



# Building Resilience For All

Sustainability Report 2023



In 2023, we engaged with communities and stakeholders to understand their needs and concerns about social and environmental issues.

We also contributed to the welfare of society while conducting our business with integrity, transparency, and fairness.

This report describes what we have collectively accomplished in 2023 through aligning our goals, strategy and commitments to forge a resilient future together.

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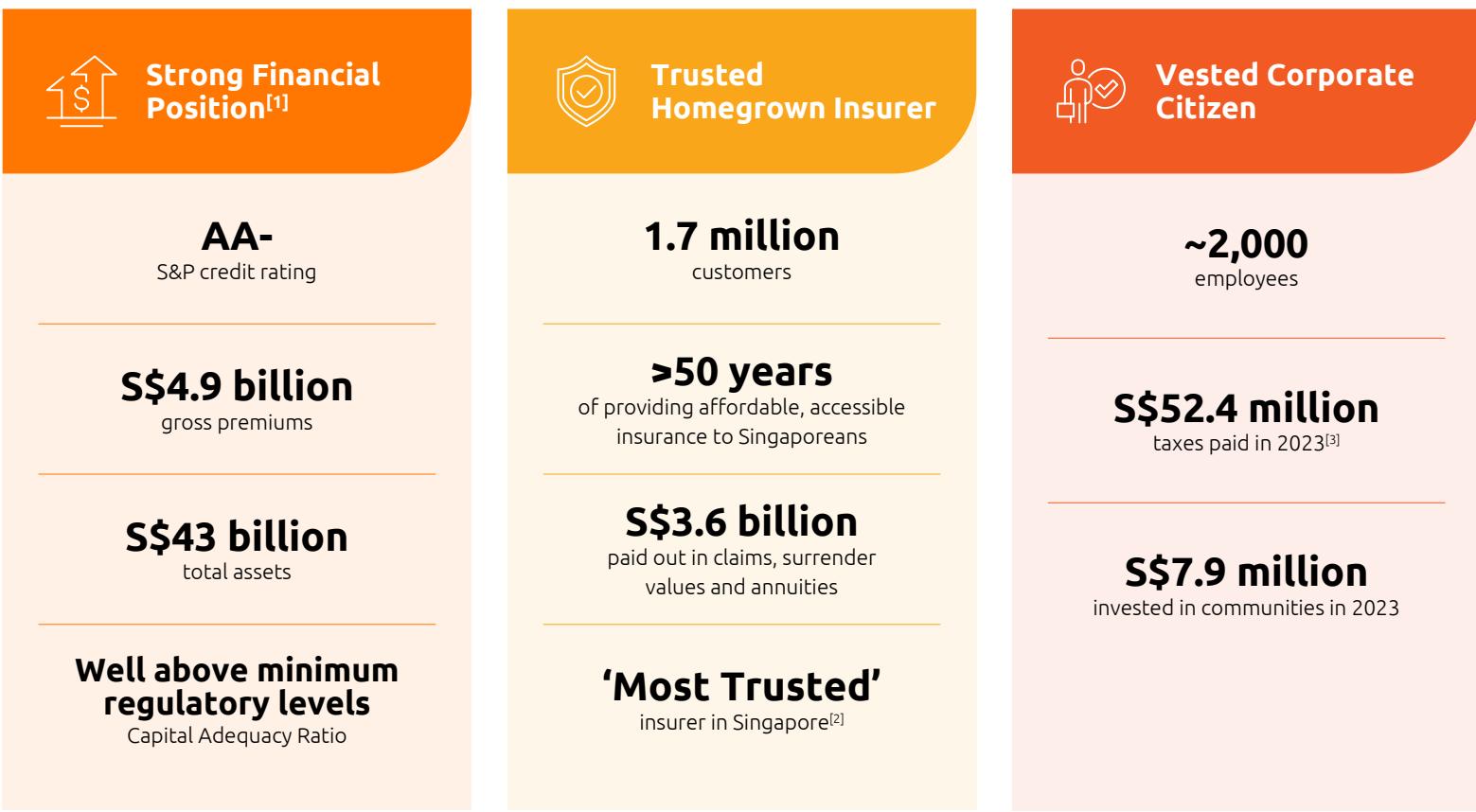
## About Income Insurance Limited

# Putting people first, always

The business that is now Income Insurance was first established in Singapore in 1970. Its purpose was to bolster financial well-being by making insurance protection accessible to Singaporeans at large.

Five decades on, our 'People First' ethos ensures that we stay steadfast in being customer focused as we serve the protection, savings and investment needs of individuals, families and businesses. Our lifestyle-centric and data-driven approach to insurance and financial protection puts us at the forefront of innovative solutions. These solutions help support the financial well-being and resilience of the people we serve. As an InsurTech, we are growing our footprint regionally with our bespoke digital innovations being launched in markets such as Indonesia, Malaysia, Thailand and Vietnam. Through our community development platform, Income OrangeAid, we are also fostering resilience by investing sustainably in our people and communities.

In 2023, we conducted about 300 hours of dialogue with our customers via 'Customer Connects', a 50% increase compared to last year. We expanded our annual brand health survey to 6500 potential and existing customers across our Life, Health and General Insurance businesses. Based on the survey findings, respondents regarded Income Insurance to be the most trustworthy among insurers in Singapore last year.



1 Financial data in this column reference the [Annual Report](#) for the financial period from 1 July 2022 to 31 December 2023.

2 <https://sg.yougov.com/consumer/articles/48445-yougov-brand-equity-ranking-2023-singapore-insurance>

3 The taxes paid by Income Insurance includes corporate income tax, goods and services tax and property tax paid to the Singapore Government as well as foreign withholding taxes and capital gain taxes paid to various foreign jurisdictions outside Singapore on investment income, where applicable.

## Our Sustainability Strategy

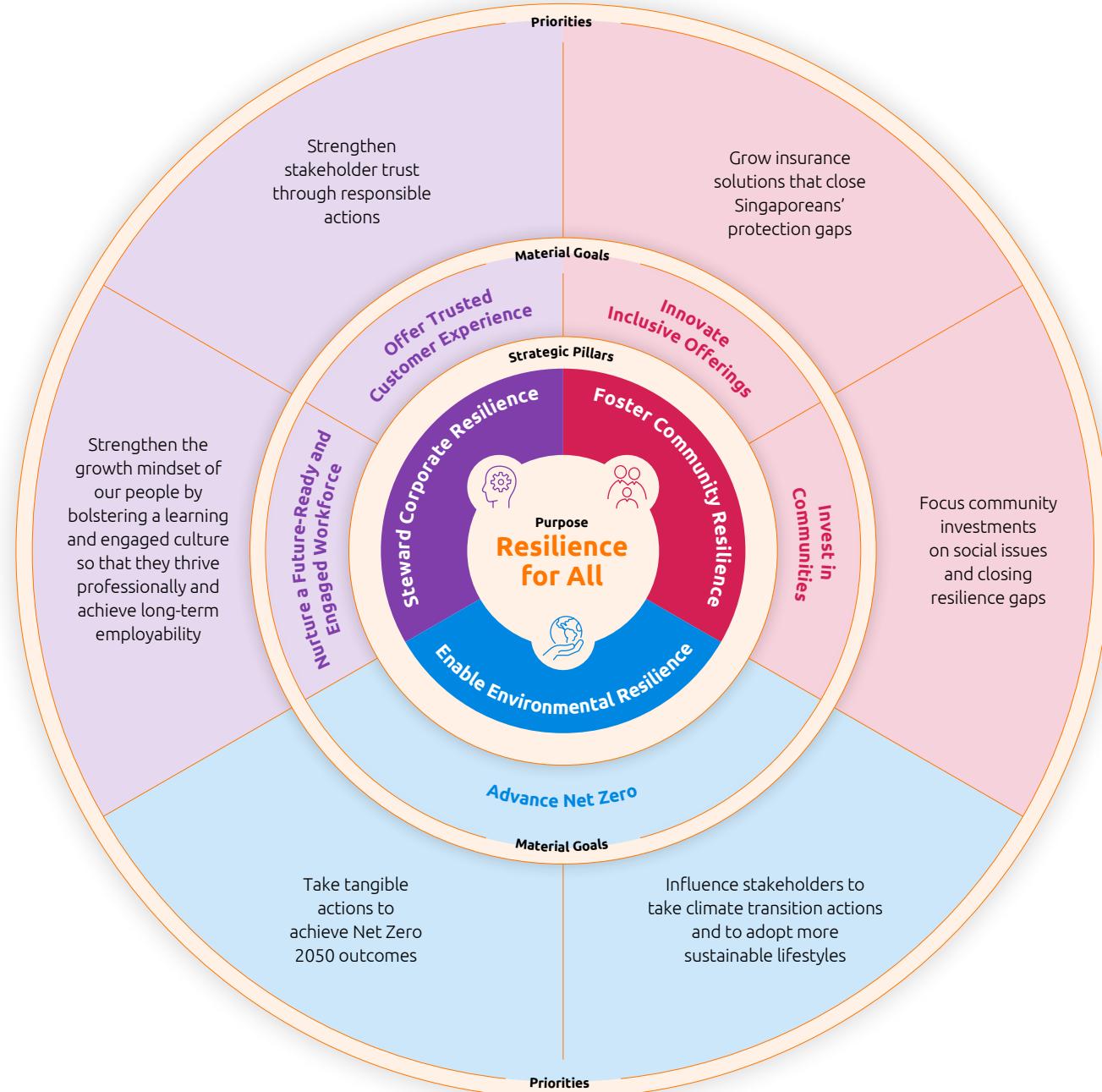
# Resilience for all

As a composite insurer, investor, asset owner, employer and corporate citizen, we recognise the enabling role we play in promoting socioeconomic resilience in the communities we serve. Our strategic initiatives as a responsible corporate citizen, as well as the choices we make as an asset owner and investor, impact society and have a bearing on building our society's collective resilience.

Our sustainability strategy builds on this understanding. It reflects our ambition to foster resilience as a core benefit to society through our actions, products and services. Our sustainability purpose is to build 'Resilience for All'. We believe this is increasingly paramount for everyone in this changing and demanding world. Resilience is our ability to adapt, absorb and bounce back from challenges and building resilience is a pathway to securing a sustainable future. This ensures we navigate disruptions well and also emerge stronger by continuously adapting and innovating to find long-term solutions that benefit both people and the planet.

To succeed, we focus on four areas – planet, customers, employees and communities – and anchor ourselves on three strategic pillars and five material goals. Upholding the trust of our customers and nurturing future-ready and engaged employees are prerequisites for the Company to thrive and contribute to society sustainably. By taking action to advance our net zero ambition, we enable environmental resilience to combat climate change and leave future generations in a better place. To drive inclusive progress, we are deliberate about fostering community resilience by investing sustainably in causes that address social needs and close resilience gaps.

Annually, we establish a set of targets to track and measure our progress against our sustainability strategy and material goals. Our sustainability strategy supports seven United Nations Sustainable Development Goals (UN SDGs), underlining the significance of what we do at Income Insurance.



## Foreword

# We instil confidence in tomorrow

The year 2023 underscored the great importance of bolstering resilience for all. Just as we transitioned to living with COVID-19 as an endemic, we came face to face with unprecedented interest rate hikes amidst rising inflation, ongoing geopolitical tensions and devastating extreme weather events. All these intersecting challenges exacerbated economic uncertainties and had negative financial and social consequences that weighed on individuals, institutions, and communities, adversely affecting our outlook and confidence in the future.

As a composite insurer, our core role is to protect lives, assets and businesses. By fundamentally doing what we do, we contribute to a more secure and confident society by helping our stakeholders manage risks and build resilience in the face of economic, environmental and social uncertainties.

### Fostering resilience for all

To foster resilience purposefully, we adopted an evidence-based approach to guide our decisions and actions. We launched the Singapore Resilience Study (SRS) in 2023, the first resilience index in Singapore, to measure our society's collective resilience over time. In the study, we partnered the Singapore Management University's Centre for Research on Successful Ageing, to identify vulnerabilities in our society and rally interventions to improve Singaporeans' overall resilience and well-being.

Its findings informed our newly refreshed sustainability strategy. This refreshed strategy seeks to deliver 'Resilience for All' by way of three strategic pillars, namely 'Steward Corporate Resilience', 'Enable Environmental Resilience' and 'Foster Community Resilience'. The strategy reflects our ambition to leave no one behind as we commit to act and deliver real-world impact.

### Well-placed to drive sustainable progress

I am proud of the progress we made in 2023 towards implementing our sustainability strategy, which supports building of a more resilient planet, people, business and communities.

I am also delighted to share that post corporatisation, confidence in us as a public non-listed company limited by shares remains high. Our 2023 credit rating, AA-, was among the highest in the industry. It is a testament to our financial strength, solid business position in Singapore and growth opportunities that lie ahead of us in the region, especially when we have held this credit rating since 2019.

Last year, we also continued to hold firm to our standing as Singapore's most trusted insurer. In 2023, we conducted brand health surveys across our Life, Health and General Insurance businesses covering 6,400 customers. Based on the survey findings, respondents continued to regard Income Insurance as the most trustworthy

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**We recognise that new and relevant sustainable solutions are continually needed to drive positive climate transition and to foster an inclusive economy. To succeed, we must balance our environmental, social, business and investment priorities with our customers' focus areas and concerns. 99**



**Andrew Yeo**  
Chief Executive  
Income Insurance Limited

## Foreword

among insurers in Singapore. Our robust financial performance and employee engagement score in 2023 also reflected our reliability and resilience as a company. This solid standing gives us confidence that we are well placed to drive sustainable progress in the years ahead.

### **Advancing net zero 2050**

You will also read in this report that we have stepped up our efforts to realise our net zero ambition. In 2023, we set up a Board-level Sustainability Committee to enhance oversight on sustainability at the highest level of the Company.

We also completed carbon accounting of our financed emissions and set a 2025 target to reduce our greenhouse gas emissions in our public assets portfolio by 20%. As part of our decarbonisation efforts, we kick-started carbon-accounting baselining of our operational emissions, in line with the Greenhouse Gas Protocol. This will aid cost-benefit analysis of our decarbonisation levers in 2024. The findings are essential in supporting a review of our current decarbonisation efforts and will help us prioritise the pathways that yield the greatest reduction in our operational emissions.

As a large asset owner and investor, we recognise that our capital allocation in financial markets has an influence on climate-positive transition. We have made a commitment to invest S\$1 billion in climate transition financing.

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**We will persist in leveraging key enablers like technology, innovation, partnerships, continuous learning, iterations and good governance to scale our impact, bolster resilience and instil confidence in our shared tomorrow.** 99

We have also enhanced our technological capabilities and can now assess the exposure of our Property and Casualty business to flood-prone areas and are better guided in managing related environmental risks.

### **Embedding customer-centricity in sustainability**

Knowing that people in Singapore look to us to support their diverse financial and protection needs as they journey through different life stages, we safeguard their trust by keeping in step with their changing needs and by helping them cope with the stresses and demands of modern lifestyles and an ageing society. To provide Singaporeans with peace of mind, we launch innovative insurance products, such as Star Secure Pro, SNACK Self Care Pack, Complete Cancer Care and Care Secure, which plug protection gaps in mental health, critical illness and long-term care as we live longer lives.

To empower our work, we ramped up our customer engagement effort last year by organising 50% more engagement sessions than the year before to continue strengthening our customer-centricity. Based on the SRS findings, we leaned into our understanding of Singaporeans' financial, mental, physical, and

social resilience levels to refresh our social impact focus areas.

In 2024, we will be supporting Singaporeans in their climate transition journey by developing a comprehensive electric vehicle insurance roadmap that addresses the insurance needs of electric car owners. We will also be closing the resilience gaps of Singaporeans by improving their retirement adequacy and financial protection, enabling healthier lifestyles, and supporting their mental health with insurance innovations. We further complemented these actions by forming ecosystem partnerships that aim to optimise our S\$100 million investment in helping communities build resilience.

### **Strengthening tech capabilities and human capital to scale impact**

As we navigate the complexities of our interconnected and digital world, we are steadily building our technology resilience and investing in enterprise-level cloud adoption and big data architecture enhancement. This strengthens our capability in analytics, allowing us to dynamically harness insights to serve our customers better.

More significantly, we are boosting our capability to manage cybersecurity risks to safeguard

our stakeholders' interest and are continuing to conduct our business in a way that treats them fairly.

