

CREATING A BETTER FUTURE, TOGETHER WITH YOU

Prudential Singapore
ESG Report 2022
Summary



As challenging situations persist, it is critical that we do not lose sight of our long-term goal of integrating ESG into our business strategy, and that we stay nimble and attuned to an evolving landscape.

As a leading insurer in Singapore, we have remained focused on our purpose to help people get the most out of life so that their health and wealth are protected, their livelihoods are guarded against the impacts of climate change and their social networks are nurtured to function effectively in society.

Dennis Tan

Managing Director, Strategic Business Group
CEO, Prudential Singapore



Helping people get the most out of life

We strive to make healthcare accessible and affordable, help people protect their wealth and grow their assets and empower our customers to save for their goals. Our success is enabled by our purpose and our five values of ambitious, curious, empathetic, courageous and nimble. These values, and the behaviours underpinning each, guide us in how we operate and interact with our people, customers, partners and the community.

About Prudential Singapore



72 life insurance, medical and savings plan products for individuals as of 31 December 2022



S\$1,062 million annual premium equivalent in 2022



S\$1 billion total equity

Our approach

Our purpose and ESG strategy remain guided by our Group-wide strategic framework that focuses on three key pillars:

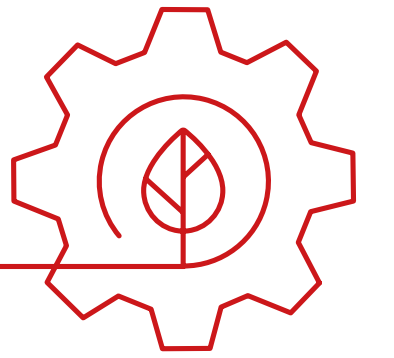
1. Making health and financial security accessible;
2. Stewarding the human impacts of climate change; and
3. Building social capital.

Inclusivity is a common thread across our framework. To help people thrive, we strive to make our products and services widely accessible. To build a greener future, we want to ensure that the transition to a low carbon economy is a just and inclusive one so no one is left behind. To lead by example, we must continue to celebrate diversity in the workplace and ensure that everyone feels a sense of belonging.

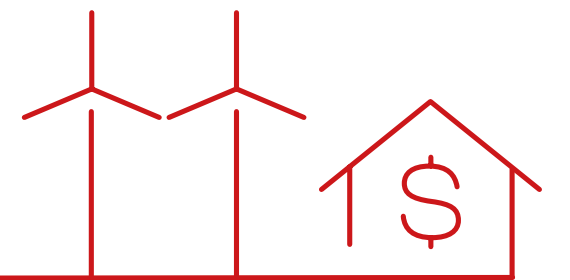


The following strategic enablers support these pillars:

