income made yours

Towards A **Resilient Future**

Sustainability Report 2022

We stand for doing business in a way that builds resilience for the future. This means we use our insurance products, investments, asset management and expertise to deliver sustainable value to communities where we live and work. This report describes how we delivered on that in 2022 by bringing together our ambition, strategy, commitments and contributions to advance towards a resilient future.

Table of Contents

Foreword

Gaining momentum on building a resilient future

2022 was a year of great significance for us.

It was the year that the company changed its legal form from an insurance co-operative to a public non-listed company limited by shares. Since 1 September 2022, we have been operating as Income Insurance Limited (Income Insurance).

We became a corporation in response to the changing insurance landscape. Over the years, significant shifts in the insurance industry and business environment in Singapore have made corporatising the co-operative critical for our future growth.

As a corporation, we enjoy operational flexibility and a broader range of growth options that allow us to compete equally with other insurers. This means that we can be more agile in serving our customers better. By becoming a corporation, we are organising ourselves to be more resilient and sustainable as a business.

Resilience is the capacity to withstand or to recover quickly from difficulties. It calls for the ability to adjust, adapt and respond quickly to changes. This quality was summoned in us in the past year by challenges such as an uneven global recovery due to the lingering pandemic, economic slow-down as well as supply chain and business disruptions that were compounded by the war in Ukraine. With businesses continuing to face inflationary pressure, a price-wage spiral and economic fallouts from rising geopolitical tensions, we will require the same toughness, if not more, to carry us forward as a society and as an organisation.

Homing in on Building Resilience

The *12th United Nations Global Compact-Accenture CEO Study on sustainability* called sustainability the "core of resilience". This is because sustainability practices build resilience by managing risks, opportunities and resources in a way that preserves organisations in the face of stressors and shocks.

In this same way, our three sustainability pillars build our collective resilience as we embed environmental, social and governance (ESG) considerations in the core of how we operate our business. The three pillars are 'Action for Environment', 'Operate a Responsible Business' and 'Build Stronger Communities' and together, they underpin our sustainability strategy.

In 2022, we embarked on several climate resilience measures that helped us progress towards our net-zero greenhouse gas (GHG) 2050 target. Among them, our external fund managers who are Principles for Responsible Investment (PRI) signatories and Task Force on Climate-related Financial Disclosures (TCFD) supporters are currently managing the majority of our Assets Under Management with ESG considerations.

Today, the commitment to protecting and supporting our customers, people and communities remains our North Star. In the years ahead, we are eager to lean on the foundation that we have built over the past five decades to realise a more resilient future together.

Andrew Yeo
Chief Executive
Income Insurance Limited

Foreword

As part of our efforts to ensure that we meet our target to have zero coal-related exposure in our investment portfolio, we curtailed our investments in coal sectors in portfolios managed by our external fund managers. Additionally, we incorporated underwriting guidelines on environmental risks to support decision making in our Commercial Business line. With this, we are taking a step towards realising our commitment to cease underwriting of coal-related business in our Property and Casualty portfolio by 2040.

As an insurer, asset owner and investor, our most significant contribution to combating climate change is in the decarbonisation of our investment portfolio. As our operational and insurance footprints are primarily limited to Singapore, a calibrated and pragmatic approach is more appropriate when we consider our operational and insurance emissions. As work on this front is long-term and target setting remains nascent globally, we recognise the need to be iterative and to continually sharpen our approach to achieve our net-zero goal.

As such, we are prioritising our financed emissions and working with an external consultant to map out what we need to do to define our decarbonisation levers, targets and transformation roadmap.

We know that challenges and shocks are inevitable in business. As a responsible corporate citizen, our fundamental role is to grow our financial strength and stability so that we continue to meet our fiduciary and financial obligations. In 2022, we were rated AA- by S&P Global Ratings. The fact that we have been holding this credit rating since 2009 underscores our financial resilience.

To anchor our enterprise resilience, we take a long-term approach to realising growth and profitability. This approach is underpinned by a high standard of corporate governance, continuous investment in our people to prepare them for the future of work, as well as a passionate pursuit of customer-centricity, innovation and insurtech that shape a future insurance landscape where no one is left behind.

For example, we put our people through data curriculum that is customised to their work requirements so that they get to learn what is practical and meaningful for purposeful work.

Concurrently, we are also fostering financial and community resilience by practising financial inclusion and closing protection gaps. In 2022, we pushed boundaries locally and regionally in exciting ways by launching insurance innovations that fit in with our customers' digital lifestyles.

We also created greater positive impact by championing the well-being of seniors and advocating zero waste lifestyles. More details about our progress and initiatives on this front can be found in the section, *Build Stronger Communities*.

> **"Sustainability practices build resilience by managing risks, opportunities and resources in a way that preserves organisations in the face of stressors and shocks. In this same way, our three sustainability pillars build our collective resilience as we embed ESG considerations in the core of how we operate our business."**

Staying Purpose-Built

From the get-go, we have been an organisation that puts people first. Our company first began as an insurance co-operative in 1970 to meet the call to help workers in Singapore attain a higher level of financial and social resilience. We achieved this by making insurance affordable and accessible for the average man. We have set our sights on creating sustainable value for our stakeholders and bolstering resilience in Singaporeans for the long haul. To do this well, we have partnered the Centre for Research on Successful Ageing at Singapore Management University on a resilience study. With this initiative, we seek to gain insights on the mental, social, physical and financial resilience of Singaporeans, which will allow us to make evidence-based decisions when curating tangible interventions to bring about positive and sustainable outcomes for Singaporeans.

Today, the commitment to protecting and supporting our customers, people and communities remains our North Star. In the years ahead, we are eager to lean on the foundation that we have built over the past five decades to realise a more resilient future together.

Andrew Yeo
Chief Executive
Income Insurance Limited

Our Purpose and Sustainability Strategy

Leave no one behind

Our purpose is to offer financial protection that leaves no one behind. This purpose statement was sharpened in 2022 to underscore our fundamental commitment to be a company that puts people first by offering value-friendly products and services that protect and support their financial needs. It continues to honour the very spirit of our organisation, which was set up five decades ago to plug a social gap by making essential insurance available to Singaporeans.

Our sustainability strategy is centred on this purpose and built around three strategic pillars: 'Action for Environment', 'Operate a Responsible Business' and 'Build Stronger Communities'. For each pillar, we have identified material actions that will allow us to build our collective resilience in the year ahead. With this framework, we also set priorities and targets that will allow us to create sustainable value and operate in the best interest of the company and our stakeholders.

Our sustainability strategy is also aligned with seven United Nations Sustainable Development Goals (UN SDGs), giving added purpose to what we do at Income Insurance.

Our Purpose and Sustainability Strategy

Towards A Resilient Future

The logo symbolises the interconnectedness and harmonious relationship among the three strategic pillars of our sustainability strategy.

A simplistic "human figure" represents each pillar symbolically and bears its colour. The three "human figures" are then set in a circle to signal people and communities coming together and joining hands to build a resilient future that is inclusive for all.

Action for Environment

We have committed to achieve net-zero GHG emissions by 2050. To support this ambition, we have pledged to have zero exposure to coal-related sectors in our investment portfolio by 2030 and to cease underwriting of coal-related businesses in our Property and Casualty portfolio by 2040. We are taking tangible steps to transition to a low-carbon business, decarbonise our investment portfolio and introduce innovative sustainable products to achieve these targets.

Operate a Responsible Business

As a responsible business, we place great importance on effective governance and in establishing a culture of ethical decision making. To ensure that we leave no one behind, we continuously innovate to offer inclusive financial protection through a myriad of products and services. We also value our employees and support their growth and development by fostering a learning and engaged culture through curated programmes.

Build Stronger Communities

We have remained committed to empowering the underserved communities since our inception. To further amplify this commitment, we have committed to contributing S$100 million over a period of 10 years starting from 2021 to causes that assist low-income groups, with a particular focus on supporting education for children and youths in need, the well-being of seniors and the environment. We also encourage our employees to make a positive impact on communities by offering them volunteering opportunities and paid volunteer leave.

2022 Highlights

Where we did well

Action for Environment

Attained Green Mark certification by the Building and Construction Authority for all buildings owned by Income Insurance

99.4% of our Assets Under Management are managed with ESG considerations by external fund managers who are UN PRI signatories and TCFD supporters

Launched a **short-term insurance savings product, Gro Capital Ease Eco**, that is backed by a portfolio that focuses on assets with high or improving ESG scores

Conducted a **solar energy feasibility study** at our head office, Income Centre

Incorporated underwriting guidelines on environmental risks to support business decision making for our Commercial Business line

Operate a Responsible Business

Rated AA- in credit rating by S&P Global Ratings for 14 consecutive years

Future-proofed our business by transitioning from an insurance co-operative to a public non-listed company limited by shares

Retained top quartile ranking in the Organizational Health Index

About **98%** of our employees completed a data curriculum

Ranked top for access to insurance for seniors and persons with special needs in Social Impact Tracker 2022

Build Stronger Communities

Closed protection gaps by launching **Singapore's first travel insurance that protects travellers hourly**

Achieved 93% offer rate for seniors who applied for our life insurance products

Contributed S$22.1 million to community causes

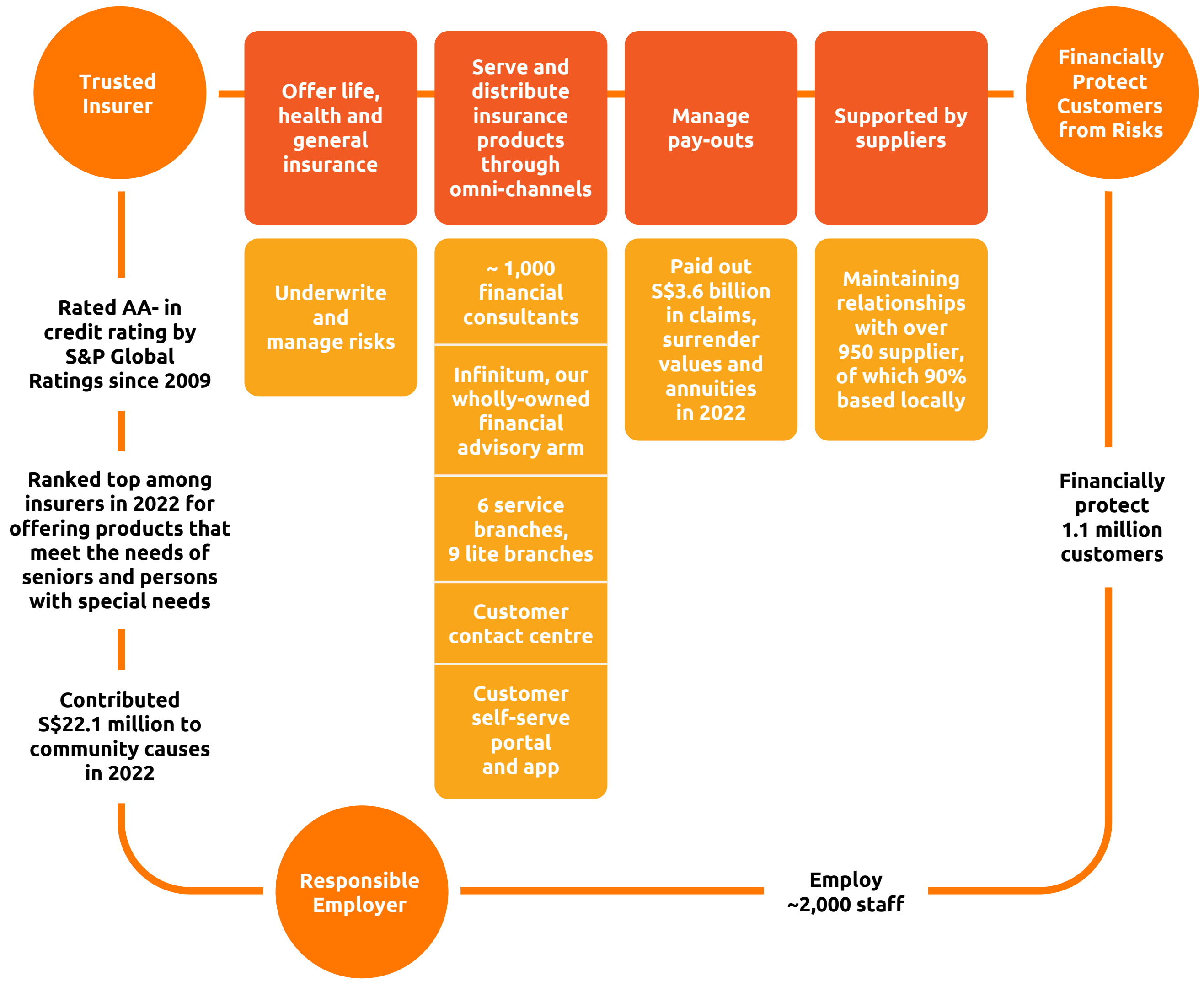
97% of 400 low-income students who received Income OrangeAid's Future Development Programme bursaries indicated that they had more time for school

Extended the Income Family Micro-Insurance Scheme so that it now **protects all students eligible for the Ministry of Education Financial Assistance Scheme**

Recorded **87% participation rate** for our corporate-wide employee volunteering programme

About Income Insurance

Staying purpose-built



Income Insurance Limited is a public non-listed company limited by shares. It commenced operations on 1 September 2022 in Singapore, following the successful transfer of the insurance business of NTUC Income Insurance Co-operative Limited (Co-operative) to Income Insurance, as part of the former's *corporatisation efforts*.

The transfer was confirmed by the High Court of Singapore on 14 June 2022 and completed on 1 September 2022 via a Scheme of Transfer under the Insurance Act of Singapore and other transfer agreements. The new corporate entity, Income Insurance, is governed by the Companies Act of Singapore.

Income Insurance also retained the Co-operative's Board and management team, who continue to steer and grow the company by drawing on the powerful levers of a compelling business purpose, strong brand equity and sound business growth plans.

Income Insurance remains one of the leading composite insurers providing life, health and general insurance in Singapore. It continues to build on the foundation of the Co-operative, which was established in the 1970s to bolster the financial well-being of Singaporeans by offering accessible insurance protection.

The company is a non-corporate institutional member of the GCNS, a local chapter of the United Nations Global Compact that champions multi-stakeholder action to forge a more sustainable future. The GCNS promotes sustainable business practices and Singapore's national agenda of becoming a regional sustainable business hub.

Income Insurance is also a member of the Life Insurance Association Singapore and the General Insurance Association, both of which encourage collaboration across the insurance industry and with relevant regulatory bodies to promote insurance literacy and to close protection gaps in Singapore.

Focusing on **What Matters**

Towards A **Resilient Future**

Our Sustainability Approach

Identifying Issues That Matter

What our stakeholders care most about

To improve our sustainability performance, we focus our efforts and resources on sustainability issues that matter most to our stakeholders and prioritise actions that not only align with their expectations and our business performance but are also practical and impactful.