We recognise that an embedded sustainability culture and a qualified and engaged workforce are prerequisites for our success. To do this well, we continually measure ourselves enterprise-wide against sustainability-linked performance indicators.

Moving forward, we will persist in leveraging key enablers like technology, innovation, partnerships, continuous learning and good governance to scale our impact, bolster resilience and instil confidence in our shared tomorrow.

We cannot achieve this alone nor can we do this overnight. We promise, however, to act on matters of sustainability continually so that we are all in a better place to take on challenges, come what may.



**Andrew Yeo**

Chief Executive  
Income Insurance Limited

## 2023 Highlights

# Delivering on our strategy

We are pleased to report that in 2023, we achieved our targets in our sustainability scorecard. These targets were set to ensure that we make progress in improving our sustainability performance year-on-year, aligning to our purpose, strategic business and sustainability goals.

 <p><b>Enable Environmental Resilience</b></p>	 <p>Target to engage the <b>top 20 carbon emitters</b> in our public assets portfolio through our external fund managers</p>	 <p>Committed <b>S\$1 billion</b> to finance climate transition</p>	 <p>Target to <b>reduce 20%</b> of greenhouse gas emissions in our public assets portfolio by 2025 (2022 baseline)</p>	 <p><b>Digitally enabled 98% of letters</b> by Consumer Operations</p>	 <p><b>Implemented new energy monitoring system</b> with sensors to improve the resource efficiency of our data centre in real time</p>
 <p><b>Steward Corporate Resilience</b></p>	 <p>Named the <b>most trusted insurer</b> and listed as one of <b>Singapore's Best Employers</b><sup>[4]</sup> in 2023</p>	 <p>Staff completed <b>60,000 hours</b> of training</p>	 <p><b>High employee satisfaction score</b> on Organisational Health Index</p>	 <p>Maintained our record of <b>zero fair dealing, cybersecurity or data protection breach</b> that resulted in a fine or penalty</p>	
 <p><b>Foster Community Resilience</b></p>	 <p>Launched <b>Singapore's first cancer insurance product that uniquely guarantees post-cancer insurance coverage</b></p>	 <p>Launched a <b>ground-breaking mental wellness insurance subscription plan</b> that offers greater access to professional help for mental health issues</p>	 <p><b>Protected 63% more Singaporeans</b> against the risk of disability via enhanced long-term coverage for moderate and severe disabilities</p>	 <p><b>First to cover mental conditions in the Whole Life category</b> via a rider</p>	 <p>Launched <b>first Singapore Resilience Study</b> to index Singaporeans' mental, physical, social and financial resilience</p>

<sup>4</sup> In 2023, Income Insurance was listed among '[Singapore's Best Employers](#)' by [The Straits Times](#), Singapore's Top Employer in the Insurance category by Influential Brands and '[Best Companies to Work for in Asia](#)' by [HR Asia Awards](#).

## Our Sustainability Approach

# Empowering Resilience

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Our mother was diagnosed with lung cancer. We were worried as we were close to exhausting our sum assured. Kenneth's proficiency in handling our circumstance alleviated our concern over finances. He was a beacon of support when we were coping with the emotional strain of caring for our late mother in her final days.

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- Policyholder Chen Yin (R) with her sister Leo (L),  
on how their financial advisor, Kenneth Han, stood by them



## Identifying Issues That Matter

# Focusing on what our stakeholders care about

In recent years, the world has experienced a multitude of systemic risks, including pandemics, escalating geopolitical tensions, disruption to global trade flows, and increasing cybersecurity threats. Long-term environmental changes such as rising temperatures, extreme weather events, sea level rise and natural disasters are also posing threats to ecosystems, economies and social systems.

In this everchanging and demanding world, we must support our stakeholders with sustainable solutions so that they are better prepared and confident about their future.

Our goal is to build a resilient future together with our employees, customers, investors and communities. To do this, we regularly engage our diverse stakeholder groups to identify sustainability-related issues that they are most concerned about. With these insights, we are better placed to evaluate the relevance of our sustainability strategy and to focus our efforts and resources towards supporting positive change where it matters most.

In November 2022, we leveraged on the insights obtained through our stakeholder engagements and undertook a three-step

materiality assessment exercise that was aligned to the guidelines of the Global Reporting Initiative (GRI) Universal Standards 2021. We considered our potential and actual impacts on the economy, environment, and people across the organisation's activities and business relationships, to which we applied a double-materiality lens.

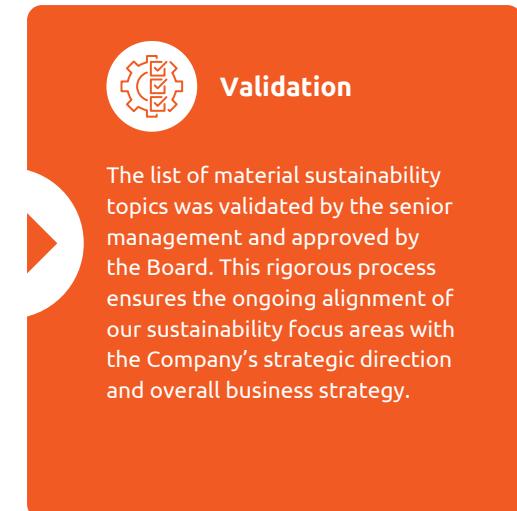
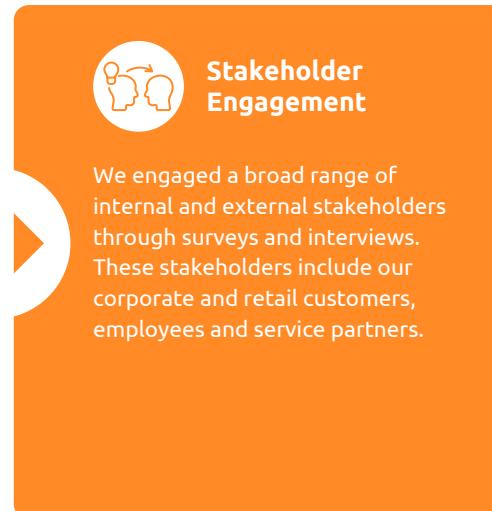
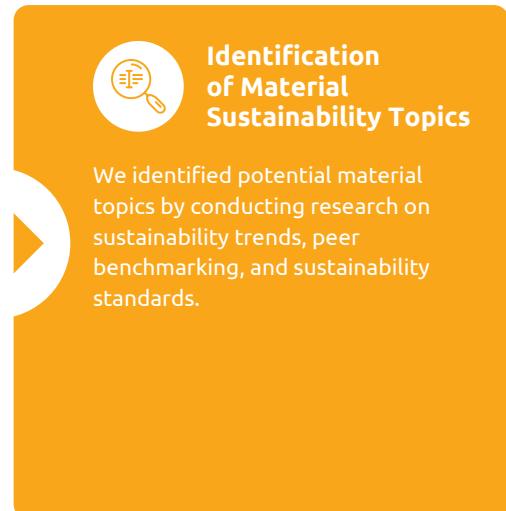
The exercise was intentionally timed to take place after the corporatisation exercise which saw the transfer of NTUC Income Co-operative Limited's insurance business to Income Insurance Limited (Income Insurance), a public

non-listed company limited by shares. This enabled us to gather stakeholders' feedback and their expectations of the latter after it began operations on 1 September 2022.

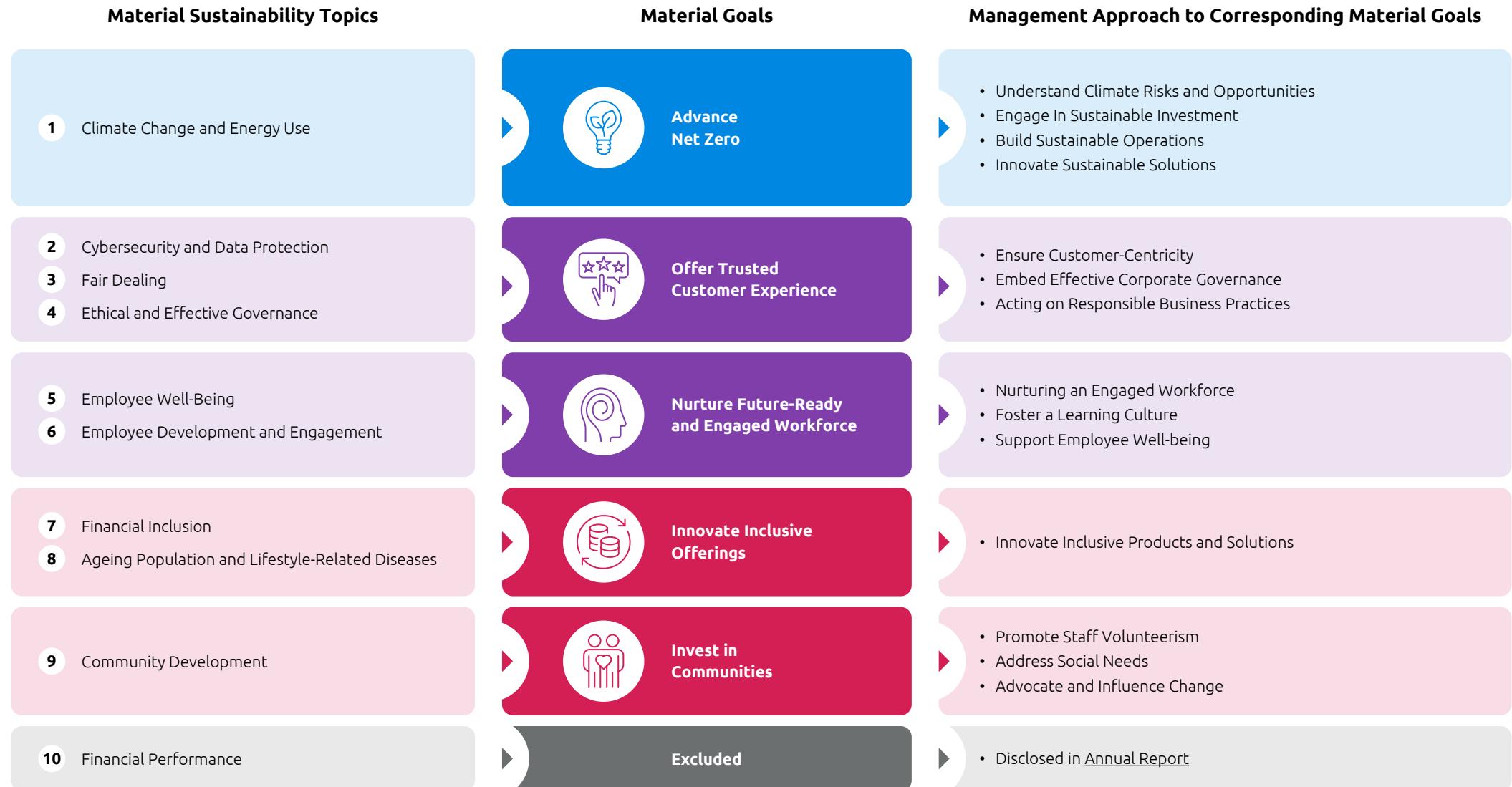
The materiality assessment resulted in 10 sustainability topics that informed our sustainability topics, material goals, business priorities and sustainability targets for 2023.

In the second half of 2023, we reviewed the 10 sustainability topics and regrouped them into five long-term material goals. We then established business priorities and sustainability targets for these five goals.

## Our Approach to Materiality Assessment (2023)



## Identifying Issues That Matter



## Engaging Our Stakeholders

# Building trust and collaboration

We are committed to proactively collaborate with our diverse stakeholders to achieve our sustainability goals and make a positive impact on society. Stakeholder engagement and collaboration are crucial to understanding our impact and driving our efforts towards a more sustainable business. We had engaged with stakeholders in 2023 and ensured that we remained relevant by aligning with their concerns and interests.

Key Stakeholder Groups and Interests	<b>Customers</b> 	<b>Employees</b> 	<b>Society</b> 	<b>Business Partners</b> 	<b>Government/Regulators</b> 	<b>Shareholders</b> 
	Our customers are at the core of our business, and their feedback plays a crucial role.	The dedication and expertise of our people enable us to achieve our strategic objectives and generate value for both the business and for society. We actively seek their perspectives and experiences to drive continuous workplace improvement and to support our employees' professional and personal growth.	We believe in the power of collaboration to drive positive change. We collaborate with the Government, trade associations, non-profit organisations and other stakeholders to address social needs in our community.	We continue to work with industry associations, asset owners, external fund managers, business partners and suppliers to make responsible decisions and to advance towards realising our sustainability commitments.	We regularly engage with the Government and regulatory agencies to keep ourselves informed about regulatory trends, changes and issues, as well as to provide our feedback where applicable.	
Engagement Channels	<ul style="list-style-type: none"> <li>Brand Health Tracker (6,400 respondents in 2023 vs. 2000 respondents in 2022)</li> <li>Customer Connects (300 hours of dialogue in 2023)</li> </ul>	<ul style="list-style-type: none"> <li>Annual staff survey – Organisational Health Index</li> <li>Employee training, engagement and well-being initiatives</li> <li>Skip-level meetings where employees provide direct feedback</li> <li>Leadership forums</li> <li>Townhalls</li> <li>Employee volunteering initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Singapore Resilience Study</li> <li>Trade and community related programmes</li> </ul>	<ul style="list-style-type: none"> <li>Formal discussions and knowledge exchanges with industry associations, asset owners, external fund managers and service providers</li> <li>Industry events such as those organised by the Asia Investor Group on Climate Change, Glasgow Financial Alliance for Net Zero (GFANZ) Asia Pacific Summit and the Global Compact Network Singapore (GCNS) CEO Roundtable</li> </ul>	<ul style="list-style-type: none"> <li>Provided feedback to the Accounting and Corporate Regulatory Authority and Singapore Exchange on mandatory climate-related disclosures</li> <li>Provided feedback to the Monetary Authority of Singapore (MAS) on the Guidelines on Transition Planning (Insurers)</li> <li>Participated in engagement sessions with MAS on protection gaps in Singapore and the role of insurers in blended finance</li> <li>Compliance reporting on cybersecurity and data protection matters</li> </ul>	<ul style="list-style-type: none"> <li>Annual general meeting (AGM)*</li> <li>Annual report</li> <li>Annual sustainability report</li> <li>Shareholder briefing sessions</li> <li>Meetings, letters and email correspondences</li> </ul> <p>* No Annual General Meeting (AGM) was held in 2023. An AGM will be held in 2024 after the closure of the Company's one-off 18-month reporting period (1 July 2022 to 31 December 2023) following the corporatisation exercise.</p>



## Managing and Embedding Sustainability

# An integral part of what we do

To ensure that sustainability is embedded in the business, our commitments and efforts must originate from the highest level of our Company. In 2023, we established a Board-level Sustainability Committee to enhance the governance structure around the management of our sustainability strategy and initiatives.

### **Board of Directors (Board)**

Sustainability is integrated into our governance structure with our Board holding ultimate responsibility for the Company's sustainability performance. As part of its strategic responsibilities, the Board approves our sustainability strategy and objectives – including our sustainability-related targets – and the communication of Income Insurance's sustainability activities to stakeholders. To ensure that our Board is well-equipped to discharge its duties in guiding our sustainability journey, training was conducted in 2023 to update the Board on the latest developments in the areas of decarbonisation of financed emissions and emerging cybersecurity trends and threats.

The Board is supported by Board Committees to assist it in carrying out its oversight of sustainability-related matters and has delegated authority to these Committees to monitor and exercise oversight over specific areas.

The Board and the Board-level committees hold quarterly meetings where they review our corporate scorecard, which encompasses the tracking of progress on Board-endorsed annual sustainability targets.

### **Sustainability Committee (SC)**

The SC was newly inceptioned in June 2023. It plays a crucial role in overseeing the Company's sustainability strategy and material topics, which shape the Company's business priorities and annual sustainability targets. It is also responsible for monitoring and guiding the implementation of the Company's sustainability strategy and assessing its performance against the annual sustainability targets. The SC held two committee meetings in 2023 following its inception.

The SC is made up of board members with relevant experience and expertise in the areas of environmental risks, responsible investment, health and safety, human rights and responsible social, corporate and business practices.