Good governance and responsible business practices



Responsible investment



Community engagement and investment



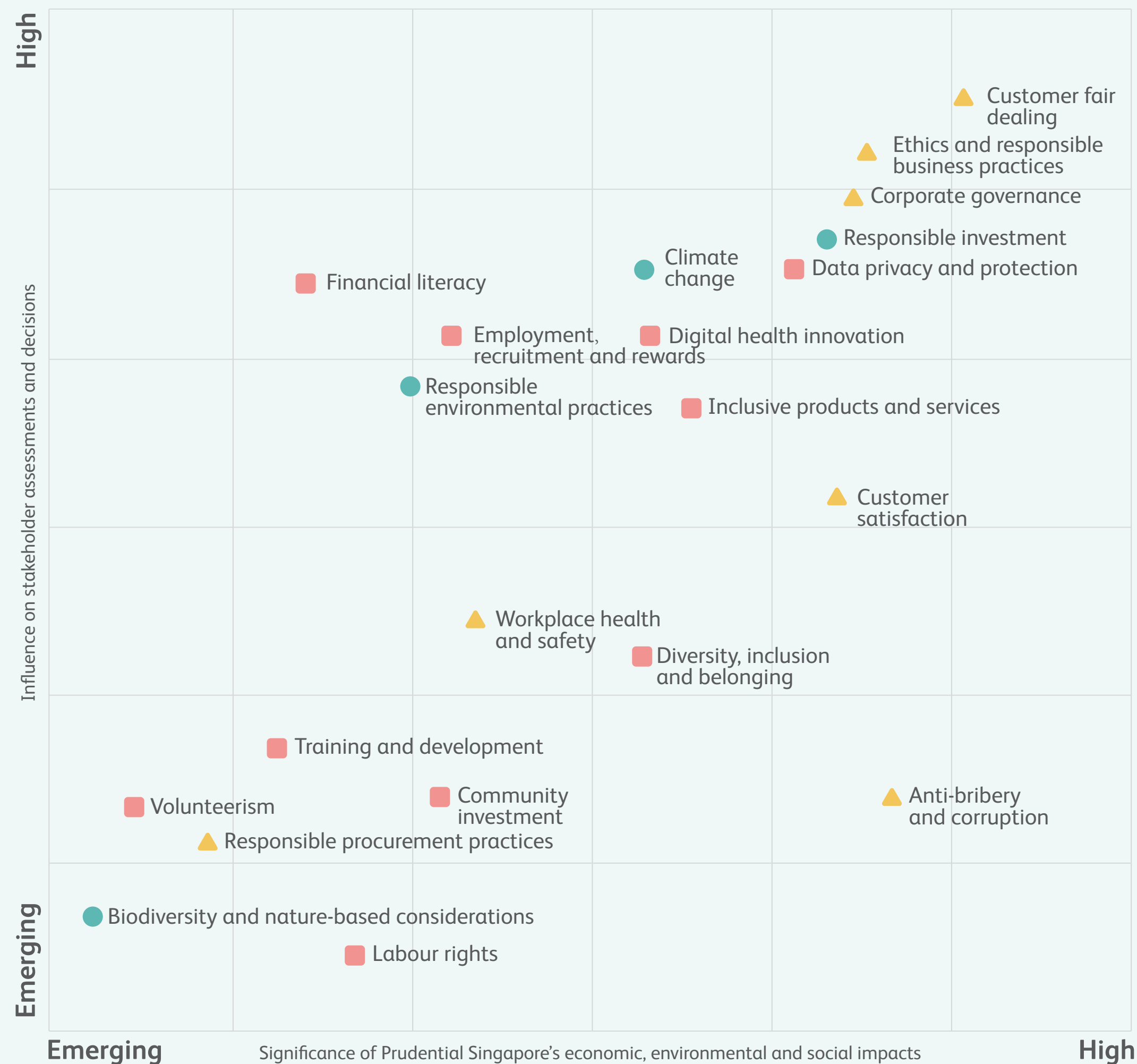
What shapes our approach

Process to determine material impacts



¹ Business relationships: Relationships that we have with business partners, with entities in our value chain including those beyond the first tier, and with any other entities directly linked to our operations, products or services. [Source: GRI, United Nations (UN)]

Materiality matrix



- Inclusive products and services
 - Digital health innovation
 - Data privacy and protection
 - Diversity, inclusion and belonging
 - Responsible investment
 - Climate change
 - ▲ Customer fair dealing
 - ▲ Customer satisfaction
 - ▲ Ethics and responsible business practices
 - ▲ Corporate governance
- MAKING HEALTH AND FINANCIAL SECURITY ACCESSIBLE SECTION
- BUILDING SOCIAL CAPITAL SECTION
- RESPONSIBLE INVESTMENT SECTION
- CLIMATE CHANGE SECTION
- GOOD GOVERNANCE AND RESPONSIBLE BUSINESS PRACTICES SECTION

The top material topics that are most significant to our business and stakeholders are: customer fair dealing, ethics and responsible business, corporate governance, responsible investment, digital data privacy and protection, digital innovation and climate change. Our materiality assessment is constantly updated so that we can better understand and respond to these evolving changes to create positive impacts and mitigate negative ones. The top topics are aligned with our ESG strategy and are covered in greater detail within this report.

Stakeholder engagement

Stakeholder engagement and collaboration are crucial to understanding our impacts and driving efforts towards more sustainable operations. We do this through active engagement and reciprocal communication throughout the year. Having a thorough understanding of our stakeholder needs enables us to design products and services that maximise our positive impact on the economy, environment and society. We have identified the following stakeholders who influence, and are impacted by, our operations: regulator, government, investors, customers, employees, distributors, suppliers and community partners.

We use our materiality analysis, customer surveys and direct engagement with a diverse range of stakeholders to shape our strategy, activities and reporting.

In 2022, our stakeholder engagement covered the following:

- **Normal-course interaction** with the government, regulator, investors, financial institution partners, distributors (bancassurance and new partners) and suppliers.
- **A refreshed ESG survey** containing a list of 21 material topics conducted with employees, customers and agency distributors as part of a broader Group-wide engagement.