To do this well, we carry out materiality assessments to help us identify these issues. The materiality assessments involve stakeholder engagement where we gather feedback on the material matters that are important to our stakeholders and their perceptions of our environmental, social and economic impact. These insights also enable us to regularly evaluate the appropriateness of our sustainability strategy and ensure its continued relevance. With these insights, we are better placed to make informed and effective decisions that support positive change, monitor progress and report our performance via a pragmatic and meaningful approach.

As disclosed in our last sustainability report, we revised our materiality construct in 2021 to include our long-term environmental and social commitments. In 2022, we adopted this same materiality construct and set sustainability targets at the start of the year according to the identified sustainability topics.

Subsequently in November 2022, we undertook a materiality assessment exercise where we adopted the guidelines of the Global Reporting Initiative (GRI) Universal Standards 2021, which considers both impact on society and the planet as well as impact on the company and risks and opportunities for the company.

The exercise was intentionally timed to take place after the corporatisation exercise. This enabled us to gather stakeholders' feedback and expectations of the new company, Income Insurance, after it began operations on 1 September 2022.

We adopted a three-step approach in conducting the assessment and determining the material sustainability topics.

1 Identify and Define Material Sustainability Topics

We shortlisted 15 material topics by first drawing on the sustainability topics that we disclosed in 2021. We also conducted peer reviews, benchmarking and an analysis of the sustainability landscape.

2 Engage Stakeholders to Prioritise Topics

We engaged 4,800 stakeholders in Singapore to prioritise the shortlisted sustainability topics. The stakeholders involved were our corporate and retail customers, employees and service partners. We gathered their views on the sustainability topics via an online survey and one-on-one interviews.

3 Analyse, Evaluate and Validate

We analysed and evaluated the feedback from these stakeholders and mapped each sustainability topic onto a materiality matrix. We also held a workshop with our senior management to discuss and confirm the topics' relevance to the company, influence on our stakeholders' perception of the company and impact on society, environment and economy. The sustainability topics evaluated to be material were then consolidated into key topics by the senior management for further validation by the Board.

Identifying Issues That Matter

The materiality assessment that we embarked on in November 2022 resulted in 10 sustainability topics. The insights we gained from the exercise reaffirmed our sustainability materiality construct and strategy for 2022, as well as informed our sustainability topics, material actions, business priorities and sustainability targets for 2023. This report is based on material sustainability topics identified in 2021.

The 10 material sustainability topics were further consolidated into five key ones by our senior management. These five consolidated topics have been endorsed and approved by the Board.

Material Sustainability Topics	Consolidated Topics	Management Approach to Corresponding Material Actions
1 Cybersecurity and Data Protection 2 Fair Dealing 3 Ethical and Effective Governance	Responsible Business Practices	Enforce cybersecurity and data protection Enforce fair dealing Embed ethical behaviour and effective governance within the organisation
4 Employee Well-Being 5 Employee Development and Engagement	Employee Well-Being, Development and Engagement	Foster a learning and engaged culture
6 Financial Inclusion 7 Ageing Population and Lifestyle-Related Diseases	Financial Inclusion	Offer inclusive products and services as well as promote financial well-being, including catering to Singapore's ageing population and addressing lifestyle-related diseases
8 Climate Change and Energy Use	Climate Change and Energy Use	Transition to low-carbon business (encompasses responsible investment)
9 Community Development	Community Development	Fund and promote social advocacy by supporting education for the low-income, seniors' well-being and environmental causes
10 Financial Performance		Excluded – disclosed in Annual Report

Engaging Our Stakeholders

Deepening our understanding and relevance

We believe in working proactively and in partnership with others to realise our sustainability ambition and contribute positively to society. The table below shows how and why we engage with different stakeholder groups so that we keep pace with their concerns and interests and remain relevant.

	Customers	Employees	Society	Business Partners	Government/ Regulators	Shareholders
Key Stakeholder Groups and Their Interests	Our customers are at the heart of what we do. Their feedback helps us better understand their needs and to improve our products and services.	Our people enable us to achieve our strategic objectives and generate value for the business and society. We continuously draw on their perspectives and experiences to drive workplace improvement and contribution to society, including staff volunteering and supporting their professional and personal growth.	We believe collaboration is key to creating positive change. We work together with the Singapore government, trade associations, non-profit organisations and others to help address social needs in our community and to collectively promote a global sustainability agenda.	We continue to work with our external fund managers, business partners and suppliers to make responsible decisions and to advance towards realising our sustainability commitments.	We keep ourselves informed about regulatory trends, changes and issues. This helps us comply with applicable regulations and improve our corporate governance procedures.	We seek to deliver sustainable shareholder returns and to keep our shareholders abreast of our business progress and strategic growth.
Engagement Channels	• Brand Health Tracker • Customer service channels that gather regular feedback • Customer Connects • Website and social media platforms usage to disseminate news and information about our activities • OrangeAid RoundUp – a platform for our customers to donate to our community initiatives	• Annual staff survey – Organisational Health Index • Employee training, engagement and well-being initiatives • Skip-level meetings where we receive employee feedback • Townhalls • Employee volunteering initiatives	• Social Impact Tracker • Industry workshops and dialogues such as the ASEAN Taxonomy for Sustainable Finance Stakeholder Roundtable) • Trade and community related programmes and initiatives	• Meetings and email correspondences • Formal discussions with our external fund managers and portfolio management	• Formal discussions on Environmental Risk Management with the Monetary Authority of Singapore (MAS) • Engagement sessions with MAS on nature-related financial disclosure and biodiversity research • Compliance reporting on cybersecurity and data protection	• Income Insurance's corporate website • Annual general meeting (AGM)* • Extraordinary general meeting (EGM), as required* • Income Insurance's annual report and annual sustainability report • Meetings and email correspondences * The EGM and AGM were held in February and May 2022 respectively prior to the corporatisation of what is now Income Insurance Limited.

Engaging Our Stakeholders

Proactively Learning to Serve Our Customers Better

We are committed to be a data-driven and customer-centric organisation. To do this well, we launched Customer Connects, a regular series of engagement sessions with our existing customers and potential ones, so that we have a deeper understanding of their needs and perception of our insurance offerings, including areas where we can improve to serve them better.

Close to 100 Customer Connects sessions were conducted by our employees in 2022, amounting to approximately 200 hours of dialogue with our customers. We intentionally deployed staff interviewers for these sessions to further embed a customer-centric and data-driven culture at the company. With first-hand feedback we gathered from these sessions, we were able to gain more nuanced insights to steer customer-focused decisions.

We aim to have more employees participating in Customer Connects in 2023 so that we can meaningfully incorporate customer insights into the way we work and sharpen our customer-centricity.

> To be truly people-first, we are putting customers at the centre of our business decisions and their opinions as the North Star that guides us. Only then can customers trust us to be their valuable financial partner; one that fulfils their protection needs and builds their financial resilience for the long term.

Jaime Toh
Customer Insights Lead

Managing Our Progress

A priority at the highest level of our organisation

Board of Directors

Has ultimate responsibility for sustainability strategy, prioritisation and performance and delegates specific ESG oversight to its committees

Nominating and Human Resource and Remuneration Committee

Oversees the holistic assessment of sustainability matters and aligns incentives to annual corporate scorecard, which incorporates sustainability targets

Risk Management Committee

Oversees environmental risk management and alignment with TCFD recommendations

Investment Committee

Oversees responsible investment

Executive Committee (ExCom)

Is responsible for implementation of the sustainability strategy and is led by the Chief Executive with support from the senior management team and workstream subject-matter specialists

We recognise that to have the greatest impact, sustainability needs to be embedded at the core of our business and responsible decision making must take place enterprise-wide, starting at the highest level of our company.

Board of Directors (Board)

Accordingly, we integrate sustainability into our governance structure and our Board has ultimate oversight of our sustainability strategy, related performance and reporting. The Board steers our vision for a more resilient future and provides guidance on our sustainability strategy.

The Board has delegated the management of sustainability-related matters to board-level committees, namely the Nominating and Human Resource and Remuneration Committee (NHRRC), the Risk Management Committee (RMC) and the Investment Committee (IC).

The Board and the board-level committees also hold quarterly meetings where they review our corporate scorecard, which tracks progress on annual sustainability targets that have been endorsed by the Board.

Nominating and Human Resource and Remuneration Committee (NHRRC)

The NHRRC oversees the company's sustainability vision, strategy, material topics and actions, which shape business priorities and determine the sustainability targets Income Insurance sets annually. The committee also has oversight of the company's sustainability initiatives and implementation roadmap, including the assessment of our sustainability performance. The NHRRC supports the sustainability strategy by aligning incentives to the annual corporate performance, which also considers the progress against and achievement of our annual sustainability targets.

Risk Management Committee (RMC)

The RMC oversees the management of risks and opportunities, including risks related to the environment and their impact on the company's strategy. The RMC reviews the Environmental Risk Management (EnRM) Framework annually and approves the Framework. The Framework comprises the EnRM policy and risk appetite and strategy statement and is consistently applied across different business units, including investment and underwriting.

Investment Committee (IC)

The IC oversees the company's Responsible Investment Policy, which integrates responsible investment practices into the management of the company's investment portfolio. The IC reviews the Responsible Investment Policy annually and approves it.

Executive Committee (ExCom)

At management level, the ExCom is responsible for implementing and monitoring the performance and progress of the company's sustainability strategy, initiatives and policies. It also oversees various sustainability workstreams to ensure that sustainability is embedded in business planning. As and when required, ExCom members will table meetings and communicate sustainability-related developments in a timely manner to the board-level committees and the Board.

In 2022, the ExCom and its workstream subject-matter specialists convened four times to discuss progress on the company's sustainability agenda. It also met on eight other occasions for sustainability-related updates and EnRM meetings, including ESG and related regulatory developments in Singapore and globally. Board-level committees or the Board were involved in five of these meetings. Sustainability or EnRM-related capacity-building topics were also included in some of these sessions.

Tracking Our Progress

Walking the talk

Our annual sustainability topics guide our material actions, business priorities and targets. In 2022, the ExCom and the Board received quarterly reports on the company's progress against the year's sustainability targets.

Our annual corporate performance scorecard tracks our sustainability performance to ensure that each year we are successful in balancing our business performance with our responsibilities across the three sustainability strategic pillars. In 2022, we met all targets set for the year.

Action for Environment

Sustainability Topics	UN SDGs Supported	Material Actions	Our Commitments	2022 Business Priorities	Progress in 2022
• Climate change • Waste management • Responsible investment	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Transition to low-carbon business	• Achieve net-zero GHG emissions by 2050	Implement Environmental Risk Management Guidelines	Completed Own Risk and Solvency Assessment (ORSA), which evaluated the impact of climate change on our business
				Drive sustainability awareness organisation-wide	About 70% of our employees participated in the company's inaugural Sustainability Festival, which promoted a zero waste and sustainable lifestyle; over 50% of all staff pledged sustainable actions
				Monitor GHG emissions footprint	Disclosed Scope 1, 2 and 3 GHG emissions under *climate metrics and targets* section
					Embarked on green office retrofits
			• Cease underwriting of Property and Casualty business in coal sectors by 2040	Establish and implement underwriting guidelines in commercial business lines	Introduced underwriting guidelines on environmental risks for Commercial Business line
			• Achieve paperless policyholder communication by 2025	Establish paperless policyholder communication in our operation	Saved 9.6 million sheets of paper by avoiding and reducing printed sheets
		Decarbonise investment portfolio	• To manage investment portfolios with ESG considerations • Achieve zero exposure to coal-related sectors in investment portfolio by 2030	Manage investment portfolio with ESG considerations	99.4% of assets under management were managed with ESG considerations by external fund managers that are PRI signatories and TCFD supporters
				Incorporate EnRM indicators in investment portfolios	Restricted coal sectors in portfolios managed by external fund managers; identified top contributors with high revenue exposure to thermal coal for engagement and potential divestment in line with our responsible investment guidelines
		Develop innovative sustainable products	• Act on product development opportunities based on identified environment-related risks and opportunities	Offer sustainable products	Launched Gro Capital Ease Eco, a short-term savings insurance product that invests in assets with high or improving ESG scores

Tracking Our Progress

Operate a Responsible Business

Sustainability Topics	UN SDGs Supported	Material Actions	Our Commitments	2022 Business Priorities	Progress in 2022
• Employee well-being • Cybersecurity and data protection • Fair dealing • Ethical and effective governance	4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH	Foster a learning and engaged culture	• Support employee development and empower a career 'Made Yours'	Conduct skill development training	98% of staff completed at least 16 hours of data curriculum training
				Achieve 1st quartile score for Organisation Health Index (OHI)	Achieved top quartile score of 80
	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Ensure effective corporate governance	• Foster a risk-aware culture and embed responsible business practices	Review governance against regulations	Completed annual review of corporate policies and ensured compliance with relevant regulations
				Achieve zero published breach on fair dealing	Achieved zero published breach
				Achieve zero published cybersecurity and data protection breach	Achieved zero published breach

Tracking Our Progress

Build Stronger Communities

Sustainability Topics	UN SDGs Supported	Material Actions	Our Commitments	2022 Business Priorities	Progress in 2022
• Ageing populations and lifestyle related diseases • Financial inclusion	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH	Offer inclusive products	• Ensure access to insurance for all, including seniors and the underserved	Extend seniors' access to life insurance products with full underwriting	Achieved 93% offer rate
				Offer a Silver suite of insurance products	Achieved 11.9% more in number of in-force policies as compared to 2021
				To be ranked first among competitors for offering insurance access to seniors and persons with special needs	Ranked top in Social Impact Tracker 2022
				Launch new insurance innovations	Launched FlexiTravel Hourly, Singapore's first travel insurance that protects travellers hourly
	8 DECENT WORK AND ECONOMIC GROWTH	Promote financial literacy	• Educate and empower financial well-being for all	Build public awareness on financial planning	Launched three public campaigns to raise awareness of the importance of insurance protection and retirement planning
• Community development	1 NO POVERTY 4 QUALITY EDUCATION	Address social needs	• Commit S$100 million to support selected social causes over 10 years from 2021	Support education for children and youths who are in need. Provide philanthropic funding to aid the low-income, with special focus on supporting education for children and youths in need, well-being of seniors and environmental causes	Extended bursaries and financial literacy programme to 400 eligible students from low-income families via the Income Future Development Programme
					Income Family Micro-Insurance Scheme now covers all students who are eligible for the Ministry of Education Financial Assistance Scheme
					Disbursed S$22.1 million to beneficiaries under Income OrangeAid
		Promote employee volunteerism	• Embed a culture of employee volunteerism	Encourage employee volunteerism	87% of our staff participated in Income Gives Back 2022 (2,753 volunteering hours)
		Promote and empower sustainable development	• Promote sustainable insurance and related social innovations	Encourage customer participation in OrangeAid RoundUp by having policyholders round up their policy premiums to support Income OrangeAid	Received 90% more RoundUps from policyholders than targeted

Building Climate Resilience

Towards A Resilient Future

Action for Environment

Our Approach to Achieving Net-Zero Emissions

Calibrated yet progressive

Climate change is having a visible impact on the world. For composite insurers like us that offer both life and non-life insurance products, climate change means exposure to more risks due to the nature of our business.