### **Risk Management Committee (RMC)**

The RMC oversees the management of risks and opportunities, including those associated with the environment and their impact on the Company's strategic direction. In 2023, the RMC approved the Company's Environmental Risk Management (EnRM) Framework, which encompasses the Environmental Risk Management (EnRM) Policy, risk appetite and strategy statement. This framework is applicable to business units including investment, underwriting and business operations. Both the EnRM Framework and EnRM Policy undergo annual reviews to ensure that they remain up-to-date and effective in addressing environmental risks and opportunities.

### **Board of Directors**

Overall responsibility for sustainability strategy, integration and performance across Income Insurance's operations

### **Sustainability Committee**

**Nominating,  
Human Resource and  
Remuneration  
Committee (NHCRC)**

**Risk Management  
Committee (RMC)**

**Other sub-Board  
Committees  
(if required)**

### **Executive Committee (ExCom)**

### **Nominating, Human Capital and Remuneration Committee (NHCRC)**

The NHCRC supports the sustainability strategy by aligning incentives with annual corporate performance. The progress the Company makes towards achieving its annual sustainability targets is taken into account when the Company assesses its annual corporate performance.

### **Executive Committee (ExCom)**

At management level, the ExCom is responsible for implementing the Company's sustainability strategy, initiatives and policies, as well as monitoring how the Company is performing and advancing in these areas. 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 Board-level committees and the Board.

In particular, the Investment Committee (IC), chaired by the Chief Executive Officer (CEO), reviews and approves the Sustainable Investment Policy (SI Policy), which establishes the framework and approach on sustainable investing and embeds them in the Company's investment processes. The IC ensures that the SI Policy supports the Company's sustainability strategy and vision, and reviews and approves the SI Policy annually, or more frequently if appropriate.

## Tracking Our Progress

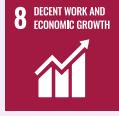
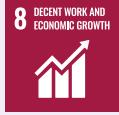
# Advancing our purpose

Our five long-term material goals guide the development of our annual business priorities and sustainability targets. Every quarter, the Board receives updates on the Company's progress against the year's sustainability targets. The Company's sustainability performance is also tracked and evaluated as part of the Company's annual corporate performance scorecard. Given the enterprise-wide efforts required, the achievement of these targets is linked to the annual remuneration received by our employees. This ensures that proper incentives are in place for the Company to achieve our sustainability strategy. In 2023, Income Insurance achieved all its sustainability targets.

Enable Environmental Resilience				
Material Goals	Sustainability Topics	Priorities	Commitments	Our Progress in 2023
<b>Advance Net Zero</b>  12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	<ul style="list-style-type: none"> <li>Climate Change and Energy Use</li> </ul>	<p>Take tangible actions to achieve Net Zero 2050 outcomes</p>	<b>Financed Emissions</b> Determine decarbonisation levers and set financed emissions reduction targets	<ul style="list-style-type: none"> <li>Prioritised decarbonisation of public assets portfolio and set the following targets               <ul style="list-style-type: none"> <li>Engage top 20 emitters through external fund managers (EFMs)</li> <li>Allocate S\$1 billion to finance climate transition</li> <li>Reduce by 20% the greenhouse gas (GHG) emissions in our public assets portfolio by 2025 (2022 baseline)</li> </ul> </li> </ul>
			Manage investment portfolios with ESG (environmental, social and governance) considerations	<ul style="list-style-type: none"> <li>Close to 100% of assets under management were managed with ESG considerations by EFMs that are PRI (Principles for Responsible Investment) signatories</li> </ul>
			Achieve zero exposure to coal-related and oil sands sectors in investment portfolios by 2030	<ul style="list-style-type: none"> <li>Portfolio restrictions in EFM investment guidelines (for public assets) instituted since 2022 – on track to reduce portfolio exposure to coal-related and oil sands sectors</li> </ul>
			<b>Underwriting Emissions</b> Develop sustainable products based on environment-related risks and opportunities Cease underwriting of Property and Casualty business in coal sectors by 2040	<ul style="list-style-type: none"> <li>Participated in LTA's sandbox to insure e-motorcycles to support the national vehicle electrification agenda</li> <li>Since 2022, implemented underwriting guidelines on environmental risks</li> </ul>
			<b>Operational Emissions</b> Achieve paperless policyholder communication by 2025	<ul style="list-style-type: none"> <li>Net incremental savings of one million sheets of paper year on year through avoidance and reduction</li> <li>Digitally enabled 98% of letters sent by Consumer Operations</li> </ul>
			<b>Environmental Risk Management</b> Sharpen stress testing and scenario testing procedures Monitor and manage climate-related risks in our Property and Casualty portfolio	<ul style="list-style-type: none"> <li>Recommendations and action plan to enhance climate stress testing and scenario testing procedure as part of Own Risk and Solvency Assessment (ORSA) was presented to and endorsed by the RMC</li> <li>Enhanced technological capabilities to assess the exposure of our Property and Casualty business to flood-prone areas</li> </ul>
			Influence stakeholders to take climate transition action and to adopt more sustainable lifestyles	<ul style="list-style-type: none"> <li>Launched Income Eco Run 2023. Participants were asked to run in their own T-shirts, use only recyclable hydration cups, wear smaller race bibs, accept e-certificates, and forego commemorative medals. Income Insurance pledged S\$1 for every kilometre clocked by participants, raising S\$40,000 for the Singapore Environment Council</li> </ul>

## Tracking Our Progress

### Corporate Resilience Stewardship

Material Goals	Sustainability Topics	Priorities	Commitments	Our Progress in 2023
<b>Offer Trusted Customer Experience</b>   	<ul style="list-style-type: none"> <li>Cybersecurity and Data Protection</li> <li>Fair Dealing</li> <li>Ethical and Effective Governance</li> </ul>	Strengthen stakeholder trust through responsible actions	Embed controls and mitigating measures to ensure fair dealing	<ul style="list-style-type: none"> <li>Achieved zero breach</li> </ul>
			Embed controls and mitigating measures to safeguard cybersecurity and data protection	<ul style="list-style-type: none"> <li>Achieved zero breach</li> </ul>
			Maintain a strong reputation among customers	<ul style="list-style-type: none"> <li>Maintained a top trust score among peers in Brand Health Tracker 2023</li> </ul>
<b>Nurture Future-Ready and Engaged Workforce</b>   	<ul style="list-style-type: none"> <li>Employee Well-Being</li> <li>Employee Development and Engagement</li> </ul>	Strengthen the growth mindset amongst our people by bolstering a learning and engaged culture. This will allow our people to thrive and achieve long-term employability while finding meaning in addressing customer and societal needs	Support skills development and training for our employees	<ul style="list-style-type: none"> <li>100% of eligible staff (1,446) completed at least 16 hours of training</li> </ul>
			Maintain good Organisational Health Index score	<ul style="list-style-type: none"> <li>Achieved high employee satisfaction score (scored 77 on Organisational Health Index)</li> </ul>

## Tracking Our Progress

### Foster Community Resilience

Material Goals	Sustainability Topics	Priorities	Commitments	Our Progress in 2023
<b>Innovate Inclusive Products</b>  	<ul style="list-style-type: none"> <li>Financial Inclusion</li> <li>Ageing Population and Lifestyle-Related Diseases</li> </ul>	Grow insurance solutions that close Singaporeans' protection gaps	Extend financial protection to all, including seniors and the underserved	<ul style="list-style-type: none"> <li>Offered insurance coverage with full underwriting to nine out of 10 seniors (age 50 and above) who applied for our life insurance products</li> <li>Recorded close to 4% increase in the number of in-force policies for our senior-focused suite of products, as compared to 2022</li> <li>Launched Complete Cancer Care – supports coverage for cancer from diagnosis to recovery and is market-first to offer guaranteed post-cancer protection</li> <li>Extended protection for mental health with Star Secure Pro – offers a rider that covers major depressive disorder, obsessive-compulsive disorder, schizophrenia, bipolar disorder, and Tourette syndrome (coverage is uncommon in life insurance category)</li> <li>Launched SNACK Self Care Pack – a groundbreaking subscription-based mental wellness plan that offers greater access to professional help for mental health issues to support prevention and active recovery</li> </ul>
<b>Invest in Communities</b>  	<ul style="list-style-type: none"> <li>Community Development</li> </ul>	<ul style="list-style-type: none"> <li>Focus community investments on social issues and closing resilience gaps</li> </ul>	<p>Invest S\$100 million by 2030 to support social impact focus areas</p> <p>Embed a culture of giving among our employees and customers</p>	<ul style="list-style-type: none"> <li>Disbursed S\$7.9 million to beneficiaries through Income OrangeAid</li> <li>868 employees contributed close to 3,000 volunteering hours across 31 volunteering activities in the last quarter of 2023</li> <li>More than S\$260,000 raised from OrangeAid RoundUp – policyholders round up their insurance premium to the nearest S\$1, S\$5 or S\$10 and donate the difference to our community initiatives</li> </ul>

Enable Environmental Resilience

# Advancing Net Zero



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The Income Eco Run (IER) rallies Singaporeans behind zero-waste practices and to lead a low-carbon lifestyle. I see participants bringing their own water bottles and recycling at IER. Now that participants can run their preferred distance, IER has become even more inclusive in promoting an active, healthy and sustainable lifestyle together. ☺☺

– Lionel Dorai, a participant in Income Eco Run 2023



Towards A  
Resilient  
Future

## Our Approach to Environmental Resilience

# Pragmatic and actionable

**Climate change is intensifying. Global temperatures have been rising with each decade being warmer than the preceding one. Heatwaves are becoming more frequent and intense in many parts of the world. Rising sea levels are leading to increased coastal flooding and erosion.**

More frequent and severe weather events such as floods, droughts and wildfires have resulted in ecosystem disruption and loss of biodiversity. All these developments affect public health and livelihoods, as well as food and water security, and are detrimental to human societies and economies.

We recognise that climate change poses an urgent threat, with interconnected, wide-ranging implications for our current and future generations. Consequently, we are prioritising our efforts in climate change mitigation.

In 2021, we made a commitment to achieve net zero greenhouse gas emissions by 2050, in line with Singapore's pledge to become a net zero emissions city-state by the second half of the century. To advance our transition to a low-carbon business, we are guided by a

three-pronged approach, where we seek to understand, act and influence positive change.

We pursue this in a calibrated manner as we also recognise that indiscriminate withdrawal of insurance coverage or investment from carbon-intensive sectors would adversely impact companies with credible transition plans, and increase the risk of protection gaps. Hence, we aim to work with our stakeholders to set sound and realistic targets and plans that put us on viable decarbonisation pathways.

To do this well, we reference relevant regulatory guidelines and international best practices, including the recommendations of the Task Force on Climate-related Financial Disclosures, United Nations' Principles for Sustainable Insurance, Net Zero Asset Owner Alliance, and Monetary Authority of Singapore.

### Understand

- Assess the impact of physical and transitional risks that stem from different climate change scenarios and time horizons
- Identify material climate-related risks and opportunities that arise from these impacts to guide actions



1



2

### Act

- Evaluate and determine our climate risk mitigation measures and opportunities
- Establish levers to progressively reduce our carbon footprint
- Set emissions reduction metrics and targets
- Set investment target to finance climate transition



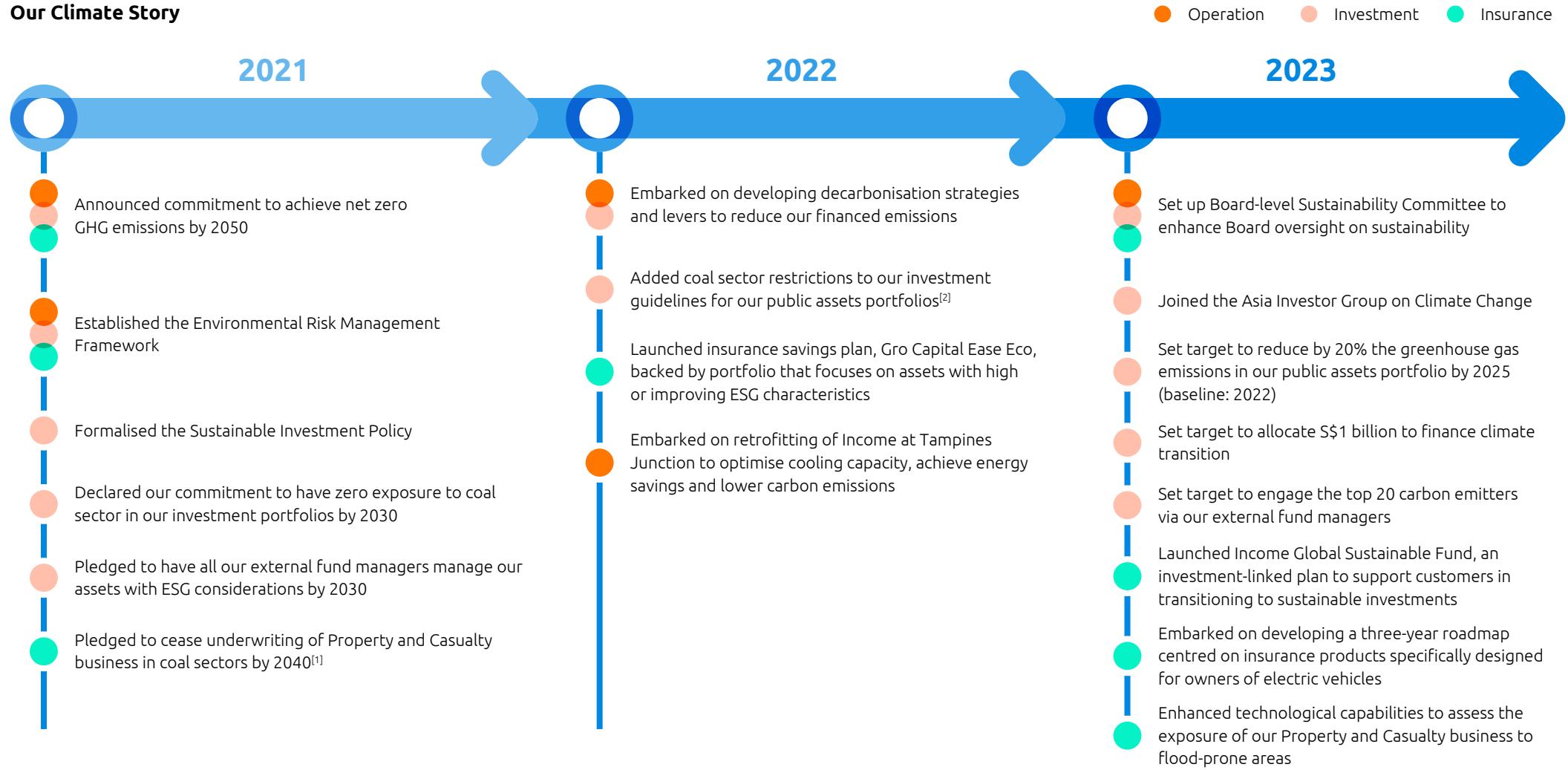
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### Influence

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

## Our Approach Towards Environmental Resilience

### Our Climate Story



<sup>1</sup> Income Insurance will not underwrite the building and operation of coal-fired plants or coal mines, companies whose turnover are solely dependent on sales of coal and shipments of 100% coal.

<sup>2</sup> Our external fund managers are prohibited from making 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.

## Understanding Climate Risks and Opportunities

# Sharpening our insights to inform actions

We recognise that climate risks present both challenges and opportunities for our business. As part of our fiduciary duty to our stakeholders to safeguard our financial stability and long-term value, we systematically manage climate-related risks through our enterprise-wide risk management process.

