

For Every *Life,*
For Every *Future*

Prudential Singapore
Sustainability Report 2023 Summary



CEO's *Message*

“ Despite challenging business conditions and an unprecedented global pandemic, we have continued to prioritise sustainability in all that we do.

In this report, we share how we continue to address emerging economic, environmental and social risks faced by our business and society.

I am proud of the progress we have made thus far in our sustainability journey and inspired by the resilience and determination of our employees to make a difference.

I look forward to closer collaboration with the industry, our regulator, business and community partners to drive greater change and to make a positive impact for every life and for every future.



Dennis Tan

Managing director, Strategic Business Group
and CEO, Prudential Singapore



About

Prudential Singapore

Since 1931, we have been serving the financial and protection needs of our customers. Our purpose, **‘For Every Life, For Every Future’**, speaks to our ambition to be the most trusted partner and protector for today’s generations and the generations to come by providing simple and accessible health and financial solutions. To achieve our purpose, we are guided by our PruWays which shape the way we conduct business, make decisions, show up at work and interact with our stakeholders.

The PruWay



Our Customer is Our Compass



We Pursue Our Entrepreneurial Spirit



We Succeed Together



We Respect and Care for One Another



We Deliver on Our Commitments

We provide life, medical, saving and investment insurance for approximately **one million customers**. We also provide specialised enterprise business solutions to large corporates and small- and medium-sized enterprises.








S\$1,057 million
annual premium equivalent in 2023



S\$53.3 billion
funds under management in 2023

Our *sustainability strategy*

In 2023, our sustainability strategy was refreshed in support of our new Group purpose. This update reflects our ambition to drive sustainability for real-world impact and long-term resilience.

Ambition	Sustainability for real-world impact and long-term resilience			
Purpose	For every <i>Life</i> For every <i>Future</i>			
Pillars	 <p>Simple and accessible health and financial protection Increase access to health and financial protection for every life</p>	 <p>Responsible investment Enable a just and inclusive transition to net zero for every future</p>	 <p>Sustainable business Embed sustainability into our business and value chain to amplify the pace and scale of our impact</p>	
Priorities	<p>Delivering partnerships and digital innovation for health outcomes Drive positive health outcomes through partnerships and digital innovation</p> <p>Developing sustainable and inclusive offerings Develop sustainable and inclusive offerings to increase access to protection for underserved customer needs and communities</p> <p>Building resilient communities Support the communities in which we operate, building resilience through the work of our business units and Prudence Foundation</p>	<p>Decarbonising our portfolio Committed to decarbonise our portfolio and become a net zero asset owner by 2050</p> <p>Financing a just and inclusive transition Financing a just and inclusive transition with emerging markets considerations at the forefront</p> <p>Mainstreaming responsible investments in emerging markets Leverage our influence as asset owner to mainstream responsible investments in emerging markets</p>	<p>Empowering our people Empower our talent pool by upgrading their sustainability capabilities and advancing our diversity, equity, inclusion and belonging strategy</p> <p>Establishing sustainable operations and value chain Embed sustainability in our day-to-day operations as a business, including with our suppliers and partners</p> <p>Harnessing thought leadership to shape the agenda Leverage our advocacy power to shape a sustainability agenda that places emerging markets considerations at the forefront</p>	
Foundation	 <p>Good governance and responsible business practices Corporate governance, conduct and ethics, risk management, external reporting and benchmarking</p> 			
New targets	55% weighted average carbon intensity (WACI) reduction by 2030	Established a new investment target on financing the transition, which operates as an underpin for our WACI reduction target	40% female representation in Group Leadership Team by the end of 2026	All people managers to have sustainability-linked KPIs by the end of 2026

We want to offer simple and accessible health and financial protection for every life, ensure that we deploy our investments and stewardship power to enable a just and inclusive transition to net zero for every future and amplify the pace and scale of our impact by embedding sustainability into our business and value chain.

Good governance and responsible business practices underpin our sustainability strategy. We are committed to upholding the highest standards in governance, conduct and ethics, risk management, external reporting and benchmarking.