Making health and financial security accessible



Enhanced the Pulse experience

to support users to improve their physical and mental health through Challenge Your Pulse, a daily mood tracker, self-awareness quizzes and curated mental wellness content



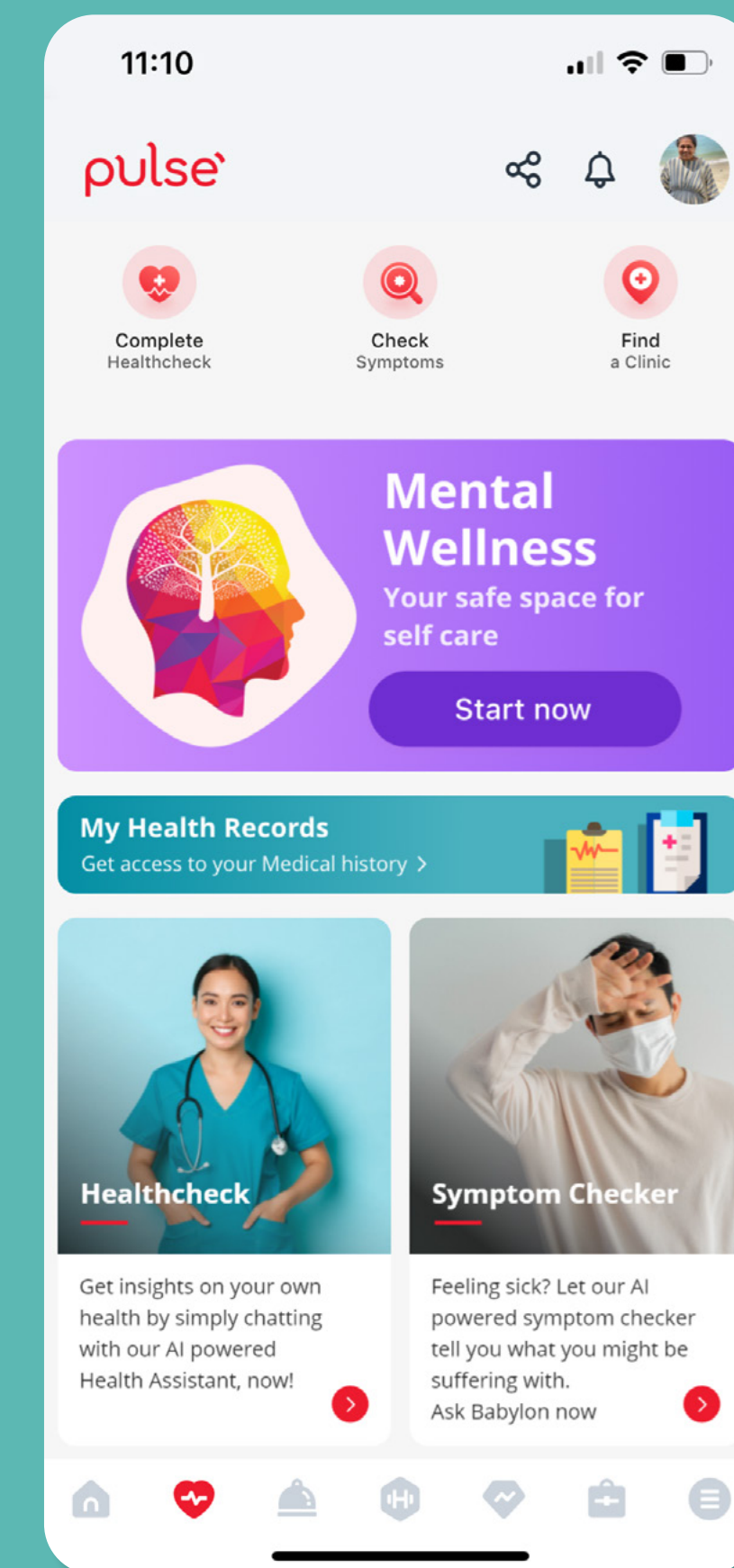
Launched **inclusive and bite-sized products** including PRUSafe Guard 22, PRUSafe Sports and PRUFirst Gift II



Nearly **4,000** children completed our financial literacy programme, Cha-Ching, with 84% reporting that the programme has taught them better money management

We remain ambitious and integrate inclusivity into our pursuit of helping people get the most out of life. Through the closure of health, protection and savings gaps, we actively help our community to achieve better health and wealth outcomes.

As digital technology plays an increasing greater role in helping Singapore residents live longer, we continue to tap on this by investing in **digital health innovation** through our health and wellness app, Pulse by Prudential. We focused on supporting users with the maintenance and improvement of their physical and mental health with features like Challenge Your Pulse and a daily mood tracker, among other features. We continue to develop **inclusive offerings** that are affordable and diverse, such as PRUSafe Sports and PRUFirst Gift II. These offerings were created to meet the needs of underserved segments, ensuring that they are adequately protected. Lastly, we continue to **promote financial literacy** through our Cha-Ching programme so that children can start understanding money management concepts from young and effectively manage their health and wealth in the future.



