pool, premiums ceded to the domestic and overseas reinsurance and capital markets, and net retained indemnities, as well as the entire balance of the management fee income after minus the costs and expenses, shall be set aside as a special reserve. The goal is to quickly build up the special reserve and have sufficient funds for claims payouts in the event of an earthquake. The loading for residential earthquake insurance is 15% of the insurance premiums, of which 1.5% is allocated to the TREIF as a reserve adjustment for risk spread on reinsurance or capital market. Meanwhile, 1% is allocated to the TREIF for credit risk reserve to cover losses from breach of contract by policy issuers, coinsurance pool members, reinsurers and reinsurance brokers.

Table: Accumulation of Various Reserves

Unit: NT\$1,000

Year	2021	2022	2023	2024	2025
Special Reserve	34,795,818	37,485,222	40,105,977	42,467,447	44,703,014
Unearned Premium Reserve	1,608,990	1,645,952	1,686,668	1,898,825	1,986,714
Reserve Adjustment	872,857	942,094	1,012,732	1,090,250	1,166,726
Credit Risk Reserves	504,356	550,514	597,606	649,284	700,269
Total	37,782,021	40,623,782	43,402,983	46,105,806	48,556,723
Growth Rate	8.09%	7.52%	6.84%	6.23%	5.32%

Chart: Accumulation of Various Reserves

Unit: NT\$1,000