Simple and accessible health and financial protection

Made preventative healthcare more accessible to customers through home-based health screenings with Dr Anywhere

Broadened our offerings to customers who follow the Shariah philosophy with PRULink Islamic Global Equity Index Fund

Engaged **20,000** students through our financial education and inclusion programme Cha-Ching since its inception in 2018

Helped **3,000** youths expand their career horizons through our Talent Engagement Ecosystem (TEE-Up)



Inclusivity underpins our sustainability strategy. We focus on **delivering partnerships and digital innovations** to drive better health and financial outcomes for our customers and the community. In Singapore, approximately six in 10 people are not undergoing essential health screenings due to time constraint and costs¹. To address this, we partner with Dr Anywhere to provide home-based medical services to our customers. We also have a partnership with Raffles Medical Group that gives our PRUShield customers access to the hospital's Chronic Care Management programme to support them in managing conditions such as diabetes and hypertension.



We are also focused on **developing sustainable and inclusive offerings** as part of our strategy. With psychological health being a rising concern for Singaporeans, we included mental illness coverage in our PRUSafe Income plan which provides guaranteed income and recovery benefits when a policyholder is unable to work due to injury or illness. Through the launch of the PRULink Islamic Global Equity Index Fund, we have broadened our offerings to meet the financial needs of customers who follow the Shariah philosophy. Additionally, we continue to offer bite-sized, lower-cost products that protect our customers against infectious diseases, sports injuries, dengue fever as well as prostate and breast cancer.



We are also committed to **building a resilient community** that is prepared for the challenges of today and the future. Our community investment activities are geared to help vulnerable populations achieve better outcomes in life by promoting financial literacy as well as health and well-being. Our flagship financial education and inclusion programme, Cha-Ching, has reached 20,000 students since its inception in 2018.



Through our active ageing programmes, we helped improve the quality of life for our senior beneficiaries, with 99.4 per cent of them reporting an improvement in wellbeing after attending our activities. For our community contributions, we received the Charity Gold award by Community Chest² and were recognised by both the Ministry of Health³ and the Ministry of Social and Family Development⁴. Furthermore, we helped prepare Gen Zs for jobs of the future through our Talent Engagement Ecosystem (TEE-Up) programme, which is designed to support young adults in charting their careers by giving them access to resources and connecting them with professionals from diverse industries.

¹2022 Preventative health survey by Doctor Anywhere, <https://doctoranywhere.com/preventive-health-survey-2022/>

²Community Chest Awards 2023, <https://www.comchest.gov.sg/campaigns-events/signature-events/Details/cca23>

³Ministry of Health, 2023 Action Plan for Successful Ageing Report, page 57, <https://www.moh.gov.sg/docs/librariesprovider3/action-plan/2023-action-plan.pdf>

⁴Ministry of Social and Family Development, Year of Celebrating Social Service Partners, <https://www.msf.gov.sg/what-we-do/yccpartners/stories/corporates>

Responsible investment

Contributed to a **50% reduction** in the Weighted Average Carbon Intensity (WACI) of the Group investment portfolio since 2019

Committed **US\$130 million** of our private equity investments into Sustainable Finance Disclosure Regulation (SFDR)-compliant funds with sustainability focus

We are committed to reducing the climate impacts of our investments. In support of the Group's target to become a net zero asset owner by 2050, Prudential Singapore has progressively reduced the Weighted Average Carbon Intensity (WACI) of our investment portfolio over the last five years. As a Group, we have reduced the WACI of our investment portfolio by 50 per cent in 2023 from a 2019 baseline. Our aim is to achieve a 55 per cent WACI reduction by 2030.

While we aim to decarbonise our investment portfolio, we acknowledge that most companies are not able to immediately transform their operations due to economic or infrastructural limitations. We also understand that the transition to a low-carbon economy will be disruptive in nature, with the potential to negatively impact value chains and communities. At Prudential, we are committed to **supporting a just and inclusive transition** to a low carbon economy. Through our asset manager Eastspring, we engage with our investee companies to support the proactive management of environmental risks, striving to use our influence as a long-term investor to support the development of climate transition plans. We are also committed to **mainstreaming responsible investments** in emerging markets as we recognise that many countries across Asia and Africa will be disproportionately impacted by climate change. Furthermore, these countries will require capital to make infrastructural and capacity building investments that are needed for the transition. As an active member of global initiatives such as the UN-sponsored Net-Zero Asset Owner Alliance (NZAOA) and the Just Energy Transition Partnership (JETP), our Group contributes by providing a voice on behalf of the emerging markets.