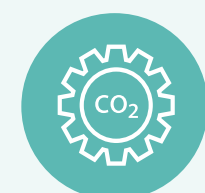
Stewarding the human impacts of climate change



Contributed to Group's **WACI reduction of 43%** in the carbon emissions of our investment portfolio



Completed divestment from fixed income assets with a 30% coal revenue threshold



Implemented an **Environmental Risk Management Policy** to identify and manage climate-related risks



Maintained the electricity consumption rate of our workplaces at 2021 levels despite a 70% increase in employee in-office attendance in 2022



Scope 1 and Scope 2 carbon emissions decreased by over 50% per full-time employee from our 2016 baseline, on track to meet our carbon neutral target by 2030

As an asset owner and manager, we are aware of our own contributions to climate change through the investments we make. Our business operations also have direct impact on the environment. Cognisant of these issues, we strive to manage both wisely to reduce our carbon footprint.

As such, we continue to **decarbonise our investment portfolio** by working with Eastspring Investments, our asset management arm, to implement active, passive and quant strategies like setting a carbon budget, defining companies that are excessively carbon intensive and implementing a low carbon benchmark. In 2022, our Group published a white paper on '**Supporting a just and inclusive transition**' that highlights the importance of ensuring a **just and inclusive transition** to a low-carbon economy, and explores case studies and further actions required, both from Prudential and the wider market.

We took definitive steps to improve the effectiveness of our climate governance through policy implementation, identification of roles and capacity building. The Prudential Singapore Environmental Risk Management (EnRM) Policy was developed by the Enterprise Risk Management (ERM) team in collaboration with key departments including the Investment and ESG teams to identify possible areas of vulnerability to climate risk and the mitigating actions to be taken, enhancing the resiliency of our business and improving our awareness of potential opportunities.



Building social capital



1,230

full-time and contract employees



Reduced our gender pay gap to (0.3)%



52% female participation
rate for senior managers and above



Clocked more than **40,000**
in **total learning hours**



Over 200 early adopters of **PruAnywhere** which enables employees to work from alternative workspaces

We invest in building relationships with our employees and broader stakeholders to build social capital. Our approach to **digital responsibility** is carried out with integrity and transparency. Having robust information security and privacy processes in place is vital as it helps to gain the trust and recognition of customers and improve the company's reputation. As we increase the use of digital technologies in our business, we also need to be mindful of any technology and security risks that may arise.

When it comes to **people responsibility**, we invest in our employees and promote diversity, inclusion and belonging for our employees. We closed our gender pay gap at (0.3)% in 2022 and our female participation rate for senior managers and above stood at 52%. We continue to cultivate the personal and professional development of our people to strengthen the capabilities and ambitions of our workforce while promoting a supportive and enriching work environment.



Responsible investment



Continued our **active engagement with companies** responsible for 65% of the absolute carbon emissions in our investment portfolio



Provided ESG ratings for all applicable investment-linked policy (ILP) funds



100% of our portfolios are ESG-screened by applying the minimum ESG threshold on funds and underlying investments



As a life insurer and asset owner, we are long-term stewards of our customers' assets. Our Group has pledged to become a net zero asset owner by 2050, as part of our membership in the UN-convened Net Zero Asset Owner Alliance.

Good governance and responsible business practices



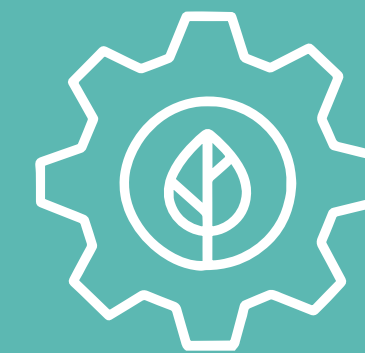
Spent over **S\$259 million** locally across **89%** of our supplier base, S\$154 million more than 2021



Decrease of **40%** in the total number of complaints received since 2020



Established the **Prudential Award for Ethics and Conduct**, which recognises financial consultants for outstanding compliance and conduct standards



Strong governance processes form the foundation of our business and are critical to maintaining trust with stakeholders. Our governance framework articulates our standards of behaviour and those standards are embedded into everything we do, including our fight against financial crime and how we deal with our customers and suppliers.



Community engagement and investment



9,660 total volunteering hours, reaching **7,300** individuals & **1,100** KidSTART families



Extended the Senior's Wellbeing Masterclass programme to include financial literacy, benefitting more than **280 seniors**



Raised over **S\$285,000** for the Prudential Longevity Pledge that benefits vulnerable groups in the community

Our community engagement and investment efforts are guided by our Group Community Investment strategy which emphasises on health, education, and community resilience. The two areas where we implement this in Singapore are:



Education

Promoting financial literacy knowledge and skills to children through the Cha-Ching programme; and



Health

Promoting the importance of early childhood development through Healthy with KidSTART and supporting active ageing for seniors through our Seniors' Wellbeing Masterclass (SWM) programme.



[Watch our video: Prudential Singapore - Delivering on our ESG Strategy](#)



[Read our full Prudential Singapore ESG Report 2022](#)