To be part of the solution, we are doing our part to address climate change and to contribute to the transition to a low-carbon future.

In 2021, we made a commitment to achieve net-zero greenhouse gas (GHG) emissions by 2050. This undertaking is in line with Singapore's pledge to become a net-zero emissions city-state by the second half of the century.

We recognise that this commitment requires ambitious and collective action. Hence, we will continue to lean into our biggest opportunities as we transition to a low-carbon business.

We have adopted a pragmatic three-pronged approach to tackle climate change namely to understand impact, to take mitigating actions against climate change and to influence positive change so that we build resilience against the impact of climate change collectively over time in partnership with those who share our goals.

In transitioning to a low-carbon business, we are guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations' (UN) Principles for Sustainable Insurance (PSI). Where feasible, we are implementing their guidelines operationally. For our investment portfolio, we are adhering to our Responsible Investment Policy, which establishes our framework and approach to integrating ESG considerations and factors into our decision making.

We recognise the importance of setting sound and realistic metrics and targets to put us on viable decarbonisation pathways to realising our net-zero goal.

In 2022, we laid out a plan to assess and define our decarbonisation levers, targets and transformation roadmap, giving priority to financed emissions from our investment portfolio. The next step is to determine the methodologies we will be using to set targets for our financed emissions.

Climate resilience can only be built over the long haul. We are mindful that guidance on the setting of targets and measurement of GHG emissions is still evolving, and that it is especially nascent for insurance emissions. Hence, we are pragmatic in our approach and will continue to strive for progress, where possible, in tandem with global developments and as we gain maturity on this journey.

Understand

1

- Assess the impact of physical and transitional risks arising from climate change
- Review climate-related risks and opportunities that stem from these impacts in various scenarios and across different time horizons

Act

2

- Develop strategies and levers to progressively reduce our financed, operational and insurance emissions
- Assess the feasibility of capitalising on climate-related opportunities and evaluate our risk mitigation measures
- Determine emission reduction metrics and set targets to achieve our net-zero goal

Influence

3

- Leverage our role as an insurer, asset owner, investor and a corporate citizen to influence positive change and reduce our collective impact on the environment

Transitioning to a Low-Carbon Business

Leaning into risks, opportunities and challenges

As a financial institution that assumes risks from our insurance business and invests in myriad industries, the mismanagement of climate-related risks can have significant financial consequences for us, exposing the organisation to operational, market, liquidity and reputational risks.

To build resilience against the impact of climate change, it is imperative that we transition to a low-carbon business.

As climate-related risks are non-diversifiable, it is also vital that we form a sound understanding of them and explore opportunities to address adverse impacts and enhance our climate resilience, guided by TCFD recommendations.

Understanding Climate-Related Risks and Opportunities

Climate-related risks manifest primarily in physical and transition risks. We must carefully manage these risks to safeguard our financial stability so that our operation remains sustainable and we achieve long-term business growth.

To meaningfully assess climate-related risks and opportunities, we first determine which risks and opportunities are most pertinent to our business lines.

We do this by considering several factors. They include the size of the business lines, either by revenue contribution or assets under management, and if the business lines are linked to climate-sensitive sectors. For the latter, we take guidance from the heat map established by the United Nations Environment Programme Finance Initiative Principles for Sustainable Insurance (UNEPFI PSI).

The climate-sensitive sectors are classified based on definitions provided by the Global Industry Classification Standard (GICS) Methodology and the Singapore Standard Industrial Classification. We review the sectors annually against the heat map so that we can monitor our climate risk exposure.

We also consider research by national and international bodies and research institutes, as well as relevant government climate policies that may impact the business.

Types of Climate-Related Risks	
Physical Risk	**Acute:** driven by extreme weather events such as flash floods
	Chronic: due to longer-term and progressive shifts in climatic and environmental conditions
Transition Risk	**Policy and Legal:** associated with carbon-pricing mechanisms and government policies to manage climate change
	Technology: caused by technology obsolescence with entrants of low-emitting alternatives, resulting in the write-off of assets. Meanwhile, investing in new technology and processes could pose a financial risk
	Market: caused by shifts in consumer preferences, driven by a desire for more ethical or sustainable products and services
	Reputational: caused by shifts in the perception of stakeholders and the public about Income Insurance's contributions to fighting climate change and its progress on transitioning to a low-carbon business

Transitioning to a Low-Carbon Business

The following table sums up our business lines that were assessed to be vulnerable to the impact of climate change in 2022.

Why is Climate Risk Exposure Material to the Company?

Motor	We are the industry leader by market share for motor insurance in Singapore, insuring one in four private cars and one in two motorcycles. Motor insurance contributes to a third of Income Insurance's total new business premiums.
Property	Property is vulnerable to the physical risks of climate change, such as rising sea levels and increasing occurrence of flash floods and other extreme weather events. More flash floods and damage to properties in low-lying regions could lead to higher claims risk for properties that are insured by the company.
Life and Health	The International Panel on Climate Change (IPCC) indicated that temperature rise will surpass 1.5°C by 2040[1]. This may lead to an increase in diseases and heat-related health conditions due to changing climate patterns. Life and Health contributes significantly to Income Insurance's revenue.
Investment	As at 31 December 2022, our total assets under management stood at approximately S$38.4 billion, with global exposure to climate-sensitive sectors such as energy, materials and utilities.

Analysis of Climate Scenarios and Stress Testing

To be a resilient low-carbon business, we must develop strategies that allow our business to remain robust at different levels of uncertainty and variability. It is therefore essential that we consider different climate scenarios that depict a range of climate future states. It is also important to carry out scenario analyses and stress testing to better understand our risk profile and to plan for the potential impact of climate change on our insurance liabilities and investment portfolios over time. This is especially key when assessing the resilience of our material business lines and capital adequacy against climate risks and to guide our decision making.

In 2022, we conducted an Own Risk and Solvency Assessment (ORSA) where we applied three established scenarios developed by the Network for Greening the Financial System (NGFS)[2]. The scenarios depict different trajectories for different temperature alignments (ranging from a global warming of 1.5°C to 3°C), time horizons[3] (ranging from short and medium to long term) and transition pathways (comprising Orderly, Disorderly and Hot House World).

We assessed the impact to our material business lines under these scenarios which supported the formulation of appropriate management response. This was supplemented by quantitative stress testing, including a regulatory stress testing exercise.

The results of the scenario analysis and stress testing were reviewed by our Executive Committee and endorsed by the Risk Management Committee and the Board.

NGFS Scenarios Applied to Scenario Analysis and Stress Testing in 2022

Orderly Transition	Assumes climate policies will be introduced early and become progressively more stringent. This successfully limits global warming to below 2°C, with net-zero GHG emissions achieved globally around 2050. Both physical and transition risks are relatively low in this scenario.
Disorderly Transition	Assumes annual emissions do not decrease until 2030 due to climate policies being delayed or are divergent across countries and sectors. This results in higher transition risk with strong policies needed to keep global warming to below 2°C because measures were implemented at a late stage. For example, carbon prices would have to increase abruptly if there is a period of delay.
Hot House World	Assumes that only current implemented policies are in operation and global efforts are insufficient to halt significant global warming of 3°C or more by 2100, leading to severe physical risks including irreversible impacts like sea level rise.

1 IPCC's Sixth Assessment Report, Climate Change 2021: the Physical Science Basis.
2 The NGFS climate scenarios serve as a common starting point for understanding environmental-related risks (both transition and physical) using several climate scenarios with different transition pathways and climate policy outcomes.
3 Our time horizons for viewing and managing climate change risks are defined as short term (up to three years), medium term (three to 10 years) and long term (10 years and beyond).

Transitioning to a Low-Carbon Business

The table below highlights the different climate scenarios, time horizons and the associated key risks and opportunities they present to our material business lines.

Material Business Lines	Scenarios and Key Risks to the Business	Time Horizons	Why it Matters to Us	What We Are Currently Doing
Motor	• Orderly • Transition risk	Short to Medium term	Changes to government policies pose a transition risk as they may reduce the relevance of our motor insurance for internal combustion engine (ICE) vehicles. Some of the newly introduced policies in Singapore include: • The discontinuation of registration for new diesel cars and taxis by 2025 • The requirement for cars and taxis to be powered by cleaner energy from 2030 • The requirement for all vehicles to be powered by cleaner energy by 2040	• Monitoring regulations and policies to guide our business decisions and to develop relevant competitive motor insurance products, for example by extending our motor insurance to cover different types of electric vehicles (EV) • Exploring partnerships with ancillary businesses to support the growth of Singapore's EV ecosystem
Property	• Hot House World • Physical risk	Short term (acute risk); Medium to Long term (chronic risk)	Under the Hot House World scenario, temperatures are expected to rise more than 3°C and this may accelerate the rise of sea levels and increase the frequency of extreme weather events and severity of precipitation. This will result in more flash floods and damage to properties in low-lying regions and lead to higher claims risk.	• Enhancing our system to enable tracking of the exposure of our Property business line to flooding especially for flood-prone areas in Singapore and to support business decisions such as pricing strategies
Life and Health	• Hot House World • Physical risk	Long term (chronic risk)	Extreme weather, such as increased frequency and intensity of heat waves or rainfall, may lead to heat-related illnesses and conditions. This will increase the risk of higher mortality and morbidity claims.	• Monitoring developments and adapting our product offerings where possible
Investments	• Disorderly • Transition risk • Hot House World • Physical risk	Short to Medium term	We have a fiduciary duty to ensure sustainable return on investment (ROI) for our stakeholders. Devaluation of assets, risk of stranded assets and reputational damage from our coal and fossil fuel investments (especially our investments in companies dealing in coal and fossil fuels that do not have credible transition plans) are examples of physical and transition risks that can impact our ROI.	• Engaging with our external fund managers on meeting the guidelines of our Responsible Investment Policy • Establishing work plan to identify portfolio decarbonisation levers and our transition roadmap. We are also setting decarbonisation metrics and targets for 2023

Transitioning to a Low-Carbon Business

In 2022, as part of ORSA, we started using Climate Value-at-Risk (VaR) data[4] to support scenario analysis and stress testing of our investment portfolio under the scenarios where the most severe Climate VaR was observed.

Our Climate VaR data measures the estimated impact of transition and physical risks of climate change on asset valuation of our portfolio, based on different climate scenarios[5]. The Climate VaR modelling projects a time horizon of up to the end of the century, capturing cumulative expected costs or profits to our investee companies arising from transition and physical risks over the long term.

We currently conduct Climate VaR analysis on our public-listed securities portfolio, consistent with the asset coverage for financed emissions measurement (see Climate-Related Metrics and Targets section).

Based on our Climate VaR data, transition risk for our investment portfolio would be most severe under the Disorderly scenario, while physical risk would be most acute under the Hot House World scenario. Stress testing was performed to assess the Climate VaR impact on our capital adequacy position, and the results showed that our position remained resilient.

For our insurance business, we conducted qualitative assessment that take reference from the NGFS scenarios to examine the most extreme outcomes for transition and physical risks.

The key transition risk identified for our insurance business – manifesting in both the orderly and disorderly scenarios – stems from the enactment of government policies on the electrification of vehicles as part of Singapore Green Plan 2030. In response to this development, we have been expanding into electric vehicle (EV) motor insurance since 2021.

On this front, we could face business challenges due to an increasingly competitive, although nascent EV insurance landscape. We could also potentially suffer from higher-than-expected risk in EV claims as we transition from the underwriting of ICE vehicles to EVs. We continue to monitor our EV claims experience to ensure a sound and equitable transition for the company and Singapore.

With our insurance business based primarily in Singapore, our key physical risks are driven by physical hazards affecting Singapore.

4 Climate VaR data provided by MSCI ESG Research.
5 MSCI's transition Climate VaR was modelled with reference to the NGFS scenarios, while physical climate VaR was modelled with reference to Representative Concentration Pathways (RCP) 8.5 published by the Intergovernmental Panel on Climate Change (IPCC).

Transitioning to a Low-Carbon Business

For our Life and Health business, there could be increased claims risk arising from extreme weather. With 1°C warming expected either by 2045 (RCP 4.5) or 2035 (RCP 8.5[6]), the greater frequency and intensity of heat waves could set off drought events in the region. They may trigger wildfire, bring about poorer air quality in Singapore and have an adverse effect on health and well-being. Higher temperatures are also more conducive for the spread of vector-borne infectious diseases such as dengue, especially during the wet season in Singapore (November to January).

For general insurance, the most prominent physical risk would be flood risk, which would impact our property business. Sea level in Singapore is projected to rise by[7] between 0.2m and 0.22m by 2050, or between 0.55m and 0.77m by 2100, based on RCP 4.5 and RCP 8.5 scenarios[8] respectively. Rainfall in Singapore is also expected to rise by 8% and 12.2% by 2050 based on RCP 4.5 and RCP 8.5[9] scenarios respectively, compared to the reference period between 1986 and 2006.

Higher sea levels as well as the greater frequency and intensity of rainfall can lead to flash floods damaging property and disrupting businesses, travel, energy distribution systems and supply chains.

Under Hot House World scenarios where maximum physical risks are projected, increased claims risk from the above hazards can be expected, particularly for our general insurance business.

With general insurance being of an annual renewable nature, the long-term financial impact on the company would be mitigated by our ability to conduct annual reviews of premium pricing. Nevertheless, in extreme physical risk scenarios, insurance coverage can become prohibitively expensive or risks can become uninsurable. This would have an adverse impact on our customers and our business.