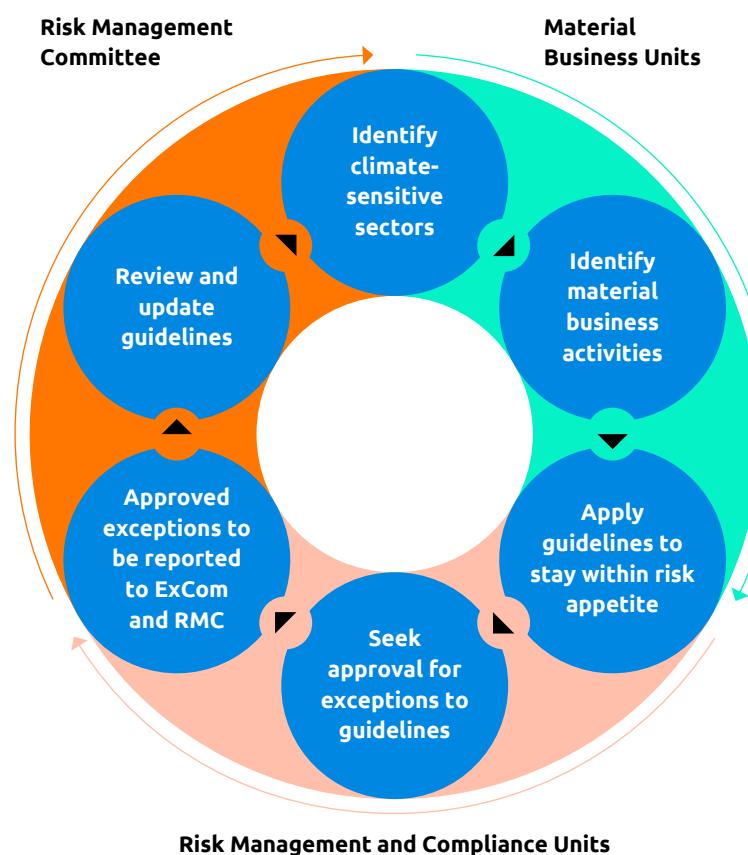
### Setting clear accountability

Given the strategic impact that climate-related risks and opportunities could potentially have on our business, we established Board-level oversight on managing them.

As an insurer and investor, we recognise that mismanaging climate-related risks can translate to market, liquidity, credit, insurance, operational and reputational risks. Thus, we regard environmental risk as a key strategic risk under our Risk Management Framework and developed a specific Environmental Risk Management (EnRM) Policy to manage environment-related risks.

The latter is aligned to guidelines from regulatory authorities, including the Environmental Risk Management Guidelines by the Monetary Authority of Singapore, and international best practices such as the recommendations from the Taskforce on Climate-related Financial Disclosures.

The EnRM Policy is owned by the Chief Risk Officer and managed by the Risk Management department. The Policy is approved by the Risk Management Committee, as delegated by the Board of Directors to ensure Board-level oversight.



### 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

## Understanding Climate Risks and Opportunities



The EnRM Policy sets out our approach to identifying, assessing and managing environmental risk within the Company and clearly defines the roles and responsibilities in the identification, measurement, management, monitoring and reporting of such material risks to the business.

To do this well, we practice the three lines of defense (see diagramme), which is in line with industry best practice to safeguard and validate the effectiveness of risk mitigation measures and controls that are in place.

### Determining material impact

Our EnRM Policy institutes a risk identification process that considers factors such as the size of the business lines in terms of revenue contribution or assets under management and their link to climate-sensitive sectors and locations. In identifying climate-sensitive sectors, we take reference from the heat map established by the United Nations Environment Programme Finance Initiative Principles for Sustainable Insurance (UNEP-FI PSI).<sup>[3]</sup>

This analysis informs both our investment and insurance portfolios. Each year, we review the sectors against the heat map to ensure that we remain updated on the effect of climate change on different sectors. This is supplemented by our in-house assessment, where we consider our sector-level weighted average carbon intensity ("WACI") exposure and research from national and international bodies, as well as institutes and relevant government policies.

Our material business lines – investments, motor, property as well as life and health – are determined to be vulnerable to the impact of climate change with potential exposure to climate risks.

### Material Business Lines

### Climate Risk Exposure and Impact on Company

<b>Investments</b>	As of 31 December 2023, our total assets stood at approximately S\$43 billion, with global exposure to climate-sensitive sectors such as energy, materials and utilities. Our investment assets are exposed to both climate transition and physical risks, for example, our real estate investments.
<b>Motor</b>	Motor insurance contributes significantly to the Company's General Insurance business. We are a leader in motor insurance in Singapore, insuring one in four private cars and one in two motorcycles. This business line is exposed to potential climate transition and physical risks given the increasing adoption of electric vehicles and as extreme weather events could lead to higher claims.
<b>Property</b>	Our Property line is vulnerable to the physical risks of climate change, such as rising sea levels and the increasing occurrence of flash floods and other extreme weather events. More flash floods and damage to properties in low-lying regions could lead to a surge in claims for properties that are insured by the Company.
<b>Life and Health</b>	In 2023, our Life and Health line generated S\$4.2 billion in gross premiums, accounting for 87% of the Company's total portfolio. Rising temperatures may lead to an increase in diseases and heat-related health conditions which could lead to higher claims.

<sup>3</sup> The climate-sensitive sectors are classified based on definitions provided by the Global Industry Classification Standard (GICS) Methodology and the Singapore Standard Industrial Classification.

## Understanding Climate Risks and Opportunities

### Climate scenarios and stress testing

We have been conducting climate scenario analyses and stress tests as part of our Own Risk and Solvency Assessment (ORSA) since 2021. This allows us 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. Findings from the analyses and stress tests guide our strategic decision making.

As part of our ORSA in 2023, we assessed the impact of climate change on our material business lines under three sets of established

scenarios: Orderly Transition, Disorderly Transition and Hot House World. These scenarios are developed by the Network for Greening the Financial System (NGFS).

We also applied different time horizons to our assessment of the impact of these climate scenarios on our investment and insurance portfolios, supplementing qualitative analysis with quantitative stress testing where possible.

The methodologies and results of the scenario analyses and stress tests are regularly reviewed by our Executive Committee and endorsed by the Risk Management Committee and the Board.



### NGFS 2021 Scenarios Applied to Scenario Analysis and Stress Tests in 2023

#### Orderly Transition

(Net Zero and Below 2°C scenarios)

Assumes climate policies will be introduced immediately 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

(Divergent Net Zero and Delayed Transition scenarios)

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 level of transition risk with strong policies needed to limit global warming to below 2°C because actions were implemented at a late stage. For example, carbon prices would increase abruptly if there were 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. Transition risk, however, is low in this scenario.



#### Risk horizons

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)
- Long term (10 years and beyond)

## Understanding Climate Risks and Opportunities

### Resilience of investment portfolios against climate-related risks

As part of ORSA in 2023, we assessed the climate risk exposure of our investment portfolios by assessing the Climate Value-at-Risk (VaR) of our public assets portfolio. Climate VaR<sup>[5]</sup> measures the estimated impact of transition and physical risks of climate change on asset valuation of our portfolios<sup>[6]</sup> under different climate scenarios.

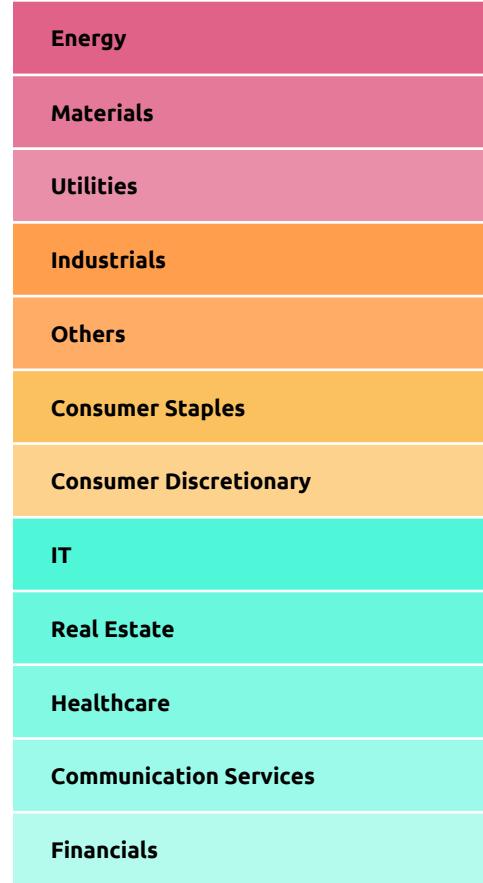
Our assessment of our Transition Risk Climate VaR (which measures impacts to valuations) across different NGFS 2021 scenarios up to 2050 took into account the greenhouse gas emissions reduction targets of countries under the

Paris Agreement as well as estimates of future carbon prices.

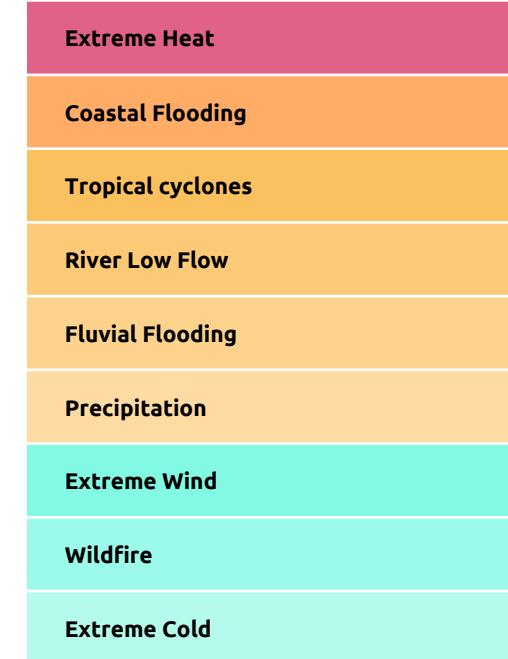
Our stress testing and scenario analysis shows that our transition risk is higher in scenarios where the world strives to achieve a lower temperature target in a disorderly fashion as a result of delayed or divergent policy responses. Our projected Transition Risk Climate VaR for our public assets portfolio was the largest in the Disorderly Divergent Net Zero scenario. In this scenario, Transition Risk Climate VaR is most severe for our holdings in carbon-intensive sectors (energy, materials and utilities). However, carbon-intensive sectors make up less than 10% of our public assets portfolio as of December 2023.

### Heat Maps of Climate VaR Impacts Across Climate Scenarios

#### Transition Risk Climate VaR by Sector – Divergent Net Zero Scenario (2050)



#### Physical Risk Climate VaR by Hazards<sup>[7]</sup> – Hot House World (2100)



### Transition Risk Scenarios Climate VaR Results

Transition Pathways	Orderly		Disorderly		Hot House
NGFS 2021 Scenario Mapping	Net Zero	Below 2°C	Divergent Net Zero	Delayed Transition	Hot House World NDCs
Temperature Alignment	1.5°C	2°C	1.5°C	2°C	> 3°C
Equity and Corporate Bonds	-2.8%	-0.6%	-5.3%	-1.6%	-0.2%
Sovereign Bonds	-5.9%	-1.8%	-4.2%	-0.2%	-0.8%

<sup>5</sup> Our Climate VaR analysis leverages on the Climate VaR tool developed by MSCI ESG Research. The tool is a forward-looking, quantitative model that forecasts the present value of future costs and benefits under different potential climate scenarios. By expressing this present value of climate costs as a percentage of the investee's current valuation, the model provides a "maximum drawdown" of the firm's current valuation due to climate change.

<sup>6</sup> MSCI Climate VaR are security-specific results. Currently, around 70% of our public assets portfolio are analysed or included in the Climate VaR results. There is ongoing work by data provider to continue to improve data coverage.

<sup>7</sup> This is based on the average impact (50<sup>th</sup> percentile) on our portfolio.

## Understanding Climate Risks and Opportunities

Additionally, we also assessed the Physical Risk Climate VaR (which measures impacts to valuations) of our investment portfolios under the NGFS Hot House World scenario, up to the year 2100. The Hot House World scenario was selected as it is where the most severe physical risks, such as temperature rise, sea level rise and frequent and severe extreme weather events, are expected to materialise.

The physical risk exposure of our investment portfolios are driven by investee companies with locations in climate-sensitive regions. Results show that our portfolio is most exposed to extreme heat and coastal flood, mainly due to our holdings that are physically located in

Asia, which is a region that is most susceptible to these hazards. The Physical Risk Climate VaR in the most severe scenarios is expected to impact our portfolio by less than 10%.

To gauge the financial resilience of our investment portfolios under scenarios of the most severe physical (Hot House World) and transition (Divergent Net Zero) risks, we stress-tested our solvency position against the VaR impacts for the respective scenarios. The stress test results showed that our solvency positions remain above minimum regulatory level and that our investment portfolios remain resilient even in these worst-case scenarios.



### Resilience of our insurance portfolio against climate-related risks

For our Property and Motor insurance portfolios, we leveraged the climate modelling expertise of our reinsurance broker to conduct a scenario analysis of the exposure of these portfolios to weather-related losses. We assessed the projected weather-related gross and net average annual losses (AAL) for our Property and Motor portfolios in three NGFS scenarios up till 2050.

Under the Hot House World scenario where the most severe physical risks are expected to manifest, we note that the AAL for our Property and Motor portfolios is expected to be manageable (<S\$5m) up till 2050. Risk is also mitigated by our ability to reprice with annual renewals. Our solvency position is, hence, not expected to be materially impacted in the short to medium term. In the longer term of up to year 2100, we strongly believe that the best risk management strategy is to ensure that we avoid the physical risks associated with a Hot House World scenario by supporting the transition to a low-carbon world.

We acknowledge that academic research and data on the impact of climate risk on life mortality and morbidity are still limited and not sufficiently established to be incorporated in the underwriting or pricing process, especially for the Singapore market which our insurance business primarily serves.

Based on existing academic literature<sup>[8]</sup>, we note that there could be a rise in mortality or morbidity claims due to extreme weather, rising temperatures that could bring about more frequent and intense heatwaves and vector-borne infectious diseases, as well as poorer air quality in Singapore with increasing wildfires in the region.

Accordingly, we made the following preliminary observations.

- Diversified business mix of longevity/long-term care products vis-à-vis mortality products (such as term insurance) could become more important in terms of providing for diversification of mortality vis-à-vis longevity risk in each climate scenario.
- Insurance products with longer durations, level premiums and guaranteed rates would be more impacted as the worst physical risk impact is expected to manifest in the second half of the century.
- For conventional participating and investment-linked products, financial impact may be mitigated with the profit-sharing nature of the former and adjustable mortality charges of the latter.

To enhance our understanding of the impact of climate change on our life and health portfolio, we will continue to lean on continual development and research advancements on this front.

<sup>8</sup> Hot and Bothered report, Club Vita, 4 July 2018. Club Vita is a longevity data analytics company for pension funds in the United Kingdom. The paper discusses how climate change and resource constraints might impact longevity in the country.

## Understanding Climate Risks and Opportunities

The table below presents a summary of the key strategies we are embarking on to manage climate-related risks and opportunities across business lines.

Material Business Lines	Scenarios and Key Risks to the Business	Time Horizons	Why It Matters to Us	What We are Currently Doing
 <b>Motor</b>	<ul style="list-style-type: none"> <li>Orderly scenario</li> <li>Transition risk</li> </ul>	Short to medium term	<p>Changes to government policies pose a transition risk as new policies may reduce the relevance of our motor insurance for internal combustion engine (ICE) vehicles.</p> <p>Policies that were introduced in Singapore include:</p> <ul style="list-style-type: none"> <li>The discontinuation of registration for new diesel cars and taxis by 2025</li> <li>The requirement for cars and taxis to be powered by cleaner energy from 2030</li> <li>The requirement for all vehicles to be powered by cleaner energy by 2040</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring regulations and policies to guide our business decisions</li> <li>Developing a three-year roadmap centred on a range of insurance products specifically tailored for owners of electric vehicles (EVs) to help facilitate greater EV adoption</li> </ul>
 <b>Property</b>	<ul style="list-style-type: none"> <li>Hot House World</li> <li>Physical risk</li> </ul>	Short term (acute risk); medium to long term (chronic risk)	In the Hot House World scenario, temperatures are expected to rise more than 3°C and this may see an acceleration in the rise of sea levels and an increase in 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.	<ul style="list-style-type: none"> <li>Enhancing our system to enable tracking of the exposure of our Property business line to flooding, especially for floodprone areas in Singapore and to support business decisions such as pricing strategies</li> </ul>
 <b>Life and Health</b>	<ul style="list-style-type: none"> <li>Hot House World</li> <li>Physical risk</li> </ul>	Long term (chronic risk)	Extreme weather, such as increased frequency and intensity of heatwaves or rainfall, may lead to heat-related illnesses and conditions. This will increase the risk of higher mortality and morbidity claims.	<ul style="list-style-type: none"> <li>Monitoring developments and adapting our product offerings where possible</li> </ul>
 <b>Investments</b>	<ul style="list-style-type: none"> <li>Disorderly</li> <li>Transition risk</li> </ul>	Short to medium term	We have a fiduciary duty to protect and ensure a sustainability return on investment (ROI) for our stakeholders.	<ul style="list-style-type: none"> <li>Set a 2025 target to reduce absolute emissions of our public assets portfolio by 20% (from a 2022 baseline); public assets portfolio comprises about 50% of our total AUM</li> </ul>
	<ul style="list-style-type: none"> <li>Hot House World</li> <li>Physical risk</li> </ul>		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.	<ul style="list-style-type: none"> <li>Engage our external fund managers to move towards decarbonising our investment portfolio; allocate S\$1 billion to finance climate transition</li> </ul>

## Engaging in Sustainable Investment

# Setting our transition pathway towards net zero

**As a significant asset owner that invests globally, we know that the choices we make in our capital allocation in financial markets can support climate transition and contribute to positive changes. Thus, we are committed to sustainable investing and creating long-term and sustainable value through our investment portfolios. This means we aim to generate risk-adjusted returns that benefit people and the planet.**

To deliver on our commitment, we are pursuing a three-pronged approach which will see us setting climate targets for our investment portfolios, integrating ESG considerations in our engagement with our external fund managers (EFMs), as well as financing the transition to a low-carbon economy.