Through our investments, we also actively contribute to sustainability goals by channelling our funds to companies that generate positive social and environmental impacts. In 2023, we established a target to commit 5 per cent of our private equity investments into funds with a sustainability focus. We exceeded this target by committing US\$130 million (13 per cent) into SFDR Article 8 and 9 funds⁵ which include companies that deal with sustainability issues such as improving healthcare services for underserved populations, technology recycling, renewable energy and sustainable agriculture.

⁵Sustainable Finance Disclosure Regulation (SFDR) Article 8 funds are those which promote environment and/or social goals, while SFDR Article 9 funds have sustainable finance as a core objective. Both types of funds require good governance to be incorporated into the investment strategy and assess the portfolio against the principle of 'do no significant harm.'

Sustainable Business

52% female participation rate for senior managers and above

Closed the gender pay gap for senior managers and above to **-0.1%**

Over **10%** reduction in Scope 1 and 2 emissions per full-time employee from 2022 baseline

Increased our procurement spending on local suppliers to **S\$288 million** in 2023, up from S\$259 million in 2022



We empower our people by advancing our diversity, equity, inclusion, and belonging strategy. Closing gender gaps in terms of pay and representation is one of the ways we strive to build a diverse and inclusive workforce. A diverse organisation can enhance creativity, problem solving and innovation by leveraging the experience and abilities of individuals from different backgrounds and cultures. An inclusive workplace also deepens a sense of belonging which is essential to support employee engagement, development and retention. In 2023, we have a gender pay gap of -0.1 per cent for senior managers and above and a female participation rate of 52% for this same group of employees.

To **establish sustainable operations and value chain**, we have a robust due diligence process for supplier selection to ensure we do not inadvertently support companies that engage in unsustainable environmental practices or exploitative labour practices. We are also supporting the growth of our national economy by prioritising the use of local suppliers. We spent S\$288 million on Singapore-based companies in 2023, up from S\$259 million in 2022.

In order to improve the efficiency of our day-to-day operations, we launched several initiatives in 2023 to reduce our electricity consumption and encourage environmental responsibility among employees. This resulted in a reduction of our Scope 1 and 2 greenhouse gas emissions⁶ per full-time employee by over 10 per cent from a 2022 baseline.

⁶Includes both direct emissions and indirect emissions from electricity consumed at our corporate offices

Good *governance* and *responsible* business practices

Ranked first within the insurance industry for
“Singapore’s Best Customer Service Service 2023/2024⁷”

Maintained a score of **87** for our annual Ethical
Culture Survey, compared to the benchmark score of 84 for
companies of comparable size and revenue

Implemented PruSafeAI which incorporates responsible
AI governance and management processes

In this dynamic business landscape, strong governance processes are crucial for fostering sustainable growth and strengthening stakeholder trust. We recognise that earning the trust of our stakeholders is a long-term process and we remain committed to safeguarding their invaluable confidence and belief in us.

We continue to place customers at the heart of everything we do and engage with them in an honest, respectful and transparent manner in line with the MAS Fair Dealing Guidelines. As a testament to our commitment towards prioritising customer satisfaction, we were ranked first within the insurance industry for Singapore’s Best Customer Service 2023/2024⁷.

Our emphasis on sound corporate governance processes, coupled with effective risk policies and control systems, have resulted in no significant instances of legal or regulatory non-compliance in 2023. We continue to foster a strong ethical culture which encourages our employees to focus on integrity and maintaining the trust of our stakeholders. Every year, we conduct an Ethical Culture Survey to measure employee perceptions of how ethics are prioritised across our organisation. In 2023, we maintained a score of 87 out of 100, higher than the benchmark score of 84 for companies of comparable size and revenue.

We recognise the utmost importance of safeguarding our customers’ interests by protecting their personal data and keeping up with technological advancements such as Artificial Intelligence (AI). In 2023, we implemented our internal framework, PruSafeAI, which incorporates responsible AI governance and management processes into the design and development stages of the product lifecycle, ensuring adherence to the MAS Fairness, Ethics, Accountability and Transparency (FEAT) principles. We continue to monitor global, regional, and local regulations to ensure our processes are compliant, current, and put our customer at the centre of our AI system developments.

⁷Singapore’s Best Customer Service 2023/24, <https://www.straittimes.com/singapore-best-customer-service-2023-24>

More information on our sustainability efforts can be found here:



Read our full Prudential Singapore Sustainability Report 2023 [here](#)



Watch our Sustainability Report video [here](#)



Find out more on our website [here](#)