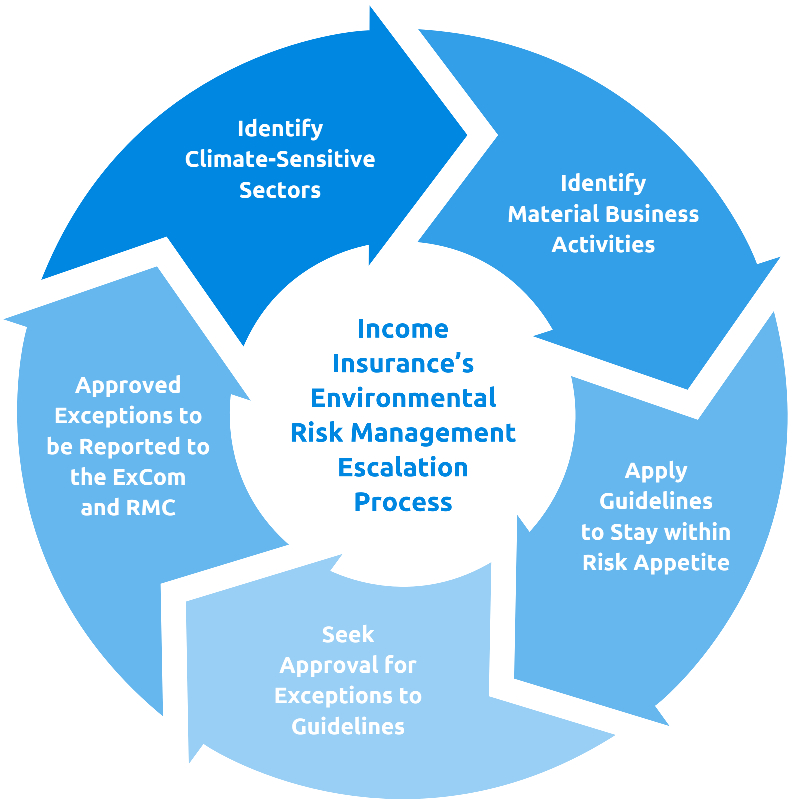
Hence, it is essential that we continue to monitor our exposure to climate-related risks so that we can respond meaningfully. Still, data quality and the availability of appropriate modelling remain a challenge and we are proactively seeking ways to improve our ability to perform risk assessment and analysis more accurately.

6 Absolute Change in Air Temperature in Singapore, *Climate Impact Explorer*.
7 Projected Sea-Level Rise, *IPCC Sixth Assessment Report*.
8 RCP 4.5 is described by IPCC as a moderate scenario in which emissions peak at around 2040 before declining. RCP 8.5 is characterised by increasing GHG emissions over time so that by 2100, it would have the highest GHG concentration level among all the scenarios.
9 Relative Change in Precipitation in Singapore, *Climate Impact Explorer.*

Transitioning to a Low-Carbon Business

Integrating Climate-Related Risks in Overall Enterprise Risk Management

Our Environmental Risk Management (EnRM) Policy details how environmental risk is managed at our company.



The Policy sets out the framework for managing physical and transition risks that result from climate change.

Additionally, to identify and monitor climate-related risks, we follow closely the risk escalation process established in our EnRM Framework. All risk events that are identified are closely monitored and managed through the risk escalation process. This process is applied across our material business lines and investment portfolio.

All exceptions and deviations from the established framework will require approval by the respective business heads before they are escalated to the Executive Committee and RMC.

Climate-Related Metrics and Targets

To transition successfully to a low-carbon business, it is important that we know our GHG emissions footprint and the extent of our emissions as a company across Scope 1, 2 and 3 so that we can identify high-emitting activities and potential emission reduction measures.

In 2022, we considered all 15 Scope 3 categories and identified those that are relevant to us. We then assessed their impact on climate change trajectory and prioritised further evaluation and potential action in areas where we can make impactful change.

We also broadened our disclosure to include financed emissions of our investment portfolio, which comprise Scope 1 and 2 emissions of our investee companies. For this, we used data from MSCI ESG Research, which covered 78.4% of our public-listed equities and corporate bonds holdings (that is, public assets portfolio) as of 31 December 2022.

Our financed emissions in 2022 declined by 23% from 2021. This decline is due to the reasons indicated in the table on *climate-related metrics*.

Additionally, we continue to report our portfolio WACI. In 2022, our portfolio WACI was 18% lower compared to 2021 because of an overall decline in the carbon intensity of our three top WACI sectors and a decrease in our portfolio's exposure to these sectors. For this metric, MSCI data coverage was 85%[10] of our public assets portfolio.

We recognise that our investment portfolio contributes significantly to our overall carbon footprint. Hence, we are prioritising action to address our financed emissions in the year ahead by identifying appropriate decarbonisation levers and developing a transition roadmap to steer our progress towards achieving strategic activities and to track related goals over the short, medium and long term.

10 The difference in data availability for the WACI and financed emissions calculations is due to differences in their attribution factors, that is, portfolio weight for WACI and Enterprise Value Including Cash (EVIC) for financed emissions, as well as the availability of EVIC in MSCI ESG Research, which is dependent on disclosures by companies.

Transitioning to a Low-Carbon Business

Against the backdrop of evolving calculation methodologies and the lack of availability of quality, comparable emissions data, we will continue to monitor key developments and guidance on this front for the insurance industry. We are also continually exploring ways to better measure, manage and report our climate-related risks and performance in a manner that is practical and progressive.

The following table was prepared using the GHG Protocol[11]. Financed emissions and WACI metrics were calculated using MSCI ESG Research, which is based on the standard developed by the Partnership for Carbon Accounting Financials (PCAF)[12].

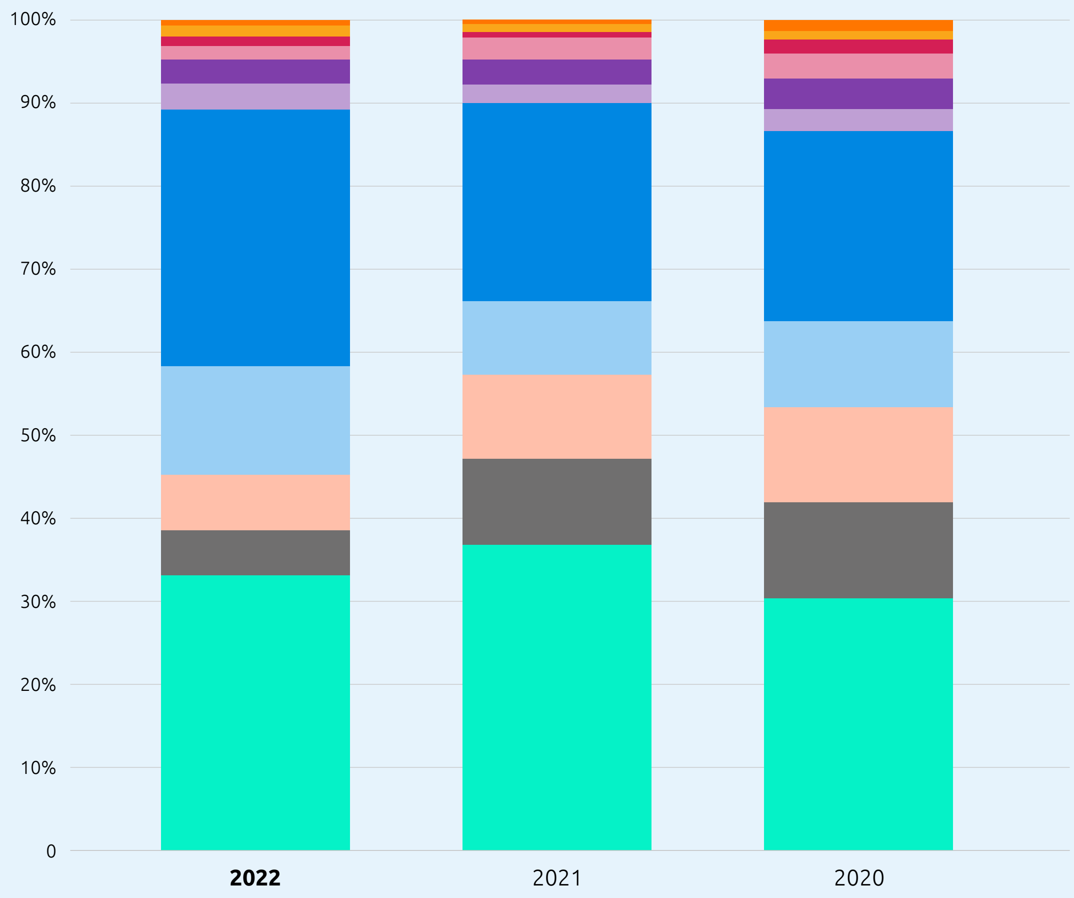
Climate-Related Metrics

GHG emissions scope	Units	2022	2021	2020	Performance in 2022
Scope 1[13]	Tonnes CO_2e	2,841	1,329	481	The increase in emissions in 2022 was primarily due to higher amounts of refrigerant top-ups at one of our office buildings, Income At Tampines Point due to an older model of air-conditioning system used. The system upgrade is slated to complete in 2023.
Scope 2[14]		5,513	6,355	6,965	Emissions declined due to the divestment of one of our office buildings, Income At Raffles, in 2022.
Scope 3[15]		5,963	6,027	6,214	Emissions were similar between 2021 and 2022 under the same reported boundaries.
Financed Emissions[16]		972,238	1,267,945	1,096,654	Our public assets portfolio's financed emissions (Scope 1 and 2) declined by 23% in 2022 for the following reasons: (a) Changes in underlying holdings (b) Attributed emissions tied to the Enterprise Value Including Cash (EVIC) of underlying holdings (c) Decline in the AUM of our portfolio in 2022, which is in line with broad market sell-off against the backdrop of rising global interest rates
Emissions data that are available from MSCI		*78.4%*	*78.5%*	*76.7%*	
Weighted Average Carbon Intensity (WACI)[16]	Tonnes CO_2e per US$ million sales	226.9	277.3	233.0	The WACI of our public assets portfolio fell by 18% due to a decline in the carbon intensity of the top three high-emitting sectors in our portfolio, namely, Utilities, Materials and Energy. Additionally, we also had a slightly lower portfolio exposure to these sectors in 2022 as compared to 2021 due to market movements and portfolio management activity of our external fund managers.
Emissions data that are available from MSCI		*85.0%*	*84.9%*	*82.2%*	

11 GHG Protocol establishes standardised frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions. *ghgprotocol.org*
12 The Global GHG Accounting and Reporting Standard for the Financial Industry, which is developed by the Partnership for Carbon Accounting Financials, equips financial institutions with harmonised and robust methods to measure and report on GHG emissions from their loans and investments (financed emissions). It offers a metric that enables financial institutions to assess climate-related risks in line with the TCFD. *carbonaccountingfinancials.com*
13 Scope 1 consists of emissions from fuel combustion (stationary and mobile) including Income Insurance's vehicle fleet, fuel for generators and fugitive emissions from refrigerants. FY2022 data for Income At Raffles spans only the first six months of the year due to the sale of the building in 2022.
14 Scope 2 was reported using the location-based method and consists of emissions from purchased electricity (consumed at our offices, branches, motor service centre and common areas of Income Insurance owned buildings). FY2022 data for Income At Raffles spans only the first six months of the year due to the sale of the building in 2022.
15 Scope 3 consists of emissions from paper use, waste generated in operations (only for Income Centre) and energy consumption at the data centre and downstream leased assets that are part of Income Insurance's investment properties in Singapore.
16 Financed emissions cover Scope 1 and 2 emissions of our public assets portfolio. They are calculated based on MSCI ESG Research data and calculation methodology, which is aligned with the standard developed by the Partnership for Carbon Accounting Financials (PCAF). The coverage of our financed emissions as at 31 December 2022 was 78.4% and differs from the WACI coverage which is 85.0% due to different attribution factors being used in the measurement. For WACI, portfolio weightage was used as the attribution factor while for total financed emissions Enterprise Value Including Cash (EVIC) was used as the attribution factor.

Transitioning to a Low-Carbon Business

Contribution to Portfolio WACI by GICS Sector as at 31 December



Contribution to Portfolio WACI by GICS Sector as at 31 December (%)

	2022	2021	2020
Healthcare	0.69	0.51	1.31
Communication Services	1.33	0.95	1.07
Consumer Staples	1.13	0.69	1.65
Real Estate	1.62	2.66	3.03
IT	2.90	2.97	3.65
Consumer Discretionary	3.11	2.27	2.69
Financials	30.92	23.81	22.85
Industrials	13.07	8.84	10.38
Energy	6.71	10.18	11.43
Materials	5.43	10.37	11.59
Utilities	33.08	36.76	30.33

Practising Responsible Investment

Where we effect real change

While we invest across the globe, a large part of our exposure is in Asia. As a large asset owner and investor in Asia, we recognise that the choices we make in allocating our capital in regional financial markets can positively impact our transition to a low-carbon economy and enable us to contribute meaningfully to change. To do this well, we are prioritising responsible investment and decarbonising our financed emissions.

Our Responsible Investment Policy steers our sustainability strategy. It sets out the framework for managing our investments with ESG considerations and the approach we take. As we outsource the management of all our investments to external fund managers (EFMs), the Responsible Investment Policy stresses the communication of our responsible investment beliefs and expectations to our EFMs so that they are aligned with our sustainability goals. Through this, we shape positive change.

In line with our commitment to sustainability and climate change mitigation, we continue to require all our EFMs to support TCFD and be signatories to the Principles for Responsible Investment (PRI). As of 31 December 2022, the majority of our EFMs are PRI signatories and TCFD supporters. For EFMs who are not yet PRI signatories, we require that they integrate ESG considerations into their management of our portfolio.

ESG Integration

Given the complexity, inter-connectedness and evolving nature of ESG, we take a holistic and long-term view to the integration of ESG considerations and factors into our investment processes. We believe that the integration process must be both tailored and progressive.

Accordingly, we actively engage our EFMs on pertinent ESG issues, with a particular focus on climate at this stage of our journey. The responsible investment metrics we established at the aggregate level for our investment portfolio guide us in the way we engage with and influence how our EFMs manage assets on our behalf. This helps us shape and improve the ESG profile of our investment portfolio over time.

Additionally, we expect our EFMs to exercise sound stewardship over our investee companies. We believe in meaningfully engaging with investee companies to influence them and we resort to outright divestment or exclusion of investee companies only as a last recourse. By continuing to invest in companies that are committed to integrating sustainable practices, we are able to deliver positive real-world outcomes and transit together to a low-carbon future.

Our EFMs also report on the ESG and environmental risk characteristics of our portfolios (including their WACIs) at least annually to help us better understand the risks in the respective EFM-managed portfolios. This is part of our in-depth due diligence process which enables us to better assess how our EFMs are integrating climate and ESG risks and

opportunities in their investment processes and in their management of our portfolios. Besides regular due diligence meetings and reviews, we also work closely with our EFMs to actively share and exchange knowledge, ideas and ESG best practices as these evolve and develop.

Managing Portfolio Carbon Exposure and Footprint

We continue to use a data-driven approach to monitor and measure the exposure of our public asset portfolio to carbon-intensive sectors and investee companies by applying WACI as our key metric for evaluating and reporting the carbon footprint of our investment portfolio.

Recommended by the TCFD, the WACI is interoperable across different asset classes and sectors, enabling us to measure and assess our public asset portfolio's relative exposure to carbon-intensive sectors and companies.

We do this via a heat map approach, which identifies priority areas for deeper analyses and material risk assessment to support deeper engagement with our EFMs. This approach ensures that we do not engage in arbitrary divesting or changing of our portfolio holdings. We also track absolute financed emissions of our public asset portfolio, which is an intuitive way to monitor real-world impact.

In 2022, we added coal sector restrictions to our investment guidelines for our public asset portfolios. With this, our EFMs can no longer make new investments in companies that derive more than 10% of their revenue from thermal coal for our Global mandates or more than 30% of their revenue from thermal coal for our Asian mandates.