### Climate targets for investment portfolios

As our operational and insurance footprints are primarily limited to Singapore, we recognise that our most significant contribution to combating climate change lies in the decarbonising of our investment portfolios.

In 2023, taking reference from the Net Zero Asset Owner Alliance's Target-Setting Protocol<sup>[9]</sup>, we prioritised the reduction of our financed emissions and set the following Board-approved climate targets:

1. Emissions reduction – Set interim 2025 goal to reduce absolute greenhouse gas emissions of our public assets portfolio by 20% (against 2022 baseline).
2. Engagement – Engage EFMs to conduct company engagements with the top 20 carbon emitters in our public assets portfolio as we fully outsourced the management of our Assets Under Management (AUM) to EFMs.
3. Transition financing – Will assess and allocate S\$1 billion to suitable climate transition solutions, while striking a balance with risk-adjusted investment performance.

These targets are encapsulated in our Sustainable Investment (SI) Policy<sup>[10]</sup>, which is approved by our Investment Committee. It sets the framework and approach that we take when considering our environmental risk appetite and ESG factors while managing our investments.



### ESG integration and EFM engagement

Stakeholder engagement and collaboration, particularly with our EFMs that are responsible for managing our investment assets, remain the linchpin of our sustainable investment strategy and approach.

From a bottom-up perspective, our EFMs integrate ESG factors and considerations as part of their investment process in managing our portfolios. We require all our EFMs to be signatories to the Principles for Responsible Investment and to align with our SI expectations. Where EFMs are not signatories (which may be the case for some alternative asset EFMs), they are required to incorporate ESG considerations in their investment processes, and, where applicable, sign on to relevant standards for the asset class.

To formalise our SI expectations of our EFMs, we established Income Insurance EFM Engagement and Stewardship Statement in 2023. The Statement articulates our SI beliefs and expectations of sound corporate stewardship and positive company engagement (particularly on climate change) from our EFMs. The Statement also serves to make transparent our SI stance to stakeholders.

To assess the carbon footprint of our public assets portfolio, we identify the highest corporate emitters on an absolute greenhouse gas emissions basis, along with the EFM portfolios that have material holdings in these issuers. As of 31 December 2023, the top 20 emitters in our public assets portfolio made up 66.5% of our overall financed emissions. Hence, we are prioritising engagements with these top emitters via our EFMs to bring about meaningful real-world emissions reduction by decarbonising our portfolio.<sup>[11]</sup>

<sup>9</sup> The Third Edition of the NZAOA Target-Setting Protocol was referenced.

<sup>10</sup> This was previously referred to as Responsible Investment Policy in our previous sustainability reports.

<sup>11</sup> Engagement priority is subject to discussion and agreement with our EFMs based on considerations such as Income Insurance's investment amount, individual EFM's available resources and engagement priorities, emitters' own decarbonisation / transition plans and willingness to engage.

## Engaging in Sustainable Investment

Besides our EFM, we engage with other non-government stakeholders on sustainable investing. We hold regular conversations with our data vendors, investment solution providers, consultants, other asset owners and investor groups such as the Asia Investor Group on Climate Change (which we became a member of in 2023). These engagements allow us to benefit from the knowledge, best practices and experience of industry players as we collectively advance towards net zero.

### **Reducing emissions through transition financing**

According to our coal sector restrictions that we have put in place since 2022, our EFM are required to divest existing holdings that breach the set revenue thresholds by 2025. Similar restrictions on investment in the oil sands sector were introduced in 2023. They also require divestment of securities that do not meet the mandate by 2025.

Currently, our global mandates are subject to restrictions that prevent our EFM from making any new investments in companies that derive more than 10% of their revenue from thermal coal production and power generation. This revenue threshold is 30% for our Asian mandates.

For oil sands, a 10% revenue threshold applies across all our public assets portfolio. We apply different thresholds to the restrictions for coal to support a just and inclusive transition especially in Asia where the socioeconomic and energy infrastructure landscape is still highly dependent on coal as a source of energy and livelihoods.

We also apply exceptions on Green, Social, Sustainability and Sustainability-linked (GSSS) bonds that are issued by companies that are transitioning to a more sustainable business model. This ensures that our investment approach avoids an indiscriminate withdrawal of investments that could curtail capital to companies with credible transition plans.

As a large asset owner and investor, we are mindful that our investments are important financing levers that allow us to contribute meaningfully to real-word decarbonisation.

Hence, we are assessing suitable investment opportunities to finance climate transition solutions, while striking a balance in fulfilling our risk-adjusted investment performance and fiduciary duty to our customers. In 2023, the Board approved the target to allocate S\$1 billion to finance climate transition.



## Engaging in Sustainable Investment

	<b>Units</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>Performance in 2023</b>
<b>Financed Emissions</b> <i>Based on emissions data that are available from MSCI ESG Research</i>	Tonnes CO <sub>2</sub> e	<b>1,202,636</b> <b>80.4%</b>	972,238 78.4%	1,267,945 78.5%	Our public assets portfolio's financed emissions (Scope 1 and 2) increased by 23% in 2023 for the following reasons: (a) Slight increase in our public asset AUM (b) Key EFMs increased their portfolio allocations to carbon-intensive corporates in Asian materials sector, in pursuit of yield and investment returns.
<b>Weighted Average Carbon Intensity (WACI)</b> <i>Based on emissions data that are available from MSCI ESG Research</i>	Tonnes CO <sub>2</sub> e per US\$ million sales	<b>176.2</b> <b>96.1%</b>	226.9 85.0%	277.3 84.9%	The WACI of our public assets portfolio fell by 22% as the sector exposures to, and WACI contribution from the most carbon intensive sectors (energy, materials and utilities), was lower compared to 2022. In particular, the carbon intensity of the portfolio's holdings in the utilities sector was meaningfully lower.

### Climate metrics and targets of investment portfolios

We actively monitor the absolute financed emissions and WACI of our public assets portfolio to manage and track the progress we make in decarbonising.

While absolute emissions are a transparent and intuitive measure of actual greenhouse gas emissions, it is a function of AUM growth and ignores improvements in carbon efficiency. On the other hand, WACI is interoperable across different asset classes and sectors, enabling us to measure and assess our public assets portfolio's relative exposure to carbon-intensive sectors and companies and proxy the exposure of our investment portfolios to climate transition

risks. We also tap on data from MSCI ESG Research (which is based on the standard developed by the Partnership for Carbon Accounting Financials) to arrive at our decarbonisation numbers.

In 2023, our absolute emissions rose by 23% due to a slight increase in our public assets AUM. At the same time, in pursuit of yield and investment returns, our key EFMs increased their portfolio allocations to certain high-emitting, carbon-intensive corporates in the Asian materials sector. However, WACI fell by 22% as our overall exposure to the most carbon-intensive sectors (energy, materials and utilities) was lower than our exposure in 2022. In particular, the carbon intensity of our portfolio's holdings in the utilities sector was meaningfully lower.

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

	<b>2023</b>	<b>2022</b>	<b>2021</b>
Healthcare	<b>0.55</b>	0.69	0.51
Communication Services	<b>1.59</b>	1.33	0.95
Consumer Staples	<b>1.00</b>	1.13	0.69
Real Estate	<b>2.04</b>	1.62	2.66
IT	<b>3.77</b>	2.90	2.97
Consumer Discretionary	<b>3.79</b>	3.11	2.27
Financials	<b>32.01</b>	30.92	23.81
Industrials	<b>13.07</b>	13.07	8.84
Energy	<b>6.30</b>	6.71	10.18
Materials	<b>11.09</b>	5.43	10.37
Utilities	<b>24.80</b>	33.08	36.76

## Building Sustainable Operations

# Managing our carbon footprint

**While the biggest lever to influence positive climate transition lies in our investments, we believe it is equally important for us, as a business, to reduce carbon emissions in our own operation.**

### Sharpening operational decarbonisation levers

In 2023, we embarked on establishing an operational emissions baseline that is in line with the requirements of the Greenhouse Gas Protocol standard. This operational emissions baseline will inform our decarbonisation roadmap. Our work resulted in a detailed inventory of our greenhouse gas emissions across our value chain, including relevant upstream and downstream emissions.<sup>[12]</sup>

To set decarbonisation targets and develop a credible plan that is aligned to climate science and focused on practical real-world emissions reduction, we adopt a two-pronged approach that complements science-based minimum requirements with bottom-up analysis of decarbonisation levers. This ensures that our decarbonisation roadmap puts forward material actions that are practical and cost effective.

### Green buildings

We are building our transition roadmap upon current sustainable practices. This is reflected in our 2023 baseline data. In 2023, all the five buildings under our operational control – Income Centre, Income At Tampines Junction, Eastpoint Mall, Income At Prinsep, and Income At Tampines Point – have all achieved the Building and Construction Authority's Green Mark certifications.

Given that buildings account for approximately 20% of Singapore's carbon emissions, green buildings are an important lever to help achieve Singapore's emission targets. In 2023, we prioritised the procurement of materials that are Green Mark-certified for the renovation of level 5 of Trade Union House and our three Lite Branches located at Shaw Plaza, Kallang Wave Mall and Junction 9.

	2023	2022	2021	Performance in 2023
Tonnes CO <sub>2</sub> e				
<b>Scope 1<sup>[13]</sup></b>	<b>381</b>	2,841	1,329	The reduction in emissions in 2023 was primarily due to a decrease in refrigerant top-up. This reduction followed the completion of the upgrading of the air-conditioning system at Income at Tampines Point in 2023. Before it was upgraded, the air-conditioning system had required a significant amount of refrigerant top-up.
<b>Scope 2<sup>[14]</sup></b>	<b>5,086</b>	5,513	6,355	The reduction in 2023 reflects the full-year effect of emissions reduction arising from a fall in our operational footprint, following the divestment of one of our office buildings, Income at Raffles, in mid-2022.
<b>Scope 3<sup>[15]</sup></b>	<b>5,215</b>	5,963	6,027	The reduction in 2023 reflects the full-year effect of emissions reduction from our downstream leased assets, following the divestment of one of our office buildings, Income at Raffles, in mid-2022.

<sup>12</sup> Category 15 of our Scope 3 emissions – financed emissions from investments – has already been calculated and established.

<sup>13</sup> 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. In 2023, Income Insurance used the emission factors from the GHG Protocol Cross-Sector Tool to calculate its Scope 1 emissions.

<sup>14</sup> Scope 2 was reported using the location-based method and consists of emissions from purchased electricity and chilled water (consumed at our offices, branches, motor service centre and common areas of Income Insurance-owned buildings). In 2023, Income Insurance calculated its Scope 2 emissions from electricity purchased based on the grid emission factor for Singapore, published by the Energy Market Authority of Singapore. Scope 2 emissions from cooling/chilled water purchased have been calculated using estimates for Total System Efficiency from the Building Construction Authority of Singapore's Green Mark technical guidance.

<sup>15</sup> Scope 3 consists of emissions from paper use, waste generated in operations (this has been expanded to include all properties under Income Insurance's operational control in 2023. We also updated the emission factor applied to be based on combustion of disposed waste, as per the typical treatment of solid waste in Singapore), energy consumption for air conditioning at our outsourced data centre and electricity consumption from Lite Branches (upstream leased assets) and downstream leased assets that are part of Income Insurance's investment properties in Singapore.



## Building Sustainable Operations

### Green data centres

Data centres in Singapore account for approximately 7%<sup>[16]</sup> of total electricity consumption in Singapore. Thus, we recognise that there is a pressing need to improve on the sustainability performance of our data centres.

We have adopted a multi-pronged strategy to manage power consumption across all data centres managed by Income Insurance.

To start, we downsized our data centre footprint by adopting a cloud-first strategy enterprise-wide.

In addition, in 2023, we implemented a new energy monitoring system featuring sensors that monitor the temperature, humidity, power and energy usage of our data centres in real time. This allows us to respond to

immediate opportunities for more efficient energy utilisation, such as fine-tuning of temperature setpoints at our data centres. The sensors also collect detailed site-level information that allows us to perform data analysis to identify areas where more efficient power utilisation and cooling methodologies can be adopted.

### Resource efficiency

In our operations, we also set a target to go paperless by 2025 in our communication with our customers. Employees are encouraged to contribute to the goal and to save paper by avoiding or reducing printing. Since 2021, our digitalisation and reduction efforts have yielded a savings of almost 15 million sheets of paper.



<sup>16</sup> Ministry of Communications and Information, Singapore (2021), "MCI's response to PQ on data on current and expected 2021 total carbon emissions by data centres in Singapore and efforts to reduce emissions for data centres", Available at: <https://www.mci.gov.sg/media-centre/parliamentary-questions/mci-response-pq-data-carbon-emissions-data-centres-sg/>

## Innovating Sustainable Solutions

# Influencing climate-positive transition

**As we transition towards net zero and build climate resilience as a business, we believe it is important that we bring our customers along on the journey. We have close to 1.7 million customers in Singapore and we regard it as our fundamental responsibility to offer them sustainable solutions so that our customers thrive in a low-carbon world. To do this, we will continue to leverage climate-related opportunities and proactively pursue innovations that will propel both our sustainability agenda and an inclusive transition for all.**

### Supporting the electrification of vehicles

As a leading motor insurer in Singapore, we have made a commitment to support Singapore Green Plan 2030 by accelerating electric vehicle (EV) adoption in Singapore.

Currently, our suite of motor insurance offerings already extends protection to EV owners. Furthermore, our usage-based motor insurance offers EV owners flexibility and cost savings through pay-as-you-drive insurance premiums. This proposition speaks particularly to car owners who clock lower mileage on the road.

In 2023, we worked with customers and partners to develop a three-year roadmap that focuses on a range of insurance products specifically designed for owners of EVs, that would help facilitate greater EV adoption.

In addition to product innovations, we are also actively monitoring our motor insurance claims for EVs to ensure that our underwriting and pricing guidelines are in step with this new motor type.

### Promoting customers' shift to sustainable investments

We support our customers in transitioning to sustainable investments. In 2023, we introduced an investment-linked plan fully invested in the JPMorgan Global Income Sustainable Fund ("the Fund"). The Fund invests all, or substantially all, its assets in the JPMorgan Investment Funds – Global Income Sustainable Fund, which is managed by J.P. Morgan Asset Management.

The Fund is built on three pillars of sustainable investing: ESG integration by incorporating sustainability-related factors throughout the

investment process, values-based exclusions performed via JPMorgan's fundamental internal ESG analysis and positive tilt by favouring issuers with more sustainable business practice as shown by MSCI ESG scores.

Through the three sustainability pillars, the Fund actively enables a positive environmental impact by lowering the portfolio's carbon footprint as well as providing long-term capital growth and income with lower volatility.

### Enhancing our understanding of flood risks in our Property and Casualty portfolio

Our Property and Casualty business has been identified as a business line that is exposed to significant climate physical and transition risks. Our insurance business is based primarily in Singapore and we have exposure to flood risk for properties in low-lying areas on the island. In addition, our Property and Casualty business line is also exposed to transition risk, with stricter regulations being introduced that mandate green buildings and adherence to specific green building standards or certification programmes. In October 2023, for example, the Building and Construction Authority of Singapore implemented new regulations mandating the requirement for both new and existing buildings that undergo major retrofitting to meet a minimum environmental sustainability standard.