Practising Responsible Investment

Sustainable Product and Investment Through Active Collaboration

In 2022, we launched a short-term insurance savings plan, Gro Capital Ease Eco, with our EFM, Fullerton Fund Management (Fullerton). This is backed by a portfolio that focuses on assets with high or improving ESG characteristics, as identified by Fullerton through its research. The portfolio is also characterised by its limited exposure to assets that are in controversial sectors like thermal coal, tobacco, weapons manufacturing and gambling and a minimum allocation assigned to Green, Social, Sustainability and Sustainability-linked securities.

We are also engaged in ongoing discussions with Fullerton to pioneer an Emerging Asia-focused decarbonisation private equity fund that seeks to invest in fast-growing attractive opportunities in key green sectors to deliver both financial and decarbonisation outcomes.

Through our engagement with EFMs, we recognise that differentiated thresholds are required to address the nuances and challenges of different regions pragmatically, particularly in Asia where we have material assets under management (AUM), and where the social, economic and energy infrastructure landscape are still highly dependent on coal as a source of energy and livelihoods. For existing companies in the portfolios that breach the revenue thresholds, EFMs are required to divest such holdings by 2025.

However, EFMs are allowed to invest in Green, Social, Sustainability and Sustainability-linked (GSSS) bonds issued by companies that are otherwise prohibited under the guidelines, to support these companies' transition to a more sustainable business model.

From the second half of 2023, we will be extending our investment restrictions to the oil sands industry. In doing so, we will continue to apply the same thoughtful and measured approach to fully understand the implications for our investment portfolio, including any potential trade-offs, as well as the impact on the wider community.

We recognise that sustainability-related frameworks and methodologies are still evolving. Hence, we continue to stay abreast of relevant developments to improve the transparency and quality of our financed emissions inventory data as we work towards decarbonising our portfolio.

> **There is a gamut of sustainable investment opportunities that are rapidly emerging and developing. The challenge will be for us to identify those that will deliver both positive real-world impact and sustainable returns for the long run.**

Julia Kang
Sustainable Investment Lead

Managing Our Operational and Underwriting Footprint

Embedding and influencing sustainable practices

As our business operation is primarily Singapore-based, our greatest influence on GHG emissions reduction trajectory is via our global investments. Still the onus is on us to understand our operational environmental footprint and assess where actions are practicable to make tangible improvements.

Managing Our Operational Footprint

For Scope 1 and 2 emissions, our focus is on refrigerants and purchased electricity respectively as they form the bulk of our emissions in these scopes.

For system upgrades in buildings[17] that we own, we are consciously opting for air-conditioning systems that use refrigerants with lower global-warming potentials. We also ensure the proper handling of refrigerants during installation and maintenance.

In 2022, we were among the pioneer batch of building owners that joined Singapore's first town centre retrofitting project at Tampines Central, where a brownfield Distributed District Cooling (DDC) network is being built. Upon its completion, our building, Income At Tampines Junction, will be able to leverage the DDC network for chilled water supply. In turn, we will be optimising the district's installed cooling capacity, as well as achieving energy savings and lowering carbon emissions nationally.

We also explored the possibility of tapping on renewable energy. We engaged third-party solar solution providers and performed two on-site feasibility studies on installing solar panels at our head office, Income Centre. Both assessments showed low feasibility due to high blockage of sunlight from neighbouring buildings and trees.

We acknowledge that we need to further evaluate our carbon emissions for a deeper understanding of our metrics in order to develop an operable transition plan. We are working to overcome existing data limitations and other challenges and will consider disclosing more metrics and targets as we progress on our sustainability journey.

Monitoring Our Underwriting Exposure

When considering underwriting emissions, we continue to face challenges in equitably assessing these emissions due to the lack of availability of data and standardisation of methodologies. These challenges are not unique to us but are faced by insurers industry-wide.

On this front, we will continue to closely monitor and take guidance from global developments where relevant and commercially viable. Such practical considerations are especially pertinent to us as customers and the businesses in Singapore are at different level of maturity and readiness when considering sustainability matters.

Meanwhile we introduced underwriting guidelines on environmental risks for our Property and Casualty business, which is a segment of our Commercial Business line. The guidelines cover the assessment of environmental risks in climate-sensitive sectors, with the exposure of our Property and Casualty business being monitored via the heat map approach.

The guidelines reflect our commitment to cease underwriting our Property and Casualty business in coal sectors[18] by 2040 and to consider the severity of risks, the commitment, track record and performance of the customer in managing environmental risks, as well as claims experience, to support our underwriting decisions.

We acknowledge that our Motor business falls under the climate-sensitive transportation sector. As such, we have aligned our underwriting guidelines for our Motor business to the Singapore Green Plan 2030. The plan will see the ceasing of new registration for diesel cars and taxis by 2025 and the phasing out of ICE vehicles, with all vehicles running on cleaner energy by 2040[19].

17 Income Insurance owns five buildings namely Income Centre, Income At Tampines Junction, Eastpoint Mall, Income At Prinsep and Income At Tampines Point.
18 Building and operation of coal-fired plants or coal mines; companies that are solely dependent on sales of coal; and shipments of 100% coal.
19 Registration of New Diesel Cars and Taxis to End in 2025, *CNA*.

Managing Our Operational and Underwriting Footprint

Nurturing a Culture of Sustainability

Our operational practice is to have our employees come together to support the company's sustainability journey and goals. Currently, we focus on three tangible ways to help our staff relate to our sustainability agenda and feel confident and empowered to act on it daily at work and in their personal life.

Sustainable Buildings

All office buildings[20] owned by Income Insurance are Green Mark certified by the Building and Construction Authority (BCA).

In 2022, Income At Tampines Point was recognised for its commitments to green retrofits and was awarded the BCA Green Mark Gold[PLUS] Certification.

Paper Use

We have set a target for our communication with our customers to go paperless[21] (in other words, fully digital) by 2025.

Employees are encouraged to contribute to the goal and to achieve paper savings by avoiding or reducing printing.

In 2022, we saved approximately 9.6 million sheets of paper.

Promoting Zero Waste

Since 2017, through our flagship event Income Eco Run we have been encouraging Singaporeans to lead a sustainable lifestyle and run towards zero waste.

In 2022, we resume planning for Income Eco Run, which will take place in June 2023.

We also raised environmental awareness and promoted zero waste practices throughout the year.

20 Income Insurance's buildings that are Green Mark certified are Income Centre, Income At Tampines Junction, Eastpoint Mall, Income At Prinsep and Income At Tampines Point.
21 Customers may opt for paper-based communications.

Managing Our Operational and Underwriting Footprint

Raising Our Collective Environmental Consciousness

Our inaugural Sustainability Festival saw 19 local eco brands coming together to stage activities to promote zero waste and eco living. The activities included hands-on workshops where our employees discovered how to make body scrubs from used coffee grounds and multi-purpose enzyme cleaners from fruit peels.

The activities introduced our employees to the 'Play, Pledge and Practice' approach. Through the activities, our employees became not only more mindful of the impact their actions have on the environment but were also inspired to be ecological champions and be proactive in ensuring that our impact on the environment as an organisation is minimised.

Over 1,400 employees participated in Sustainability Festival 2022 and more than half of our total staff made a pledge to practice sustainable living daily.

Fruit peel workshop at the Sustainability Festival 2022.

In 2022, our employees across our different business units participated in the OneMillionTrees Movement, an initiative of the National Parks Board that supports Singapore Green Plan 2030.

Enabling A **Resilient Enterprise**

Towards A **Resilient Future**

Operate a Responsible Business

Embedding Effective Corporate Governance

Acting with Integrity

As a corporate citizen that operates primarily in Singapore, our fundamental role is to offer relevant insurance products, create meaningful jobs, pay taxes, conduct business ethically and with integrity and help communities to thrive while we adopt sustainable and socially responsible practices that support a more resilient future.

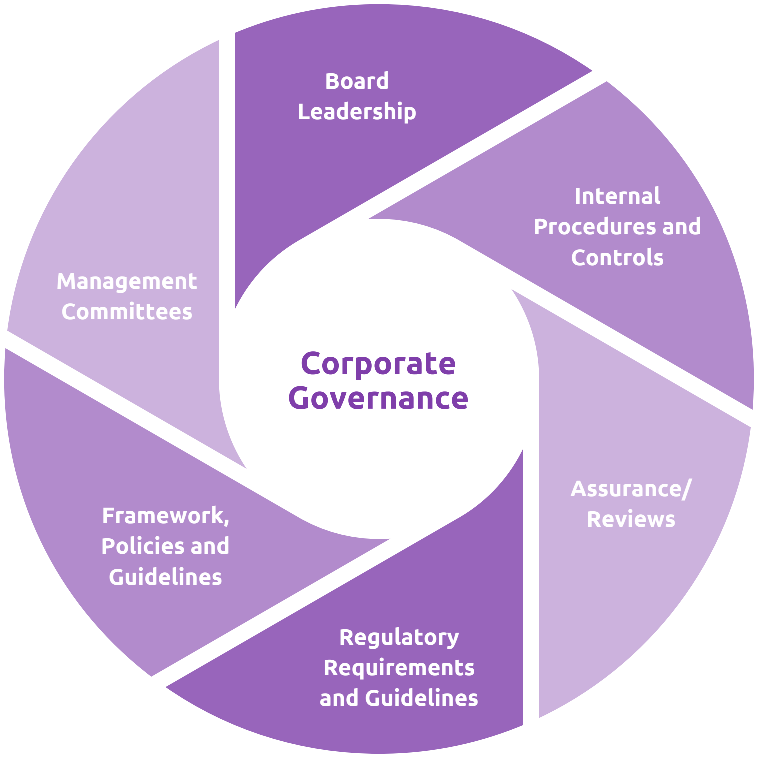
To achieve long-term success in this, we embed responsible business practices in our culture and strategy, adopt agile and innovative approaches to problem solving and decision making, engage with stakeholders and promote diversity, inclusion, creativity and learning at the workplace. This builds trust in the company and fosters within the organisation the resiliency needed to thrive in an increasingly uncertain and complex environment.

A reputation for trustworthiness is invaluable for any industry. It is especially paramount for financial institutions like us, where trust is central to our success.

Our corporate governance framework, which safeguards the interest of our stakeholders and our business sets a standard of integrity and accountability throughout the organisation. It outlines the way we manage our business, comply with regulations, protect information entrusted to us and interact with our people, our customers and our business partners.

As a member of UN Global Compact Network Singapore (GCNS) and supporter of its agenda, we also respect and uphold human rights across our business operations and in our engagements with various stakeholder groups.

Our Governance Framework



Board Governance

The Board provides leadership and strategic direction to the company and has ultimate responsibility for its success and the delivering of sustainable value within the company's framework of prudent and effective controls.

As part of its responsibility, the Board approves our corporate governance policies and practices and ensures that they are in line with the Guidelines on Corporate Governance issued by the Monetary Authority of Singapore, Insurance (Corporate Governance) Regulations 2013 and the requirements of the Accounting and Corporate Regulatory Authority. The Board also previously had oversight over the Co-operative Societies Act and By-laws and how they applied to the company when it operated as a co-operative between 1 January and 31 August 2022.

The Board is supported by board committees in its core mandate to instil and enforce transparency, integrity and accountability at all levels of the company.

The Board's current composition satisfies regulatory requirements. All directors on the Board are non-executive and majority of them are independent. They also possess the necessary expertise, experience and skillsets to be effective stewards of the company's growth ambition. The criteria for identifying, reviewing and appointing directors to the Board and board committees are determined by the Nominating and Human Resource and Remuneration Committee.

Embedding Effective Corporate Governance

To keep abreast of internal governance matters and external regulatory compliance requirements, board members undergo regular training on both financial and non-financial topics, including those related to sustainability and climate change.

For more information on our Board of Directors, please refer to our *corporate website*.

Effective Risk Management

We continue to take a robust, structured approach to managing risk through our Risk Management Strategy, which is endorsed by the Board. This is essential for ensuring that we remain a resilient enterprise that thrives in the face of adversity and to protect the interest of our stakeholders and our business.

Our Enterprise Risk Management (ERM) Framework ensures that appropriate processes are in place to identify, measure, manage, monitor and report material risks consistently across all our business activities.

The ERM Framework guides the assessment of risks according to the company's Risk Appetite Statement, which articulates quantitatively and qualitatively the level of risk that Income Insurance is ready to accept and tolerate.

We have also adopted the Three Lines of Defence Model as part of our ERM Framework. The first line of defence is our employees, who are designated as risk owners and managers. They are accountable for identifying, measuring, managing and monitoring risks in their respective areas. The second line of defence refers to the company's functions that oversee risk management and compliance. They are responsible for reviewing and challenging the processes and controls in our business activities and for proposing appropriate risk limits and policies. The internal audit function forms our third line of defence and it provides independent assurance that risks are being managed effectively at the company.

The ERM Framework sets the overall structure for oversight and governance at Income Insurance and defines the roles and responsibilities for risk management for the various functions and prescribes how material risks are managed at the company.

Our Risk Management Policy outlines how we manage relevant and material risks and sets out the roles and responsibilities of each function for this task. This ensures that we remain financially stable and resilient while we work to meet our corporate objectives.

Responsible Business Practices

Our corporate policies and guidelines steer us in acting responsibly in the conduct of our business.

To ensure that we keep pace with regulatory developments and that our policies are aligned with regulatory changes, we require all business units to perform compliance risk assessments when new or amended regulations are introduced.

Embedding Effective Corporate Governance

We review our corporate policies and guidelines annually and enrol all new employees in relevant learning modules as part of their onboarding process.

Code of Business Conduct

The Code of Business Conduct outlines the required standard of conduct that is expected from our staff. It ensures that our people uphold the highest standard in ethical, legal and professional conduct. It applies to all our employees, guiding them to act in accordance to a set of 14 principles and ethical values.

The Code covers areas such as fraud, discrimination, conflict of interest and personal and business data privacy and confidentiality.

The Code of Business Conduct is approved by the Chief People Officer and overseen by the Human Resource Department.

Fraud Management Policy

The Fraud Management Policy safeguards our reputation and financial viability by managing fraud risk. It sets out the way in which we respond to, report and manage fraud or potentially fraudulent incidents by stipulating standards, roles and responsibilities.

The Policy is approved by the Audit Committee and overseen by the Compliance Department.

Whistle-Blowing Policy

The Whistle-blowing Policy and programme support employees in reporting concerns about actual or suspected misconduct in matters of financial reporting and corporate governance as well as breaches of corporate policies.

All reports are treated in strict confidentiality and our employees are protected against reprisal when they raise concerns in good faith.

We encourage employees to raise their concerns to the Chief Internal Auditor via direct reporting, email or call and will be assessed and investigated based on established protocols.

The Policy is approved by the Audit Committee and overseen by the Internal Audit department.

Grievance Procedures

The Grievance Procedures sets out the protocol to follow when an employee raises a grievance.

All grievances raised will be escalated according to the protocol and are treated in strict confidentiality. We protect employees from reprisal when grievances are raised in good faith.

The Grievance Procedures is approved by the Chief People Officer and overseen by the Human Resource Department.

Embedding Effective Corporate Governance

Collective Bargaining

At Income Insurance, we respect our employees' lawful right to engage in collective bargaining and we participate keenly in the process with the Singapore Insurance Employees' Union (SIEU), which represents our clerical employees and office assistants.

Our collective bargaining agreement with SIEU covers grievance procedures, remuneration and employment conditions such as working hours, leave days, retirement and re-employment. In 2022, the Collective Agreement covered 151 employees.

As an entity operating in Singapore, we also abide by Singapore's Employment Act and respect our employees' fundamental rights at work. We do not tolerate any form of discrimination against employees and in our hiring process.

Safeguarding Customers and Their Information

Fair Dealing

We are committed to conducting our business in a way that treats our customers fairly and professionally so that we achieve good outcomes for our customers.

To succeed in this, we focus on delivering clear and timely communication to our customers that follows not only applicable laws and regulations but is also guided by our three-pronged approach. This approach involves inculcating a fair dealing culture and honing the ability of our financial representatives to offer high-quality advice and recommendations that fulfil the needs of our customers.

By prioritising fair and transparent advice and positive customer engagement, we deliver superior customer experience that builds our customers' confidence in us. In the long term, this develops customer loyalty and improves our business performance, financial stability and business resilience.

At Income Insurance, we are responsible for delivering fair dealing outcomes, along with our financial representatives who are steered by the Business Conduct Handbook to do the same.

To assess the effectiveness of our fair dealing approach, we track our performance and conduct trend analyses on complaints we received quarterly. Our performance against our fair dealing key performance indicators is shared with the Conduct Committee on a quarterly basis and with the Board annually.

In 2022, we had zero incident resulting in a fine or penalty by regulators due to non-compliance related to fair dealing.

Culture

- Inculcate in our employees and financial representatives a fair dealing corporate way of working that aligns with our corporate culture

Capability Building

- Build the competency of our financial representatives to ensure quality financial advice is provided
- Recommend products and services that suit the needs of our customers

Active Engagement

- Provide clear, timely and relevant information to allow our customers to make informed financial decisions
- Manage our customers' feedback and complaints in an independent, effective and prompt manner

Embedding Effective Corporate Governance

Cybersecurity and Data Protection

We operate increasingly in a digital-first world. In our effort to offer our products and services seamlessly through omni-channels, we are accelerating our digitalisation and adoption of new technology. This makes it even more paramount to uphold the trust that our customers, business partners, employees and other stakeholders place in us when they engage and share their information with us.

We are careful to preserve this trust by making it a top priority to adhere to the Personal Data Protection Act and other related regulatory guidelines.

We recognise that we must instil confidence in our customer data management. To steer us in this, we established various internal policies that define the standards, processes and controls on the collection, use and disclosure of our customers' personal data.

Additionally, our Information Technology (IT) Risk and Security team and Data Protection Office keep our internal processes legally compliant and up to date. We also conduct regular tests on our information systems and network infrastructure to ensure that our controls are robust and effective across the organisation.

In 2022, we had zero cybersecurity and data protection related penalties that were imposed by regulators.

Data Privacy and Protection

Personal Data Protection Policy

Our **Personal Data Protection Policy** is aligned to the requirements of the Personal Data Protection Act and guidelines issued by Personal Data Protection Commission Singapore. It details the processes and protocols for the collection, use and disclosure of personal data by our employees and financial representatives.

Privacy Policy

Our **Privacy Policy** offers assurance to our stakeholders that the safeguarding of their private and personal information is fundamental to the business.

Technology Risk Policy

Our **Technology Risk Policy** ensures effective oversight of the management of technology and cyber risks by enforcing a risk-based approach. The policy defines the principles behind our risk management and assigns the roles and responsibilities in the organisation for the identification, measurement, management, monitoring and reporting of technology risks that could have a material impact on the company.

Embedding Effective Corporate Governance

Cyber and Technology Week 2022

Technological advancements coupled with learnings from the COVID-19 pandemic have led to the rapid digitalisation of our work environment.

With much of our communication now conducted online and our documents kept virtually, it is important that our employees are alert to potential cyber threats and understand the role they play in strengthening our vigilance and resilience to cyber-attacks and cyber-crimes.

In 2022, we organised the Cyber and Technology Week to boost our employees' awareness of data and cybersecurity issues.

Through webinars, we deepened our employees' knowledge of the dark web, ransomware and the company's latest technology and processes. Through e-newsletters circulated to employees, we also reinforced good cyber practices to keep our hardware and software secure and our data safe. Additionally, we require our employees to complete cybersecurity learning modules to further strengthen their cybersecurity know-how and instil in them good cybersecurity habits.

> As we continue to enable digitalisation and new technology to enhance our customer-centricity, we recognise the importance of enhancing our cyber hygiene so that we are better prepared for and are more responsive against cyber threats. With our staff becoming more risk aware, this will boost our strong defence ecosystem to protect our customer data effectively.

Alan Lim
Vice President and Head of IT Risk and Security

Nurturing an Engaged Culture

Drive inclusion, belonging and growth

Our people are the heart and soul of the company. They are crucial to our business success and are an essential driving force behind our quest to realise a resilient, sustainable future.

Agile
Adapt to changes by applying new learnings and recover from setbacks quickly

Bottom-Up Innovation
Be proactive in generating new ideas and driving continuous improvements

Customer Oriented
Cross collaborate and leverage customer insights in all our actions and solutions

Outcome Driven
Take ownership to optimise results and be detail-minded

Externally Focused
Gather insights from within and outside the industry to deliver better outcomes

We recognise that to nurture a thriving and sustainable workforce we must offer an engaged work environment where our people feel valued and empowered and have a sense of belonging. This is particularly important in building camaraderie in this post-pandemic era when the company has shifted permanently to hybrid work arrangements.

In addition to promoting flexible and purposeful work at Income Insurance, we continue to invest in our people's growth, development and well-being so that they achieve increased job satisfaction, feel supported at work and are motivated to give their best.

To better retain and reward our people, we benchmark our remuneration packages against those offered in the market. This ensures our packages are competitive, fair and equitable.

Career Development and Progression

At Income Insurance, we are passionate about helping our people forge careers and attain their individual professional goals. We do this by using the Income ABCs Approach to direct our people development efforts. This approach focuses on helping our people acquire different "building blocks" or desired competencies. These building blocks embody our preferred ways of working and stress the need for collaborative behaviour for enhanced effectiveness and innovativeness so that as a corporation, we adapt to change effectively and recover quickly from setbacks.

This set of competencies is integrated into our annual performance appraisals and they support the conversations we regularly have with our employees on their performance, career ambitions and learning needs. We help our

Our Workforce at a Glance

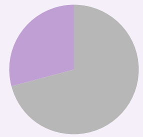
2,080 employees[1]

40% Male

60% Female

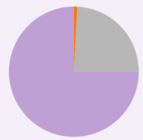
21 Nationalities[2]

Senior Leadership, Including Board Representation (%)



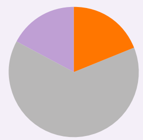
71% Male
29% Female

Workforce (%)



1% Senior management
24% Middle management
74% Staff

Employees by Age Group (%)



19% <30 years old
64% 30-50 years old
17% >50 years old

1 This includes all employees of Income Insurance based in Singapore as at 31 December 2022, of which permanent employee headcount makes up 1,947 (41% Male, 59% Female) and temporary employee headcount 133 (26% Male, 74% Female). Full-time employee headcount makes up 2,072 (40% Male, 60% Female) with the remaining being part-time employees (25% Male, 75% Female).

2 The top four nationalities are Singapore, Malaysia, the Philippines and India.

Nurturing an Engaged Culture

employees fulfil their career aspirations by formulating tailored development plans that support their career growth and development.

All permanent employees are required to undergo a performance and career development review annually.

To support job mobility within the company, we encourage our people to participate in our Career Conversion Programme, where job opportunities within the company are made known to our staff and they are invited to apply for transfers to a new role.

The Programme provides structured on-the-job training to help our employees reskill and upskill for new roles within the company.

Building Stronger Organisational Health and Engagement

We strive to continually improve ourselves as a company and to be an employer of choice. We recognise the importance of actively engaging and receiving feedback from our people to realise this goal. Hence, we run the Organisational Health Index Survey yearly to understand the sentiments and needs of our employees to help us improve ourselves.

The survey takes a robust and well-tested approach to measuring organisational health. It covers nine areas, including leadership, motivation, direction of the company and more. The survey results are also benchmarked against the performance of our insurance industry peers to determine our performance relative to our peers.

The survey results inform the way we engage with and empower our employees, with the goal of building higher satisfaction levels among them. More specifically, insights from the Organisational Health Index Survey are used to power staff dialogue sessions. From these sessions, actionable plans are formed. Our performance in these plans is tracked in the following year.

In 2022, our overall organisational health score was 80. This means that we have retained our position in the top quartile consistently for the past three years.

Additionally, we seek to foster a culture where we celebrate small wins and employees show their appreciation for their colleagues' contributions through the Spot Award.

Supporting Employee Well-Being

We believe that supporting our employees' health and well-being enables us to improve productivity, drive performance and enhance talent retention for the overall sustainable growth of the organisation. In addition, taking good care of our employees strengthens our resilience as an organisation.

In 2022, we enhanced our employees' medical coverage (effective from 1 January 2023) as part of our commitment to care for our employees and their family.

With the enhancement, outpatient primary care is now payable and extended to eligible dependents[3] of permanent employees, who now also include contract retirees. We moved away from the co-payment scheme and now fully cover eligible medical bills for outpatient primary care for our employees. Furthermore, we increased the annual limit for outpatient specialist care to provide our employees greater coverage.

To encourage our employees to lead a healthy and active lifestyle, we rolled out a series of programmes that offer them self-care tips.

Corporate health screening packages were also introduced to encourage employees to take ownership of their health.

In 2022, we held Amazing Race, a staff sports day where over 800 employees enjoyed a day outdoors building camaraderie with their colleagues as they raced to complete team tasks and workouts.

Over 800 employees participated in mass workout at the start of Amazing Race, our staff sports day, and raced around the central business district completing team tasks as they build rapport with one another.

3 Eligible dependents include spouse and single, unemployed child up to 24 years old, as registered in Income Insurance's HR system.

Empowering a Future-Ready Workforce

Preparing our people for the future

The world of work is changing. The future of work is likely to be characterised by flexibility, innovation and a focus on skills rather than traditional qualifications. These trends have been accentuated and accelerated by the COVID-19 crisis.

To upskill our employees so as to grow their confidence and motivate them to thrive in an ever-changing landscape, our programme, Future-Ready Workforce, focuses on honing digital skills, fostering innovation and developing competencies among our staff.

Fostering a Data-Driven and Learning Culture

Employees who possess data-oriented skills are better placed to drive business outcomes and succeed in an increasingly digital and data-driven world.

In 2022, we enrolled all our employees[4] in a 16-hour data-related training curriculum that is individually tailored to our employees' work requirements. The curriculum comprises a broad range of modules including data analytics, storytelling and visualisation, artificial intelligence and data-driven decision making. Close to 98% of our staff completed the training in the year.

Our employees are also trained on design thinking to embed customer-centricity as a way of working within the organisation.

Additionally, we encourage our people to take ownership of their learning through the e-learning platform, Coursera, where they can choose from a variety of short modules and acquire a diverse range of soft and technical skills at their own pace.

Building Competencies

At Income Insurance, we believe that competencies contribute to a high-performing work culture. Accordingly, we adopt a competency-based approach to identify and cultivate our next generation of leaders.

Our managers go through a variety of modules for competency development including leading change, developing people and driving excellence. We also hone our managers' coaching skills so that they are more effective when providing guidance on careers and leading development conversations with their teams.

Fostering Innovation

Innovation continues to be key in driving customer-centricity and business success at the company.

In 2022, we established the Agile Centre of Excellence (CoE) to accelerate innovation across the enterprise. The Agile CoE promotes agile ways of working through cross-functional collaborations, challenging status quo and the upskilling of our people to resolve existing business challenges.

Guided by our staff coaches who are trained in agile implementation, Lean and design thinking, the Agile CoE conducts training events, workshops and coaching sessions to empower innovative, non-conventional ways of working to drive positive outcomes.

Additionally, we continue to organise the two-day Customer Experience workshops to embed design thinking skills as a way of working at Income Insurance. By the end of 2022, more than 1,500 employees had participated at the workshops and learnt customer-centric approaches to iterate solutions to business problems.

4 Eligible staff refers to all active permanent employees as at 31 December of the reporting year, excluding insurance sales agents.

Fostering **Resilient Communities**

Build Stronger Communities

Fostering Resilient Communities

Strengthening communities to face future challenges

The COVID-19 pandemic caused significant economic disruption and social isolation in Singapore. In particular, it has disproportionately affected vulnerable populations like the elderly and those with underlying health conditions.

A resilient community is one that bounces back and emerges stronger from adversity and is better prepared for future challenges. Even as the world recovers from the pandemic, the current climate of geopolitical tension, rising interest rates and high inflation means that building community resilience and enhancing our preparedness as a society to respond to future crises become even more critical.

At Income Insurance, we are building stronger, more resilient communities by fostering financial and social inclusion. We do this by introducing initiatives that are most meaningful to the communities we serve.

"While we take pride in enabling positive change, we recognise that success in achieving long-term resilience is only possible through collaboration.

Hence, we are passionate about finding common ground with other organisations and building like-minded partnerships to achieve more together."

Shannen Fong
Vice President and Head,
Strategic Communications and Sustainability

Driving Financial Inclusion

Empowering financial resilience for all

As a composite insurer, we see closing protection gaps as our fundamental responsibility. To achieve this, we are continually innovating to offer inclusive products that cater to the diverse needs of our customers.

With our life and health insurance plans, we offer our customers peace of mind knowing that their loved ones are protected financially should an untoward incident happen to them. Through our savings and early retirement options, we help customers achieve financial security and freedom. As our customers ease into their golden years, we continue to keep in step with their needs as longer life expectancy comes with health and aged-care issues.

Catering to Special Needs

We remain the only insurer in Singapore to offer the SpecialCare suite of insurance products to youths aged 15 to 30 years old with Autism Spectrum Disorder (ASD) and Down syndrome. The SpecialCare suite of offerings also extends customised insurance coverage to their caretakers.

We recognise that being a caretaker of a person with ASD and Down syndrome is a huge responsibility. To offer peace of mind to parents and legal guardians of persons with special needs, our insurance products include a stipulated pay-out to them in the unfortunate event of them passing away or suffering total and permanent disabilities.