In order to properly assess and develop solutions to help mitigate the climate physical

risks that our property portfolio is exposed to, we first need to ascertain the risk exposure of our clients. To facilitate our understanding, in 2023, we developed the capability to generate heat maps to keep our commercial business units informed about their business interests in flood-prone areas. The heat maps will help us identify higher-risk clients, understand their flood risks and allow us to initiate conversations and work closely with them on risk response measures.

### Advocating zero-waste practices

Through our flagship event, Income Eco Run, we have been championing the zero-waste cause and rallying Singaporeans behind a zero-waste and sustainable lifestyle since 2017.

In 2023, IER returned as a mass run event after a three-year hiatus due to the pandemic. To encourage zero-waste practices in line with our support of the transition to a low-carbon economy and Singapore's vision to be a Zero-Waste Nation, IER 2023 incorporated features that were unprecedented for mass runs in Singapore. For example, participants were asked to run in their own T-shirts, use only recyclable hydration cups, wear race bibs that were 30% smaller than conventional ones and accept e-certificates and forego commemorative medals.

For its efforts, IER 2023 was conferred an 'Eco Event' by the Singapore Environmental Council via an independent audit.

# Rallying action and investing in our shared future

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**By actively engaging communities, we can make significant progress together in our pursuit of a more sustainable future. We applaud Income Insurance for taking a partnership approach to galvanise community action to reduce waste and promote a low-carbon society via the Income Eco Run as an eco-friendly activity. We are glad to have found a like-minded partner in Income Insurance as we share the same objective of fostering collaborations and generating innovative ideas to drive positive change for our environment.**



**Ms Isabella Loh**  
Chairman, Singapore Environment Council

The Income Eco Run is our flagship event that supports Singapore's vision to become a Zero-Waste Nation.

In 2023, we marked the launch of Income Eco Run 2023 by observing the inaugural International Day of Zero Waste, a day adopted by the United Nations General Assembly to promote sustainable consumption and production patterns. To rally Singaporeans to support the environmental cause, Income Insurance pledged a dollar (\$S1) for every kilometre clocked by participants in the Run. The money raised was donated to the Singapore Environment Council (SEC) in support of the Singapore Green Plan 2030.

IER 2023 challenged participants with the question, "How Far Will You Go for Zero-Waste?" and was one of a kind, with five customised run routes between 3 km and 21.1 km for participants to choose their preferred distance.

Collectively, close to 30,000 kilometres were clocked by participants at the event and a total of S\$40,000 was donated to SEC.

The donation supported diverse outreach initiatives and programmes, such as the Educator Empowerment Programme which raises environmental awareness in educational institutions to inspire the next generation of eco-warriors.



Steward Corporate Resilience

# Building Trusted Experience



- 32 Sharpening Our Customer-Centricity
- 33 Innovating Inclusive Products and Solutions
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66

**When Steve arrived at the accident scene, his priority was to usher me to safety and helped me calm my nerves. His service quality and sincerity were very reassuring amidst the chaos. He went out of his way to check on me and offered me advice via text messages. I am grateful for Steve's kindness and support.** 99

**– Jerilee Leong, named driver insured by Income Insurance,  
with Steve Loo, Income Orange Force rider**



Towards A  
Resilient  
Future

## Sharpening Our Customer-Centricity

# Always listening to serve better

**For over five decades, we have shown that we are a dependable and trustworthy company, with a proven record of putting people first. We owe this to our ability to continuously meet our customers' diverse needs across their different life stages.**

It is only when our customers feel confident that we understand their needs and are always acting in their best interest that we can successfully build a meaningful long-term relationship with them and become their trusted financial partner. This requires us to continuously stay close to our customers, as the more we interact with them, the better we can serve them. This is why we are disciplined



**6,400** respondents participated in consumer surveys to inform us about customers' needs and expectations



**300** hours of dialogue with consumers across 150 Customer Connects sessions to garner deeper customer insights

about investing in and harnessing customer insights to inform the way we engage with and support our customers.

### Keeping the pulse on our customers' needs and expectations

Since 2009, we have been keeping track of how consumers perceived us, their awareness of and experience with the Company and our products and services. These insights help us identify gaps in product innovation, customer service and customer engagement, allowing us to continuously improve.

In 2023, 6,400 respondents participated in our brand health surveys conducted across our Life, Health and General Insurance businesses. To ensure that our surveys were inclusive, our surveys were conducted through online and offline channels. Face-to-face interviews were conducted with respondents who are above 50 years old, ensuring that their views were well represented. According to findings from the surveys, respondents indicated that Income Insurance continued to be regarded as the most trustworthy among insurers in Singapore, in 2023.



### Deepening insights to serve our customers better

To hone our customer-centricity and data-driven culture at the Company, we have been running monthly series of customer engagement sessions, known as Customer Connects, with existing and potential customers to better understand their needs, concerns and aspirations.

These engagement sessions are helmed by our employees to allow them to gain first-hand insights from the customers themselves. While our employees take guidance from a customer

engagement framework that supports concerted and meaningful outcomes, they are also empowered to leverage these sessions to explore and test product and service propositions with participants to drive improvements and innovation. This makes Customer Connects more purposeful and our employees more vested in these sessions.

In 2023, we engaged in about 300 hours of dialogue with consumers across 150 sessions of Customer Connects. This was 50% more than last year.

## Innovating Inclusive Products and Solutions

# Always innovating for evolving needs

We recognise that people's priorities and aspirations change across different life stages. To support our customers' changing lifestyles and evolving financial and protection needs, we stay relevant by keeping in step with the shifting demands of modern lifestyles and an ageing society.

We see meeting our customers' financial and protection needs as our fundamental responsibility as an insurer. We do this by helping them close protection gaps and build resilience through our innovative products and services. We see this as an urgent goal as the Life Insurance Association Singapore highlighted in a study<sup>[1]</sup> that the average working adult in Singapore has a mortality and critical illness protection gap of S\$169,673 and S\$256,826 respectively.

### First in Singapore to provide post-cancer protection

One in four people<sup>[2]</sup> in Singapore may develop cancer in their lifetime. Cancer and other unforeseen illnesses can be highly stressful and take a mental toll on patients and their loved ones, especially when medical treatment is costly. More importantly, the impact of critical illnesses can be compounded especially when there is a need for long-term care.

To plug this protection gap, we launched Complete Cancer Care in 2023. Complete Cancer Care is a term life insurance that covers active cancer treatment. It features monthly payout and a premium waiver benefit upon diagnosis, on top of the conventional lump sum payout.

It extends continuous care, from diagnosis to recovery, and uniquely offers a guaranteed post-cancer cover option. The feature of guaranteed post-cancer insurance coverage is groundbreaking as it champions life after cancer especially when cancer patients' survival rates have been improving over the years<sup>[3]</sup>. Additionally, Complete Cancer Care caters to our ageing population, with the oldest entry age in the market at 74 years old and coverage extended up to age 84.

### Reimagining mental health protection

In Singapore, two in five Singaporeans struggle with mental health problems<sup>[4]</sup>. We are aware that barriers such as cost and uncertainty



about the severity of their mental condition stop many from seeking medical help and treatment for their mental conditions. This is despite the fact that many have expressed their willingness to seek help<sup>[5]</sup>.

Mental conditions can be highly distressing for the sufferer, and it can severely disrupt lives. Hence, we see it as a priority to support the timely diagnosis of mental health issues and close the mental health protection gap in Singapore.



### Inclusive Products and Solutions

First to extend post-cancer protection with **Complete Cancer Care**

Launched Singapore's subscription-based mental well-being insurance plan **SNACK Self Care Pack**

First to **cover mental conditions** in Whole Life insurance category via rider

Offered life insurance products to **nine out of 10** senior applicants aged 50 and above

Protected **4% more seniors** with Silver product suite as compared to 2022

Protected **63% more Singaporeans** against disability risk with Care Secure compared to 2022

1 2017 Protection Gap Study – Singapore, <https://www.lia.org.sg/media/1332/protection-gap-study-report-2017.pdf>

2 National Registry of Diseases Office, Singapore Cancer Registry 50th Anniversary Monograph 1968-2017

3 National Registry of Diseases Office, Singapore Cancer Registry Annual Report 2020

4 <https://www.straitstimes.com/singapore/survey-finds-2-in-5-singaporeans-have-mental-health-struggles-new-initiative-launched-to-drive-action>

5 <https://www.moh.gov.sg/news-highlights/details/national-health-surveys-highlight-need-to-focus-on-healthy-diets-and-lifestyles>

## Innovating Inclusive Products and Solutions



In 2023, we extended coverage for mental conditions such as major depressive disorder, obsessive-compulsive disorder, schizophrenia, bipolar disorder and Tourette syndrome by launching a rider for our whole life insurance product, Star Secure Pro. Such coverage is uncommon in the life insurance category, which typically focuses on benefits for death, disability and critical illnesses.

We also launched SNACK Self Care Pack, a groundbreaking monthly subscription-based mental well-being plan, through the SNACK by Income mobile app last year. It is the industry's

first standalone mental wellness insurance plan that is not subjected to inpatient hospitalisation or post-hospitalisation conditions. It supports prevention of and active recovery from mental conditions by offering subscribers greater access to psychiatric consultations and psychotherapy sessions. Subscribers can start and pause the coverage whenever they like and make claims easily via the SNACK app. This hands them greater control over how many consultations and treatment sessions they wish to sign up for.

### Addressing healthcare and long-term care needs

As Singapore's population ages and life expectancy increases, it is critical that Singaporeans age well and thrive in their extended years. On this front, our underwriting approach has been supporting seniors' access to insurance while making health underwriting more efficient and customer-friendly for them.

In 2023, nine out of 10 seniors who applied for our life insurance products were offered coverage. This offer rate is close to the rate achieved the year before. We also protected more seniors with our suite of Silver products last year as in-force policies were about 4% higher compared to 2022.

Additionally, we protected close to 63% more Singaporeans against the risk of disability with our Care Secure policy in 2023 compared to the year before. A supplement to CareShield Life<sup>[6]</sup>, Care Secure offers enhanced long-term coverage against moderate and severe disabilities. It is estimated that one in two healthy Singaporeans

aged 65 could become severely disabled in their lifetime and may require long-term care, while three in 10 could remain severely disabled for 10 years or more<sup>[7]</sup>. Hence, we see the increased take-up rate of Care Secure as an important step forward towards realising our goal of closing the protection gap among seniors.



<sup>6</sup> 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](http://www.careshieldlife.gov.sg)

<sup>7</sup> Planning Ahead ([careshieldlife.gov.sg](http://careshieldlife.gov.sg))

# Enabling value-based and outcome-driven healthcare

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I was diagnosed with kidney disease in 2005 and had to switch from peritoneal dialysis treatment to haemodialysis after a bad infection.

At DaVita Singapore, I feel genuine care from the staff and renal doctors at the dialysis centre and this makes me feel supported throughout my dialysis journey. 

**Madam Lim**

IncomeShield policyholder and DaVita Singapore client

DaVita Singapore is a joint venture between Income Insurance and DaVita Kidney Care to operate kidney dialysis centres in Singapore. The dialysis centres were first opened in 2019, and in 2023, DaVita Singapore launched its fifth dialysis centre in Woodlands. Its sixth dialysis centre in Tampines is scheduled to open in mid-2024. The other centres are located in Novena, Farrer Park, Jurong East and East Coast. These centres are opened to all, including foreigners who are holidaying in Singapore, as well as Income Insurance policyholders.

Integrating DaVita's expertise in renal care with Income Insurance's value-based and outcome-driven approach to healthcare, we aim to support renal patients with high quality care and cost efficiency. The dialysis centres are managed by a team of renal specialists and dedicated and well-trained nurses to cater to patients who require different levels of renal care.

The services DaVita offers ensure that all renal patients are assessed individually. Each patient is provided with a customised integrated and holistic care plan where they receive timely interventions as needed during outpatient consultation and dialysis. This supports effective chronic disease management, optimal health and helps retard disease progression and hospitalisations, which could be costly and detrimental to patients' overall health.

As an insurer who has invested in renal dialysis services, we strongly believe that this business adjacency is not only a proactive approach but also a progressive step-up in ensuring that healthcare and health insurance remain sustainable for all.



## Embedding Effective Corporate Governance

# Fostering integrity and responsibility

A reputation for trustworthiness is invaluable for any industry, but even more so for the insurance sector. At Income Insurance, the trust that people have placed in us for over 50 years is the bedrock of our success as a financial institution in Singapore.

The foundation for trust lies in effective governance and in running our business responsibly. This means that we are deeply rooted in maintaining a strong risk awareness and compliance culture that aligns with regulatory expectations while we conduct ourselves with integrity, which fosters trust with all stakeholders.

To do this well, we refer to our corporate governance framework which provides clear policies, guidelines and requirements for practices that safeguard the interests of our stakeholders and business.

The framework outlines the way we operate and manage our business, comply with regulations, protect information entrusted to us and interact with our employees, customers, business partners and society. This sets a high standard of integrity and accountability throughout the organisation.

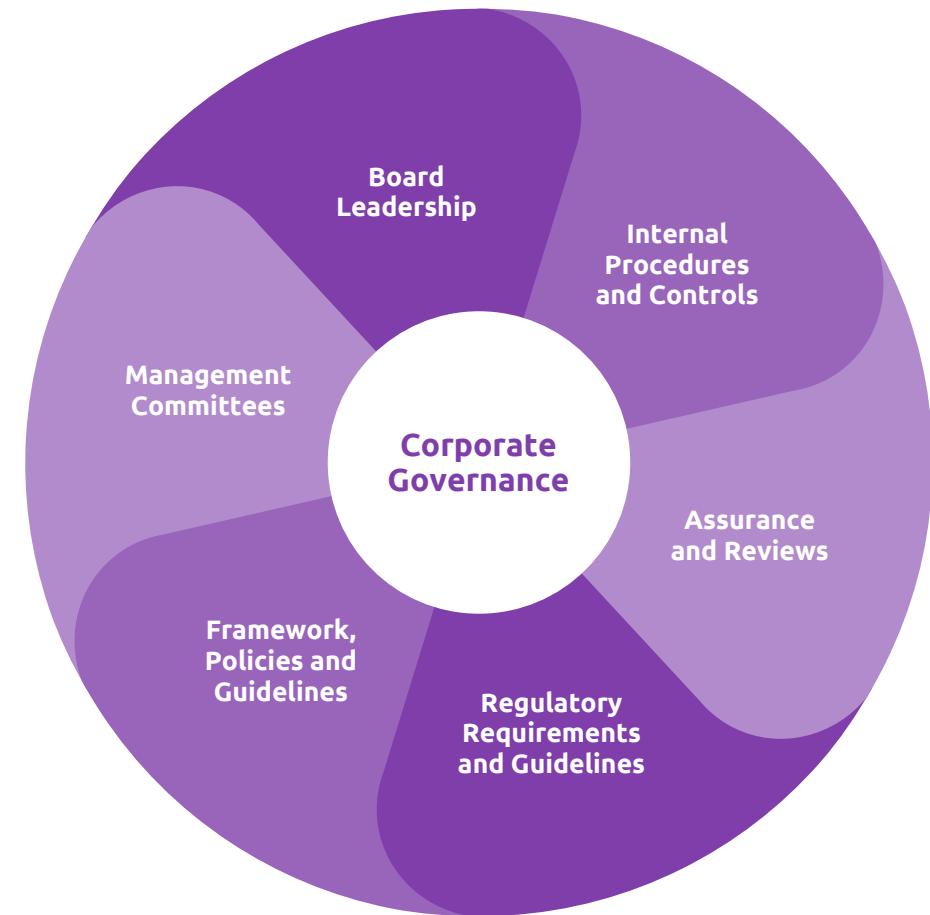
### Board governance

The Board provides leadership and sets the strategic direction for the Company. It has ultimate responsibility for the delivery of the Company's long-term goals and success as well as for preserving its sustainable value within the Company's framework of effective controls. The Board ensures that the Company balances its risks and rewards and operates with transparency, integrity and accountability at all levels to achieve designated objectives, sustain growth and uphold its corporate reputation.

In carrying out its oversight of the Company, the Board is supported by Board-level committees. The Board delegates authority to these committees to monitor and exercise oversight over specific areas.

Board diversity is important to facilitate robust discussions and ensure effective oversight. The Nominating, Human Capital and Remuneration Committee (NHCRC), which recommends directors for appointment to the Board and Board-level committees, considers diversity of background, qualifications, skills, experience,

### Our Governance Framework



## Embedding Effective Corporate Governance

age, and gender among other factors. Each year, the NHCRC assesses the diversity of the directors' profiles and determines the collective skills required for the Board and Board-level committees to discharge their responsibilities effectively. It also takes steps to enhance skills when necessary.