Supporting Future Healthcare and Long-Term Care Needs

Given that one in four persons in Singapore will be 65 years old and above[1] by 2030 and more will be living longer[2], the onus is on us as a society, to ensure that Singaporeans have the financial resilience to thrive in their extended years and age successfully in retirement.

To realise this, we aim to get more Singaporeans to plan early for their future healthcare needs and long-term care.

To support seniors' access to insurance, we adopt a strategic, senior-focused underwriting approach, where seniors who apply for our insurance plans are required to make health declarations only if they have been actively managing a medical condition for the past five years or meet defined severity criteria. This means that senior applicants for our insurance products are no longer subjected to unnecessary medical reviews related to pre-existing conditions that we deem less relevant to them based on our underwriting guidelines and experience.

In 2022, our offer rate for life insurance products to seniors aged 50 years and above was 93%. This means nine out of 10 seniors who applied for Income Insurance's life insurance products were offered insurance coverage.

Our custom-built policies for seniors are increasingly popular. In 2022, we protected more seniors Singaporeans with our Silver suite of products and had 11.9% more in-force policies compared to 2021.

With Singaporeans living longer, their risk of disability in their old age escalates. This means we can expect the need for long-term care to increase. It is estimated that one in two healthy Singaporeans aged 65 could become severely disabled in their lifetime and may need long-term care, while three in 10 could remain in severe disability for 10 years or more[3].

Designed to supplement CareShield Life[4], Care Secure offers Singaporeans enhanced long-term coverage against moderate and severe disabilities.

Compared to 2021, over five times more Singaporeans had enhanced their protection with Care Secure by the end of 2022.

According to the Life Insurance Association, the critical illness coverage of a working adult in Singapore currently averages S$60,000. This is well below the recommended S$316,000[5].

1,2 S'pore's Population Ageing Rapidly: Nearly 1 in 5 Citizens is 65 Years and Older, *The Straits Times.*
3 Planning Ahead, *www.careshieldlife.gov.sg*
4 CareShield Life is a long-term care insurance scheme that provides basic financial support should Singaporeans become severely disabled, especially during old age, and need personal and medical care for a prolonged duration, *www.careshieldlife.gov.sg*
5 Working adults have inadequate cover if critical illness strikes, says study, *The Straits Times.*

Driving Financial Inclusion

We sought to close Singaporeans' critical illness protection gap by offering supplementary coverage linked to Star Secure Pro, a whole life insurance plan. This safeguards Singaporeans by insuring them against unknown diseases, dreaded diseases and mental illness in the future.

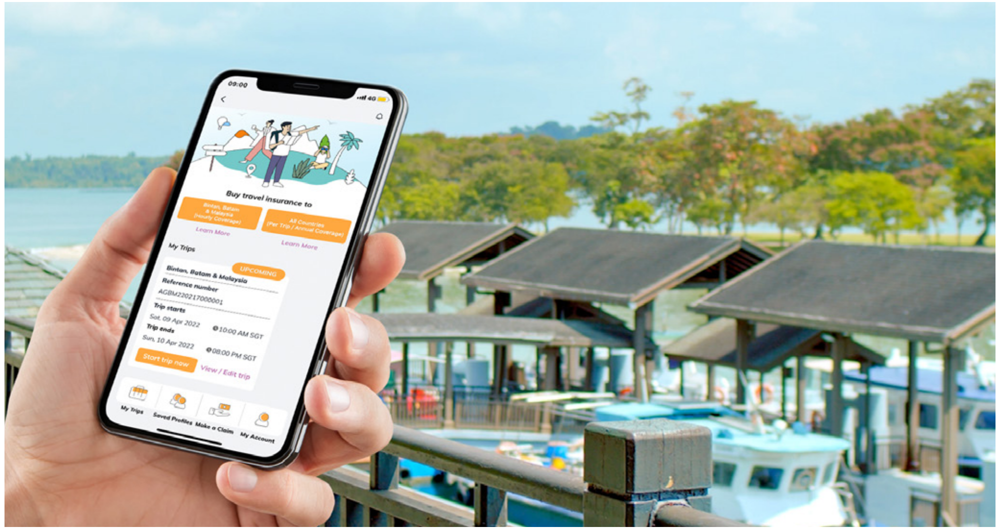
Reimagine Protection with Insurance Innovations

In changing times, the conventional approach to insurance is also changing.

It was against this backdrop that we launched FlexiTravel Hourly, Singapore's first travel insurance that offers hourly protection covering travel over land and sea to short-term travellers to Bintan, Batam and Malaysia.

Short trips to these popular, accessible destinations continue to be popular among Singaporeans. Our research, however, found that Singaporean travellers often do not purchase travel insurance for short trips, largely because they are deterred by the high cost of travel insurance.

At S$1.80 for six hours of protection and an option for hourly extensions, FlexiTravel Hourly addresses the persistent pain point of short-term travellers at a low cost, giving them both peace of mind and better control over their travel protection cost.



FlexiTravel Hourly offers hourly travel insurance protection to short-term travellers to Bintan, Batam and Malaysia over land and sea.

> With conventional travel insurance offering full-day coverage and typically including air travel, it is understandably not an equitable option for short-term travellers. In designing FlexiTravel Hourly, we put ourselves in our customers' shoes and considered propositions and benefits that will address short-term travellers' pain points so that they can stay protected during their short trips overseas.

Annie Chua
Vice President and Head,
Personal Lines

Driving Financial Inclusion

Through our Insurance-as-a-Service platform, we also extended insurance access to underserved segments in Indonesia, Malaysia, Thailand and Vietnam. We do this by joining hands with local partners to launch digital-first insurance innovations in these markets.

In 2022, we partnered Post and Telecommunication Joint Stock Corporation, the third-largest non-life insurer in Vietnam and house keeping service platform JupViec to launch JupViec Care in Vietnam.

JupViec Care makes pay-as-you-earn personal accident micro-insurance available to domestic helpers who are more susceptible to work-related injuries due to their nature of work. This viable and flexible option allows these variable wage workers to close their protection gap and enjoy regular insurance coverage by paying micro-premiums from as low as S$0.11 each time they complete a work shift.

In 2022, 43% of JupViec's domestic helpers who signed up for JupViec Care were new to insurance.

Jupviec Care makes pay-as-you-earn insurance coverage available to domestic helpers in Vietnam through Income Insurance's Insurance-as-a-Service platform.

Lauded for Innovation and Promoting Financial Inclusion

SNACK by Income[6] is an industry-first financial lifestyle app that embeds micro-insurance and investments within the lifestyle of users. By paying micro-premiums from as low as S$0.30 every time users dine out, shop, commute, or get fit, they get to stack or accumulate insurance protection and investments concurrently as they go about their daily activities.

Between SNACK's launch in June 2020 and 31 December 2022, we issued close to 2.2 million policies to over 98,000 users in Singapore. The policies amounted to $422 million in sum assured for life, accident and critical illness coverage, as well as for investment in the SNACK proposition.

SNACK by Income is widely recognised for being a game changer.

It was conferred the Enterprise Award: Corporate Sustainability Champion at the ORIGIN Innovation Awards 2022 for embodying innovation and promoting financial inclusion in Singapore as well as for broadening insurance access to more people in Southeast Asia and beyond.

Today, SNACK continues to enjoy good customer traction, especially among first jobbers and variable-wage workers like food delivery riders.

6 www.snackbyincome.sg

Addressing Social Needs

Enabling change

At Income Insurance, we are committed to building an inclusive community and are pursuing a future where people thrive, reach their full potential and feel empowered to contribute to society.

In 2022, we continued to work together with like-minded partners, non-profit organisations and government bodies to provide aid to low-income households, especially in support of education, seniors' well-being and environmental causes that champion a zero waste lifestyle in Singapore. These focus areas are in line with the ethos of Forward Singapore[7], the national exercise that is exploring ways to strengthen Singapore's social compact.

We have committed to investing S$100 million over 10 years starting from 2021 in meaningful causes that fall under these focus areas. We do this through our community development platform Income OrangeAid. Since its inception, we have disbursed a total of S$36.9 million through OrangeAid to diverse beneficiaries.

In 2022, we contributed S$22.1 million to various community initiatives. They included our funding of flagship programmes and long-term support for the NTUC-U Care Fund, which offers financial aid to eligible union members and their family. We also supported voluntary welfare and non-profit organisations, unions and professional associations.

Promote Social Mobility Among the Low-Income Segment

We believe education is essential in levelling the playing field for everyone in society.

As low-income students are more likely to drop out of school to financially support their families, our flagship programmes prioritise providing financial assistance to children and young people in this vulnerable segment.

Income Family Micro-Insurance Scheme (IFMIS)

Low-income families are often hard hit when their sole breadwinners suffer a health crisis or worse, pass away, leaving nobody to provide for them. Due to the ensuing financial challenges that they face, school-going children and young persons from these families may be forced to drop out of school. To help these youths continue with their education, the Income Family Micro-Insurance Scheme (IFMIS) offers tangible support to vulnerable families in this time of need.

In 2022, we extended IFMIS coverage to all eligible students who currently come under financial assistance schemes (FAS) locally to support more underprivileged children and youths in Singapore. More specifically, IFMIS now covers children from Ministry of Education (MOE) kindergartens who are eligible for the Early Childhood Development Agency's Kindergarten Fee Assistance Scheme, students in Independent Schools who received MOE's Independent School Bursary, as well as students in government-funded Special Education (SPED) schools who are eligible for the SPED FAS. This coverage is in addition to all low-income students studying at NTUC First Campus' My First Skool and MOE FAS recipients from local primary, secondary, pre-university and specialised schools in Singapore.

In the unfortunate event of death or total and permanent disability of a parent or guardian of a student enrolled in IFMIS, the family receives a payout of S$5,000 under the scheme. The families covered under IFMIS pay no premium for this insurance coverage.

In 2022, IFMIS covered 53,617 eligible students and disbursed S$175,000 in claims.

7 www.forwardsingapore.gov.sg

Addressing Social Needs

Future Development Programme (FDP)

We have been championing education for youths in need since 2015 via the FDP. In 2022, we awarded over S$1.1 million in bursaries under the programme to 400 eligible low-income students studying in the Institutes of Technical Education and polytechnics in Singapore.

We also organised financial literacy training and personal and career guidance workshops for these students. While the former helped participants gain confidence in money management and to make informed financial decisions, they also learned about and explored future career paths at the latter.

These workshops were conducted virtually in 2022 to ensure the safety of our FDP beneficiaries and trainers.

We also trained 18 past FDP awardees, who expressed an interest to give back to the programme by supporting their peers' learning journey at the workshops through our Alumni Facilitator Training Programme in 2022.

The alumni facilitators play a crucial role in building rapport and fostering a positive learning environment at the financial literacy workshops. Serving as inspiring role models, the alumni facilitators effectively motivate their peers to be more financial literate and to make informed decisions.

Since the launch of the facilitator programme in 2018, 85 FDP alumni have given back to the programme as workshop facilitators.

How Are We Supporting Our FDP Beneficiaries?

92%
felt more supported financially

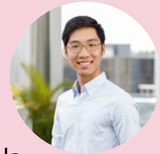
97%
were able to focus more on school and school-related activities

88%
have adopted the habit of budgeting and reviewing their expenses

91%
reported improvement in appreciating financial literacy concepts

OrangeAid RoundUp

We recognise that there is strength in numbers. Through OrangeAid Roundup, we offer our customers the opportunity to be part of our Future Development Programme by rounding up their life or general insurance policy premiums to the next dollar (or more) and donating the difference to the programme. In 2022, we raised about S$270,000 through OrangeAid RoundUp. All proceeds went to the programme to help underprivileged students become more future ready.



"With the support from Income OrangeAid (IOA), I was able to focus more on learning in school. The FDP has inspired me to help others and give back to the community."

Toh En Rui Clement
Singapore Polytechnic

"The FDP helped me with expenses throughout my polytechnic days and helped supplement my family's income."

Prabhleen Sagar Kaur
Republic Polytechnic

"I have been working at two part-time jobs to support the family. The financial assistance I received under IOA help me manage my daily expenses which include meals and transport."

Tiara Asyura Bte Muhammad A
ITE College Central

"Thanks to the FDP bursary, I am able to focus more on my studies without having to worry about my school fees. The workshops also helped me have a better understanding of how to develop good budgeting skills and avoid unforeseen expenses."

Joey Tay Wen Hui
Singapore Polytechnic

Addressing Social Needs

Support Seniors' Well-Being

According to statistics released by the Ministry of Health, one in four adults in Singapore will be over the age of 65[8] by 2030. With increased life expectancy and rising healthcare cost in Singapore, our ageing population is likely to pose many challenges to the national healthcare system in the future[9]. The COVID-19 pandemic has further underscored the need for resilience in the healthcare sector[10].

Health for Life Fund

To help make essential eldercare services in Singapore more accessible and affordable, we contributed S$20 million to the Health for Life Fund[11] to support seniors and the eldercare industry.

The contribution will support the care needs of seniors in nursing homes and other eldercare facilities, research and pilot projects to drive improvement in health outcomes, the management of volunteers as well as quality and affordable community-based services for seniors.

Through our contribution, we are supporting many families and helping seniors age well. For example, we are enabling the piloting of new services and care solutions for our ageing population. These services and solutions aim to contribute to a more inclusive society by preventing social isolation among the elderly and helping them lead more independent and active lives.

In 2022, our financial support benefited over 1,000 nursing home residents and more than 400 seniors who used NTUC Health's home care services.

How Are We Supporting Our Seniors?

Provide financial aid to help middle-income households who have less access to government subsidies afford eldercare services

Support the continuity of essential eldercare services, such as nursing homes, in Singapore

Empower service innovation in eldercare to improve health outcomes among seniors

8 2023 Action Plan for Successful Ageing, www.moh.gov.sg
9 Managing Healthcare Cost Increases, www.moh.gov.sg
10 Growth and Resilience during COVID-19, rosa.smu.edu.sg
11 Health for Life Fund, NTUC Health

Addressing Social Needs

Income Eco Run is a mass running event that promotes sustainable practices and champions the zero waste cause.

Galvanise Action by Championing Environmental Causes

At Income Insurance, we recognise that time is ticking away for Singapore's only landfill and climate change is presenting a real and tangible threat to our island state.

Through advocacy campaigns we aim to promote sustainable practices and minimise our collective negative impact on the environment.

Our tentpole event on this front is the Income Eco Run (IER), which supports Singapore's vision to become a Zero Waste Nation[12].

We have been championing the zero waste cause via the Run since 2017. However, the event took a three-year hiatus due to the COVID-19 pandemic.

In 2022, we began planning to resume Income Eco Run[13] in 2023.

To reduce waste, we will be taking actions that are unprecedented for mass runs in Singapore. For example, we are encouraging participants to run in their own orange t-shirts or past year's race tees to promote reusing and recycling. We are also reducing the size of race bibs by at least 30%, which will minimise material wastage. Additionally, we are issuing all participants a light and handy reusable hydration cup on event day to reduce the number of single-use paper cups at the event. We will also be the first run organiser to use naturally compostable cups at hydration stations. Finally, we will only issue e-certificates of participation, to avoid printing paper.

To make Income Eco Run 2023 more inclusive so that more Singaporeans can join the race and be part of the zero waste cause, we are customising race routes to allow participants to run a distance of their choice between 3 km and 21.1 km.

Our Efforts Towards Zero Waste – Reduce, Reuse, Recycle

Runners' bibs are **reduced by 30%** to minimise material wastage

Runners are encouraged to wear their own or past IER t-shirts; **event tees made from 100% recycled materials** are optional for purchase

Collapsible reusable cups are issued to all IER participants; only compostable single-use cups are used at hydration stations

E-certificate issued instead of medals

12 Overview, *towardszerowaste.gov.sg*
13 Income Eco Run, *www.income.com.sg*

Influencing Change

Creating greater impact together

At Income Insurance, we believe in the power of many. By working together with like-minded partners to realise a shared goal, we can create bigger ripples and drive positive change faster and with greater impact.

Apart from Income Eco Run, we leverage two other tentpole initiatives to raise awareness, mobilise people and create alliances to champion social and community causes that we believe in and are passionate about.

Income Gives Back

Our corporate initiative, Income Gives Back, encourages our people to be active community stewards. It also anchors a culture of sustained volunteerism within Income Insurance.

Annually our employees are granted three days of volunteer leave to participate in company-organised or sponsored community initiatives and to bond with one another through doing good. Through this, we also promote a greater sense of purpose and belonging among our people.

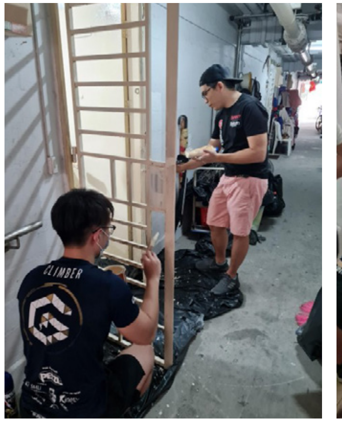
To make volunteering more meaningful for our employees, they are free to choose the cause they want to support, as long as it falls under the company's focus areas of the elderly, social services and the environment.

In 2022, 87% of our employees participated in Income Gives Back and contributed a total of 2,753 volunteer hours.

Singapore Resilience Study

To help Singaporeans be more prepared to deal with unforeseen circumstances and be better able to weather them, we want to come from a position of knowledge and have insights to Singaporeans' state of resilience. By understanding where Singapore's societal gaps are and which are its vulnerable segments, we will be in a better position to shape evidence-based interventions to bring about impactful change in Singapore.

To do this well, we partnered the Centre for Research on Successful Ageing (ROSA) at Singapore Management University on a Singapore Resilience Study in 2022. The Centre is known for its innovative multi-disciplinary research on ageing and age-related issues of the Singapore older adult population. The Singapore Resilience Study leverages ROSA's existing resilience framework. When the study concludes in the second half of 2023, we plan to utilise insights from the study to drive deeper social ecosystem advocacy. In this undertaking, we tap public-private partnerships to support communities in Singapore.




Our employees volunteering their time at various community causes as part of Income Gives Back.

About This Report

Showcasing our progress

This report covers the combined environmental, social and governance (ESG) performance of Income Insurance Co-operative Limited (Co-operative) and the corporate entity, Income Insurance Limited (Income Insurance) between 1 January and 31 December 2022, unless otherwise stated.

In 2022, the Co-operative underwent a corporatisation exercise and successfully transferred its insurance business to Income Insurance. Following this, Income Insurance commenced operation on 1 September 2022.

This report summarises the progress and achievements Income Insurance made in its sustainability journey over the reporting period. It also details the management's approach to executing its sustainability strategy via three strategic pillars, namely 'Action for Environment', 'Operate a Responsible Business' and 'Build Stronger Communities'.

Prepared in accordance with the Global Reporting Initiative (GRI) 2021 Standards, this report includes the company's climate-related disclosures, which are published in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

These reporting standards have been selected because they are recognised globally. They also support performance comparability as they are commonly adopted for ESG reporting. For easy reference, the GRI and TCFD indices are included in the 'References' section of this report.

This report has been reviewed and approved by the Board of Directors of Income Insurance.

Assurance

We had conducted an internal audit on the controls that we put in place for the collection of data and information for this 2022 sustainability report. We acknowledge that this is an important and fundamental step in attaining external assurance for our future disclosures.

Restatement of Information

There is no restatement of information in this report.

Annual Financial Report

Income Insurance's current financial period is from 1 July 2022 to 31 December 2023. The one-off long accounting period is due to the corporatisation exercise and serves to align the company's financial period with the calendar year. For this reason, Income Insurance's financial report will only be published in the first half of 2024 after its financial period ends. This practice is in accordance with the requirements of the Accounting and Corporate Regulatory Authority. Between 1 January and 31 August 2022, Income Insurance operated its business under the Co-operative, which commenced liquidation in December 2022.

Feedback

We welcome feedback from our stakeholders to help us improve our sustainability performance and disclosure practices. Please feel free to share your questions, comments or feedback with our Sustainability Team at *sustainability@income.com.sg*.

Headquarters

75 Bras Basah Road, Income Centre
Singapore 189557

Income Insurance is a Singapore-based company.

GRI Index

GRI Standard Disclosure	Indicator	Report Section(s) Reference	Supplementary Information
GRI 2: General Disclosure 2021			
2-1	Organisational details	**About Income Insurance** (page 7)	–
2-2	Entities included in the organisation's sustainability reporting	**About This Report** (page 52)	–
2-3	Reporting period, frequency and contact point	**About This Report** (page 52)	–
2-4	Restatements of information	**About This Report** (page 52)	–
2-5	External assurance	**About This Report** (page 52)	–
2-6	Activities, value chain and other business relationships	**Our Purpose and Sustainability Strategy** (page 4) **About Income Insurance** (page 7)	–
2-7	Employees	**Nurturing an Engaged Culture** (page 39)	–
2-8	Workers who are not employees	Refer to Supplementary Information	We had 397 outsourced / sub-contracted workers as of 31 December 2022. These individuals provide augmented resource and capabilities for IT-related scope of work.
2-9	Governance structure and composition	**Managing Our Progress** (page 13) **Embedding Effective Corporate Governance** (page 33)	–
2-10	Nomination and selection of the highest governance body	**Managing Our Progress** (page 13)	–
2-11	Chair of the highest governance body	Refer to Supplementary Information	The Board Chairman is not a senior executive in the organisation.
2-12	Role of the highest governance body in overseeing the management of impacts	**Managing Our Progress** (page 13)	–
2-13	Delegation of responsibility for managing impacts	**Managing Our Progress** (page 13)	–
2-14	Role of the highest governance body in sustainability reporting	**Managing Our Progress** (page 13)	–

GRI Index

GRI Standard Disclosure	Indicator	Report Section(s) Reference	Supplementary Information
GRI 2: General Disclosure 2021			
2-15	Conflicts of interest	Refer to Supplementary Information	The directors disclose their conflicts of interest as and when they become aware and are required to complete an annual declaration under the Related Party Transaction Policy. On a quarterly basis, the management reports to the Audit Committee and Board any significant related party transactions that are identified, and these transactions are accordingly reviewed. Directors with conflicts of interest recuse themselves from discussions and decisions involving issues of conflict.
2-16	Communication of critical concerns	**Embedding Effective Corporate Governance – Responsible Business Practices** (page 34)	–
2-17	Collective knowledge of the highest governance body	**Managing Our Progress** (page 13) **Embedding Effective Corporate Governance – Board Governance** (page 33)	–
2-18	Evaluation of the performance of the highest governance body	**Managing Our Progress – Executive Committee (ExCom)** (page 13)	–
2-19	Remuneration policies	Refer to Supplementary Information	After careful consideration, the Board has decided not to disclose information on remuneration due to confidentiality.
2-20	Process to determine remuneration		
2-21	Annual total compensation ratio		
2-22	Statement on sustainable development strategy	**Foreword** (page 2)	–
2-23	Policy commitments	**Tracking Our Progress** (page 14)	–
2-24	Embedding policy commitments	**Embedding Effective Corporate Governance – Responsible Business Practices** (page 34)	–

GRI Index

GRI Standard Disclosure	Indicator	Report Section(s) Reference	Supplementary Information
GRI 2: General Disclosure 2021			
2-25	Processes to remediate negative impacts	**Embedding Effective Corporate Governance – Responsible Business Practices** (page 34)	–
2-26	Mechanisms for seeking advice and raising concerns		–
2-27	Compliance with laws and regulations	Refer to Supplementary Information	There were no instances of fines or non-monetary sanctions incurred in FY2022.
2-28	Membership associations	**About Income Insurance** (page 7)	–
2-29	Approach to stakeholder engagement	**Engaging Our Stakeholders** (page 11)	–
2-30	Collective bargaining agreements	**Embedding Effective Corporate Governance – Collective Bargaining** (page 36)	–
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	**Identifying Issues That Matter** (page 9)	–
3-2	List of material topics		–
GRI 203: Indirect Economic Impacts			
3-3	Management of material topics	**Driving Financial Inclusion** (page 44)	–
203-2	Significant indirect economic impacts	**Addressing Social Needs** (page 47)	–
GRI 305: Emissions 2016			
3-3	Management of material topics	**Our Approach to Achieving Net-Zero Emissions** (page 18)	–
305-1	Direct (Scope 1) GHG emissions	**Transitioning to a Low-Carbon Business – Climate-Related Metrics and Targets** (page 24)	–
305-2	Energy indirect (Scope 2) GHG emissions		–
305-3	Other indirect (Scope 3) GHG emissions		–
305-4	GHG emissions intensity	**Transitioning to a Low-Carbon Business – Climate-Related Metrics and Targets** (page 24)	–

GRI Index

GRI Standard Disclosure	Indicator	Report Section(s) Reference	Supplementary Information
GRI 3: Material Topics 2021			
GRI 306: Waste 2020			
3-3	Management of material topics	Refer to Supplementary Information	We use paper mainly for communication through letters with our policyholders, therefore wastepaper is considered a material topic. The usage of paper in our business operations is a significant consumption of natural resources and we are committed to paperless policyholder communication by 2025. This also helps reduce the amount of wastepaper that is subsequently disposed to landfill or recycled.
306-1	Waste generation and significant waste-related impacts		
306-2	Management of significant waste-related impacts		
306-4	Waste diverted from disposal	**Managing Our Operational and Underwriting Footprint – Nurturing a Culture of Sustainability** (page 30)	Paper diverted from disposal is measured in sheets, not metric tonnes.
GRI 404: Training and Education 2016			
3-3	Management of material topics	**Empowering a Future-Ready Workforce** (page 41)	–
404-2	Programmes for updating employee skills and transition assistance programmes	**Nurturing an Engaged Culture – Career Development and Progression** (page 39)	–
404-3	Percentage of employees receiving regular performance and career development reviews	**Nurturing an Engaged Culture** (page 39)	By gender • Female: 97% of eligible permanent headcount • Male: 95% of eligible permanent headcount By employee category • Senior management: 90% of eligible permanent headcount • Middle management: 90% of eligible permanent headcount • Staff: 98% of eligible permanent headcount

GRI Index

GRI Standard Disclosure	Indicator	Report Section(s) Reference	Supplementary Information
GRI 3: Material Topics 2021			
GRI 417: Marketing and Labelling 2016			
3-3	Management of material topics	**Embedding Effective Corporate Governance – Safeguarding Customers and Their Information: Fair Dealing** (page 36)	–
417-2	Incidents of non-compliance concerning product and service information and labelling		–
417-3	Incidents of non-compliance concerning marketing communications		–
GRI 418: Customer Privacy 2016			
3-3	Management of material topics	**Embedding Effective Corporate Governance – Safeguarding Customers and Their Information** (page 36)	–
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		There have been no written statements / incidents published by regulatory or similar official bodies addressed to the organisation that identifies breaches of customer privacy, or complaints lodged with the organisation that have been recognised as legitimate by the organisation.
GRI G4 Financial Services Sector Disclosures			
GRI FS10	Percentage and number of companies held in the institution’s portfolio with which the reporting organisation has interacted on environmental or social issues	**2022 Highlights** (page 6)	–
GRI FS11	Percentage of assets subject to positive and negative environmental or social screening		–
GRI FS14	Initiatives to improve access to financial services for disadvantaged people	**Driving Financial Inclusion** (page 44)	–

TCFD Index

TCFD Pillar/Recommendation	Report Section(s) Reference
Governance: Disclose the organisation's governance around climate-related risks and opportunities	
a) Describe the Board's oversight of climate-related risks and opportunities	**Managing Our Progress** (page 13)
b) Describe management's role in assessing and managing climate-related risks and opportunities	**Managing Our Progress** (page 13)
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy, and financial planning where such information is material	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	**Transitioning to a Low-Carbon Business – Understanding Climate-Related Risks and Opportunities** (page 19) **Transitioning to a Low-Carbon Business – Analysis of Climate Scenario and Stress Testing** (page 20)
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	**Transitioning to a Low-Carbon Business – Understanding Climate-Related Risks and Opportunities** (page 19) **Transitioning to a Low-Carbon Business – Analysis of Climate Scenario and Stress Testing** (page 20)
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	**Transitioning to a Low-Carbon Business – Analysis of Climate Scenario and Stress Testing** (page 20)

TCFD Index

TCFD Pillar/Recommendation	Report Section(s) Reference
Risk Management: Disclose how the organisation identifies, assesses, and manages climate-related risks	
a) Describe the organisation's processes for identifying and assessing climate-related risks	**Transitioning to a Low-Carbon Business – Analysis of Climate Scenario and Stress Testing** (page 20) **Managing Our Operational and Underwriting Footprint** (page 29)
b) Describe the organisation's processes for managing climate-related risks	**Transitioning to a Low-Carbon Business – Integrating Climate-Related Risks in Overall Enterprise Risk Management** (page 24) **Practising Responsible Investment** (page 27) **Managing Our Operational and Underwriting Footprint** (page 29)
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management	**Transitioning to a Low-Carbon Business – Integrating Climate-Related Risks in Overall Enterprise Risk Management** (page 24) **Practising Responsible Investment** (page 27)
Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material	
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	**Transitioning to a Low-Carbon Business – Understanding Climate-Related Risks and Opportunities** (page 19) **Transitioning to a Low-Carbon Business – Analysis of Climate Scenario and Stress Testing** (page 20) **Transitioning to a Low-Carbon Business – Climate-Related Metrics and Targets** (page 24)
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	**Transitioning to a Low-Carbon Business – Climate-Related Metrics and Targets** (page 24)
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	**Tracking Our Progress** (page 14)

income

made yours