All our Board members are non-executive directors. The majority are independent. Our current Board possesses a good mix of general business background and specialist skills, so that the Board is able to tap on a broad spectrum of knowledge, expertise and experience from different domains and industries to advise the Executive Committee and to actualise the Company's growth ambitions. The Board's current composition satisfies regulatory requirements.

In 2023, the Board attended eight scheduled meetings. At these meetings, the Board reviewed the Company's business performance, corporate strategy, business plans and strategic operational issues as well as other significant matters. During the year, board approvals were also obtained through circular resolutions.

To further equip our Board directors with the necessary skills to perform their roles effectively, six Continuous Professional Development programme modules were conducted for the directors last year. They covered diverse topics, including cybersecurity threats and decarbonisation of financed emissions.

More information on our Board Governance and Board of Directors can be found on our [corporate website](#) or our latest [Annual Report](#).

### **Effective risk management**

We take a structured approach to managing risk. 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 the Company tolerates.

The Enterprise Risk Management Framework sets out the three lines of defence that ensure that risk management is embedded across the organisation, with employees being regarded as the first line of defence. As risk owners, employees identify, measure, manage and monitor risks in their daily work. The second line of defence refers to the risk management and compliance functions which are responsible for reviewing and challenging the processes and controls in our business activities, including proposing appropriate risk limits and policies. The internal audit function is our third line of defence, and it independently assures the effectiveness of controls. Oversight on risk and compliance matters is governed by the Risk Management Committee and Audit Committee, which meets quarterly.



## Embedding Effective Corporate Governance

### Responsible business practices

Our corporate policies and guidelines ensure that we adhere to responsible business conduct and meet regulatory requirements. These corporate policies and guidelines are reviewed annually. We also perform compliance risk assessments for all business units whenever new or modified regulations are introduced. Finally, as part of their onboarding process, all new employees undergo training on our policies and guidelines.

#### Code of Business Conduct

The Code of Business Conduct provides clear guidance on how we conduct business. It applies to everyone who works at the Company. It outlines the required standard of conduct and ensures that our people uphold the highest standard in ethical, legal and professional conduct.

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

The Code is approved by the Chief People Officer and overseen by the Human Resource 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. All concerns will be assessed and investigated according to established protocols.

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

#### Grievance Procedures

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

All grievances reported 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

### Fair and transparent advice and engagements

We recognise that our customers can be exposed to diverse risks at different stages of the customer journey, which can potentially compromise their trust and confidence in us. We are committed to minimise the risks of poor outcomes for our customers and to conduct our business in a way that treats our customers fairly and professionally.

As part of this commitment, we ensure that we communicate with our customers in a clear and timely manner to allow our customers to make well-informed decisions. We also put processes in place to address customers' feedback in a credible and efficient manner. This constitutes the part of the three-pronged approach we take to safeguard the interest of our customers and their information.

Firstly, we undertake to embed a fair dealing culture within the Company. In all their dealings with our customers, our financial representatives are guided by the Business Conduct Handbook, which outlines the standards that they must abide by to ensure fair treatment of our customers.

We make sure that all our financial representatives have the capability to dispense high-quality advice and make recommendations that meet our customers' needs.

On this front, our financial representatives undergo comprehensive training on managing their sales conduct, approaches to understand customers' needs, and identifying suitable financial products for customers. They also learn about protecting customers' privacy as well as regulations on anti-money laundering and countering financing of terrorism.

Our new financial representatives undergo a rigorous induction programme to ensure that they are competent in offering financial planning services to customers. Our existing financial representatives undergo a competency assessment every year to ensure that their knowledge and skills remain relevant and current, so that they continue to provide quality financial advice to customers.

Finally, every quarter, to evaluate the effectiveness of our approach, we track our performance and conduct trend analysis on the complaints we receive. Our performance against fair dealing key performance indicators is shared quarterly with the Market Conduct Committee and annually with the Board through our Conduct and Culture Dashboard. This gives the Executive Committee oversight of the Company's ability to drive desirable fair dealing outcomes and manage complaints efficiently.

In 2023, we maintained a record of zero fair dealing breach that resulted in a fine or penalty.



#### Culture

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



#### Capability Building

- Enhance the skills and expertise of our financial representatives to ensure that they deliver high quality financial advice
- Empower our financial representatives to recommend products and services that best align with the specific needs of our valued customers



#### Active Engagement

- Deliver transparent, timely and pertinent information to enable our customers to make well-informed financial decisions
- Effectively handle and address customer feedback and complaints in an independent, efficient, and prompt manner

## Embedding Effective Corporate Governance

### Cybersecurity and data protection

To enhance the way we do business and engage our customers, we continually explore new and emerging opportunities connected to digitalisation and the adoption of new technology. This increasingly exposes us to cybersecurity and data protection risks. As such, we bear a heightened responsibility in safeguarding customer data and information and the ethical use of technology.

It is prerequisite that we keep our customers' data and information safe so that we continue to uphold their trust in us. We safeguard our customers' information and are committed to not share their personal data without being transparent about it. The table on this page shows how we are delivering on this commitment.

<b>Ethical data use</b>	We are guided by a rigorous framework of internal policies that outline the standards, processes and controls that govern the collection, use and disclosure of our customers' personal information.
<b>Data protection and cybersecurity</b>	<p>We adhere to regulations and guidelines set out in Singapore's Personal Data Protection Act (PDPA), MAS Cyber Hygiene Notices and MAS Technology Risk Management Notices and Guidelines.</p> <p>Our IT Risk and Security team and Data Protection Office regularly review our internal processes and controls to ensure they remain effective. We also conduct regular systems and network tests to verify that our systems are robust and secure against cybersecurity threats. To minimise our vulnerability to attacks, we continuously enhance our cyber hygiene and improve our incident response and preparedness. We also continually raise awareness among our staff about the need to be vigilant against cybersecurity threats and to safeguard our customers' data.</p> <p>Additionally, we implement Data Loss Prevention controls to prevent sensitive personal information from being leaked. To stay ahead of emerging security threats, we apply advanced machine learning technology to analyse and report anomalies.</p> <p>We have also set up an independent Data Protection Office to manage personal data incidents. In the event of an incident, the Data Protection Office thoroughly reviews the root cause of the incident, assesses the adequacy of existing controls and recommends measures to mitigate the risk of recurrence.</p>
<b>Management of risks associated with data protection</b>	

```

graph TD
    AC[Audit Committee] --> DPO[Data Protection Office]
    DPO --> BU[Business Units]
    subgraph DPO_Box [Data Protection Office]
        direction TB
        DPO_Box_top[• Reports tracked data incidents] --- DPO_Box_main[Investigates the root cause of each incident and assesses the adequacy of the controls implemented by our business units]
        DPO_Box_main --- DPO_Box_bottom[• Implements necessary mitigation measures  
• Updates cybersecurity and data protection awareness programme]
    end
    
```

## Embedding Effective Corporate Governance



### Personal Data Protection Policy

Our Personal Data Protection Policy is aligned to the requirements of Singapore's Personal Data Protection Act and to the 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 safeguarding 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.

### Ensuring business resilience amidst emerging cybersecurity risks

The evolving digital landscape with new technological innovations and emerging threats underscores the importance of a proactive and robust cybersecurity posture.

To ensure that we are operationally ready to address highly sophisticated and rapidly evolving cyber-attacks, we conducted a tabletop exercise in 2023. The exercise involved our Board of Directors and senior management and was aimed at equipping them with the critical information that they would need to carry out their role during a cybersecurity crisis.

In addition, we also kept the organisation informed of the latest developments in technology and emerging cyber-threats.

In 2023, we reviewed the adequacy of our data protection training and awareness programme to ensure that the programme is up to date.

We ensured that all employees completed the IT Security Awareness e-learning programme so that they stay abreast of the latest IT security threats.

We supplemented the training with a two-day IT Outreach Sharing webinar which centred on the importance of adopting a comprehensive and integrated approach to ensure cybersecurity resilience in this digital age.

The webinar built our employees' awareness on various cybersecurity topics, including the security of mobile devices, phishing attacks, generative AI and cyber-safe work practices. During the webinar, our employees engaged in informative discussions led by nine expert speakers from the IT Risk and Security department. They also participated in interactive quizzes designed to reinforce key concepts. Over 1,000 employees participated in the two-day event.

In 2023, we did not incur any cybersecurity or data protection-related penalties.

Steward Corporate Resilience

# Empowering a Future-Ready Workforce



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The learning has never stopped at the Company. From professional insurance exams to training in healthcare management, the Company has offered me diverse opportunities to upskill myself, advance my career and grow personally. I'm working past my retirement age and I'm enjoying design thinking and our data-driven culture now.

— Tan Li Leng, 67, long-service awardee (50 years)  
at Income Insurance



Towards A  
Resilient  
Future

## Nurturing an Engaged Workforce

# Keeping the best in business

**The future of work is evolving at a fast pace. Global trends such as automation, digitalisation, innovation and flexible work arrangements as well as customers' changing expectations and demands are radically reshaping both personal and work lives.**

This means that, as a company, in order to keep pace with change and customers' expectations, we must help our employees acquire the knowledge and skills needed to navigate an ever-evolving world. To retain the best talent, we must also act on our people's feedback and support their personal development and career aspirations.

Together, this will nurture engaged employees who are more confident about their future and are able to help our customers attain the same confidence.

### Proactive talent management

To foster a workforce that is ready for the future, we seek to provide our people with the right development opportunities. Wherever possible, for instance, we groom our employees for new job opportunities within the Company, instead of hiring externally, by prioritising in-house skills over outsourced solutions. We offer career options to employees that are congruent with their talent

and ambition. This will help our employees meet the job market needs of today as well as those of the future.

#### *Succession management*

We lean on our employees' performance appraisals and the various career development conversations with their managers to proactively manage our talent pipeline. Based on the appraisals and conversations, we strategically review our talents with an eye on succession management. We identify high-potential individuals by assessing their past performance and contributions as well as their growth agility, ability to learn, potential to assume greater responsibilities and career aspirations.

To manage our talent well, we equip our people managers with the requisite competencies to build strong teams. We empower our managers by putting them through a regime of training in areas such as leading change, developing people and driving excellence in a modern, professional and diverse workforce.

## Our workforce at a glance



**2,051**  
Employees<sup>[1]</sup>

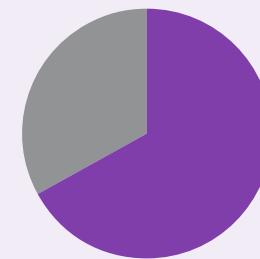


**41%**  
Male



**59%**  
Female

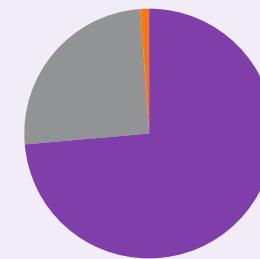
### Senior Leadership, Including Board Representation (%)



**67%**  
Male

**33%**  
Female

### Workforce (%)

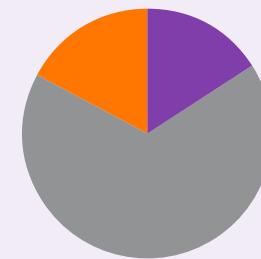


**73%**  
Function staff

**25%**  
Middle management

**1%**  
Senior management

### Employees by Age Group (%)



**16%**  
<30 years old

**67%**  
30–50 years old

**17%**  
>50 years old

<sup>1</sup> This includes all employees of Income Insurance based in Singapore as of 31 December 2023. Permanent full-time and part-time employees make up 1,938 (42% male, 58% female) and temporary employees make up 113 (24% male, 76% female). Income Insurance also hires 434 outsourced or sub-contracted staff.

## Nurturing an Engaged Workforce

**A****Agile**

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

**B****Bottom-Up Innovation**

Be proactive in generating new ideas and driving continuous improvements

**C****Customer Oriented**

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

**D****Outcome Driven**

Take ownership to optimise results and be detail-minded

**E****Externally Focused**

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

"Whilst all employees in Income Insurance are motivated to do their best, the Spot Award is great way for colleagues to show their support and appreciation for outstanding work. I am grateful for the recognition that was given and am happy to learn about the impact I've made from the messages my colleagues, team mates and management sent together with the award."

**Wong Jia Rong,**  
Top Spot Award winner 2023,  
Assistant Manager, Human Resources

We also prioritise developing the coaching skills of our people managers. In particular, we train them on using the Income ABCs approach for our annual employee appraisal process. This approach helps our managers better guide their people development efforts so that staff achieve desired competencies that build our enterprise resilience.

**Job mobility and flexibility**

We offer our employees job mobility through the Career Conversion Programme. Our employees can join the programme to apply for a transfer to any open job role that aligns with their developmental growth and

career aspirations. To help employees make the transition to their new roles successfully, the programme features structured on-the-job training to support their reskilling and upskilling.

We have also established a hybrid working model at our Company to enable workforce resiliency by offering our employees flexibility and empowerment. That said, we continue to put our stakeholders, customers and results first. For this reason, we balance our hybrid working model with regular team and in-person meetings where our employees connect with stakeholders, customers and colleagues physically.

**Rewards and recognition**

To better retain and reward our people, we continue to benchmark our remuneration packages against market norms to ensure that they remain competitive, fair and equitable for our people.

We also recognise the importance of showing our employees our appreciation. For this purpose, we created the Spot Award where our people managers show appreciation for colleagues within and outside their teams through e-appreciation cards and vouchers for exemplary support and good work.

We were recognised for building a great workplace in 2023. Close to 11,600 local undergraduate and graduate students voted Income Insurance as one of the most desired employers in the Insurance and Risk Management Sector last year<sup>[2]</sup>. In addition, HR Asia Awards also ranked us as one of the 'Best Companies to Work for in Asia'. The recognition was a testament to our success in building a supportive and conducive workplace.

<sup>2</sup> The Singapore's 100 Leading Graduate Employers Awards by GTI Media Singapore is the largest graduate recruitment accolade in Singapore. It benchmarks employer brand excellence on campuses.

## Nurturing an Engaged Workforce

### Improving employee satisfaction

We are aware that our people's overall happiness and satisfaction with their job and work environment can affect their engagement level with the Company. Workers' happiness at work impacts staff morale, productivity and creativity.

For this reason, we invest in continuous improvements in our work environment to create a positive and fulfilling workplace for our employees. To help steer us in achieving this, we have been applying McKinsey's Organisational Health Index (OHI) survey to actively measure our people's satisfaction and engagement level since 2019.

The survey gives us a better understanding of how our people perceive the Company's leadership capability and talent development practices, among others, in relation to the business strategy and growth ambition. This annual indexing is important as it allows our leaders to assess our organisational health against that of our industry peers, so as to determine areas where improvement is needed and to prioritise remedial actions.

In 2023, we continued to enjoy a high employee satisfaction score on the OHI. Annually, we have been leveraging insights from the survey to inform our approach to employee engagement and empowerment. The insights also shape our staff dialogue sessions, where we co-curate action plans with our employees to close skill gaps.

This is in addition to skip-level meetings where a senior-level manager reaches out to other team members to gain insights into employee sentiments, goals and challenges at work.

We value diverse voices and inclusive behaviours in our improvement plans, which we closely monitor, track and report on yearly. This is a prerequisite if we were to succeed in building a workplace where our employees feel not only valued, heard and trusted but are also vested in growing with the Company.

### Collective bargaining

At Income Insurance, we respect our employees' lawful right to engage in collective bargaining and we actively foster a positive and constructive relationship with the Singapore Insurance Employees' Union (SIEU). The SIEU represents our clerical employees and office assistants on matters such as grievance procedures, remuneration and employment conditions including work hours, leave days, retirement and re-employment. In 2023, we have the same number of employees covered under collective agreement as the year before.

As a company operating in Singapore, we also adhere to Singapore's Employment Act and uphold our employees' fundamental rights at work. We strictly prohibit any form of discrimination in our hiring process and in our workplace.



## Fostering a Learning Culture

# Invest in continuous learning, development and growth

**At Income Insurance, we continue to embrace continuous learning and skills building to support workforce sustainability. We believe it is particularly crucial to support our people's mastery of skills that will be key to the Company's success ahead. This means developing an agile workforce that possesses future-ready skill sets and is adept at meeting market demands and evolving customer needs.**

### Self-directed learning

We believe our employees are the best people to take charge of their own careers. Accordingly, we empower our employees to decide on the skill sets that they want to build to support their professional success.

We encourage our employees to reflect on their aspirations, strengths and areas of improvement and to set specific, measurable and time-bound goals. This approach keeps them motivated and their learning progress on track.

To equip employees with diverse proficiencies and versatility that will allow them to adapt and succeed in an evolving work environment, we incorporate three essential skill pillars – digital, leadership and personal effectiveness – into our learning curriculum.

We adopt a 70-20-10 model to ensure structured and effective learning for our employees. In this model, they spend most of their time learning on the job (70%) through job shadowing, job rotation, stretched goals and projects. They also learn from others (20%) and from workshops (10%). To optimise their learning, we encourage our employees to step outside their comfort zone and challenge themselves by volunteering to take on tasks and activities that fall outside their work scope or in unexplored areas.

Through curated bite-size learning modules on the digital learning platform, Coursera, our employees have access to 70 courses that allow them to learn at their own pace. In 2023, our employees chalked up close to 1,550 learning hours on Coursera.

### Skills-based learning

In a digital and data-driven world, data-driven skills are increasingly crucial to drive positive business outcomes. In 2023, we refreshed our data-related training programme which was subsequently rolled out to all employees. All our employees completed at least 16 hours of training, which covered data analytics, data storytelling and visualisation, artificial intelligence, and data-driven decision making.

Additionally, our employees were also schooled in design thinking, so that they deliver customer-centric outcomes when tackling complex and cross-functional challenges at the Company.

In 2023, our employees accumulated close to 59,000 training hours, which averaged over 36 hours of learning per employee.



## Fostering a Learning Culture



Cecilia Siah, Head of Motor Business, leading a discussion session between Motor Business, Agile CoE and IT teams.

### Fostering enterprise-wide innovation

We established the Agile Centre of Excellence (CoE) in 2022 to promote the Agile way of working and to facilitate cross-functional collaborations that hinge on Agile implementation and design thinking. In 2023, we kickstarted a three-year Agile Essentials programme to drive rapid experimentation at the development process of new products and services. To increase mindshare and interaction, the programme rides on ninja caricatures, known as “Income Agile Heroes”, that rides on Shu-Ha-Ri – a Japanese martial art concept from learning to mastery. Over 200 employees participated in the inaugural programme which delivered seven ready-to-launch product proof-of-concepts.

Several of these concepts are currently being scaled and they are positively and meaningfully impacting our customers and employees.

For example, through cross-functional collaboration, our Motor Business unit successfully saved about 550 man-hours monthly by automating its No Claims Discount (NCD) enquiry process using bot processing.

The team deals with hundreds of NCD emails daily and this time-consuming process puts a strain on the team's resources and affects team morale and performance. Collaborating with the Agile CoE team, the Motor Business team was able to identify

steps that could be automated. By working with various functions such as Information Technology, Risk and Security and Robotic Process Automation, several manual tasks were successfully automated. This allows the team to support NCD enquiries 24/7 and to reduce its response time from three working days to one. With this faster turnaround time, the team is now able to serve motor intermediaries better and more efficiently. Aside from saving 550 man-hours each month, the Motor Business team members now report better job satisfaction and are now able to devote more time to higher value work such as strategic planning and to pursue business opportunities and apply customer analytics.

In 2023, we also revived the InnovFest Horizon Showcase for the first time post pandemic to further embed the innovation and experimental culture within the Company.

The event was held over two days and featured a myriad of activities including technology showcases and dialogues. Employees were also hands-on in exploring frontier technologies such as metaverse and web3.

They also participated in Innovation Masterclass sessions which deepened their understanding of emerging technologies and further encouraged innovation within the Company.



Group photo of organisers from the Digital Business team at InnovFest 2023.

# Promoting a bottom-up innovation culture

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The concept of IdeaSmash is to dream big and be bold, and we all felt really empowered to do so throughout the journey.



## Team Reimagine Service

Winner of Income Insurance IdeaSmash 3.0 (Improving Services and Processes)

Income IdeaSmash is the Company's staff hackathon. It offers our employees the opportunity to apply bottom-up innovation and collaborate with colleagues to develop innovative solutions for specific business challenges.

In 2023, 12 cross-functional teams explored new products and business service models that are centred around three broad themes. Over a period of 1.5 months, participating teams tackled the thematic problem statements using design thinking approach and built prototypes by applying the rapid testing and iterative method.

The five winning ideas are currently under development for eventual implementation.

Through IdeaSmash, our employees learn to apply design thinking to solve problems. This encourages them to embrace customer-centricity and bottom-up innovation as a way of working.

# Winners!



## Supporting Employee Well-Being

# Protecting our people

**We want our people to feel healthy, happy and motivated. That is why we make it a priority to protect our employees on the job and to support their health and well-being. We believe that this is important for our people to thrive, and feel valued and empowered to take charge of their own well-being. By taking care of our employees, we strengthen not just the resilience of our people but also that of the Company.**

### Prioritising mental well-being

Given the stressors and demands of the modern lifestyle in an ever-changing world, we feel it is highly important to support our employees' mental health and well-being, especially with the rise in mental health issues in Singapore.

Accordingly, in 2023, we enhanced our annual leave benefits for employees, giving our employees up to three days of additional leave. This is in addition to our guideline of 'No-meeting Wednesday Afternoons', which we introduced last year to help our people recalibrate their priorities in their work week and to achieve better work-life integration.

Last year, we also collaborated with a workplace well-being expert to develop an Employee Assistance Programme (EAP) to better support our people in the areas of workplace well-being, mental health and resilience. The EAP is designed

to be a safe 'space' for our employees to seek guidance and solace not just for their work-related stressors but also for their personal struggles, so that they thrive both personally and professionally and be more future-ready.

In addition to mental well-being assessment and confidential counselling sessions for a wide range of mental health issues, the EAP will also give our employees access to a suite of self-care tools and resources to help them better manage their well-being whenever they feel overwhelmed.

The programme will also equip our people with the ability to better care for and support their colleagues. Co-workers can be a strong source of support for those who are struggling as colleagues spend a lot of time together. We view it as important that our people managers cultivate a culture that supports open and

positive discussions about mental health and well-being with their team members.

### Looking after physical well-being

To further care for our employees and their families, since the beginning of last year, we have extended outpatient primary care coverage to eligible dependents<sup>[3]</sup> of our permanent employees and contract retirees. With this enhancement, all eligible medical bills for outpatient primary care are now fully borne by the Company. Additionally, we also increased our employees' annual limit for outpatient specialist care to provide them with greater peace of mind.

### Supporting social well-being

We recognise that the workplace is an important social extension for all of us given that we all spend substantial time at work with our colleagues. A sense of belonging and satisfaction at work contributes greatly to social well-being. Conversely, social isolation has been associated with negative physical and mental well-being affecting one's ability to cope with life's challenges effectively<sup>[4]</sup>. Thus, it is important that we create a supportive work environment that energises and motivates our employees.

At Income Insurance, we strive to create a nurturing and inspiring environment that fosters meaningful relationships and connections among our people by organising a myriad of activities.



Income SRC organised Annual Dinner and Dance, and bowling tournament to encourage social interaction among colleagues outside of work.

In 2023, our leaders and employees were updated about key developments at the Company via the Leadership Forum and our Townhall, 'Power Up', respectively. More than 1,500 staff and advisors participated in the Townhall, with more than 70% indicating that the engagement during the Townhall gave them confidence in the Company's business performance and growth plans.

Last year, our Income Sports and Recreation Club (SRC) organised activities such as our Annual Dinner and Dance, bowling tournament and festive celebrations, where our employees interact socially with their co-workers outside of work and get to know one another better.

<sup>3</sup> Eligible dependents include our employees' registered spouse and single, unemployed children (up to 24 years old), according to Income Insurance's HR records.

<sup>4</sup> As published in Singapore Resilience Study 2023, social relations has been identified to be a protective resource that enables individuals to navigate through challenges more adeptly, with employed respondents reporting higher levels of resilience compared to those unemployed. Unemployment has been associated with social exclusion, which could possibly explain why individuals who were unemployed reported lower levels of social resilience than their employed peers.

Foster Community Resilience

# Investing in Communities



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The bursary from the Income OrangeAid Future Development Programme supported my school fees, daily expenses and monthly housing loan. The financial support lightens the pressure of being the sole breadwinner of my family. I can now focus on doing well in school and I learnt to manage my money better at the Programme's financial literacy workshop.

—

Gabriel Lim, Income OrangeAid Bursary Award Recipient  
(Future Development Programme)



Towards A  
Resilient  
Future



## Sharpening Our Social Impact

# Purpose driven to address social issues and business priorities

## At Income Insurance, we are deeply aware that our decisions and actions have a social impact on communities.

We know this because we were first set up as a co-operative in 1970 by the National Trade Union Congress to meet a social need for essential insurance among common workers in Singapore. For the past 50 years, we have been growing in step with the nation, protecting its people and uplifting communities through our products, services and social initiatives.

Today, as a public non-listed company limited by shares, this legacy of building stronger communities in Singapore continues to resonate with us and we continue to build on this legacy through our community development platform, Income OrangeAid.

To do this well, we must address real-world issues and lend support to communities meaningfully. This ambition reflects our purpose to build 'Resilience for All' and is powered by our business strategy and employees who bring it to life.

In the last quarter of 2023, we sharpened our social impact approach to achieve greater synergy with our newly refreshed sustainability strategy.

We do this by leaning into the findings of the Singapore Resilience Study (SRS) and our understanding of resilience gaps in Singapore to better inform ourselves about social interventions that we want to prioritise. Our refreshed approach also considered the Forward Singapore<sup>[1]</sup> report and we took care to weave in the aspirations and concerns of Singaporeans.

Starting from 2024, we will focus on three social thrusts, namely 'Support Singapore Families', 'Enable Seniors to Age Well' and 'Invest in Our Shared Future'. These refreshed thrusts align with three out of seven shifts that the Forward Singapore Report is advocating to foster a vibrant, inclusive, fair, thriving, resilient and united Singapore. This shift in our focus enables us to strategically expand the ambit of our social investments, beyond our current perimeters of the low-income segment, seniors' well-being and environmental support.

To support this shift, we will prioritise interventions that close gaps in the financial, physical and social resilience of seniors and

singles, as highlighted in the SRS. By doing so, we also strengthen Singapore's social compact.

More specifically, we will be enhancing our support for Singaporeans' retirement adequacy and mental well-being. We will do this by offering financial protection and by entering into relevant community partnerships. As Singaporeans live longer, this renewed focus will see us leverage our core role as an insurer to provide risk protection and investments that will help families and seniors in Singapore become more resilient.

As part of our support for Singapore families, we are also responding to the nation's call to extend more support to caregivers. According to findings from [Life Insurance Association Singapore's 2022 Protection Gap Survey](#), singles in Singapore with elderly dependents are found to have a larger protection gap.

With our ongoing contribution to the [Health for Life Fund \(HLF\)](#), we support the care needs of seniors in nursing homes and other elderly facilities. Additionally, we also fund financial assistance and initiatives that help seniors age well in place, as well as research and pilot projects that explore opportunities to improve health outcomes for seniors.



As part of our investment in a shared future, we are contributing to a climate-resilient future by advocating Singaporeans to adopt a zero-waste and sustainable lifestyle via the Income Eco Run.

We are also nurturing a strong culture of giving among our employees and customers through our staff volunteering programme, Income Gives Back, and customer donation initiative, Income OrangeAid RoundUp. The latter encourages our customers to round up their insurance premiums to the nearest S\$1, S\$5 or S\$10 and donate the difference to our community initiatives. Finally, we support communities in their time of need by providing emergency relief.

<sup>1</sup> The Forward Singapore exercise was launched by then-Deputy Prime Minister Lawrence Wong in June 2022 to bring Singaporeans together to chart the way forward for a shared future that is vibrant, fair, resilient, inclusive, thriving and united. The Forward Singapore report was published in October 2023. [www.forwardsingapore.gov.sg](http://www.forwardsingapore.gov.sg)

## Sharpening Our Social Impact

The Sustainability Committee (SC) endorsed the renewed social impact approach, which was subsequently approved by the Board. Moving forward, we will be directing our community partnerships and social funding to support these new focus areas. By doing so, we sharpen how we will be investing S\$100 million in supporting communities by 2030.



# Tracks and rallies actions to improve resilience levels

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With the SRS, we have developed a multifaceted understanding of Singaporeans' financial, mental, physical and social resilience levels. Interventions that support the development of resilience are critically important. While we may not know what challenges the future holds, cultivating a social environment that empowers resilience will ensure that well-being is safeguarded.



**Professor Paulin Tay Straughan**

Director of the Centre for Research on Successful Ageing (Rosa),  
Singapore Management University

As the first resilience index in Singapore, the [Singapore Resilience Study \(SRS\)](#), a partnership between Income Insurance and the Centre for Research on Successful Ageing (ROSA) at the Singapore Management University (SMU), examined the resilience profiles of over 2,000 Singaporeans between 26 and 78 years old and established Singaporeans' baseline mental, physical, social and financial resilience.

While the study found Singaporeans to be mentally, physically, socially and financially resilient, it highlighted demographic groups – lower social economic status, seniors and singles – that could benefit from interventions that help improve their resilience levels.

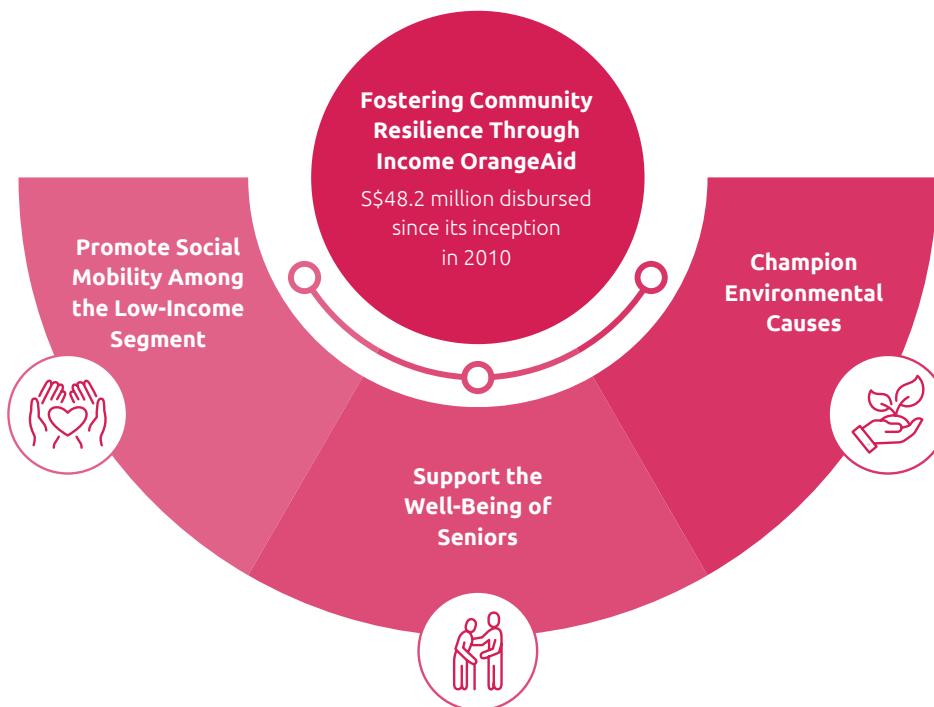
In 2023, we aligned the research insights on social needs in Singapore and our business priorities to refresh our social impact focus areas. Moving forward, we plan to tap public-private partnerships and our insurance business to close resilience gaps and support Singapore communities sustainably.



## Addressing Social Needs

# Helping society thrive

**In 2023, we invested S\$7.9 million through our community development platform, Income OrangeAid, in various flagship initiatives that championed low-income households (with focus on supporting the education of underprivileged children and youths), seniors' well-being and the environment. Since its inception in 2010, Income OrangeAid has disbursed more than S\$48 million to diverse beneficiaries.**



We also continued our long-term support for the NTUC UCare Fund which benefitted close to 10,000 union members and their families in 2023.

### Promote social mobility among the low-income segment

We launched Income Family Micro-Insurance Scheme (IFMIS) in 2010 and the Income OrangeAid Future Development Programme (FDP) in 2015 to reduce dropout rates among children from low-income families.

Children and youths from low-income families are more likely to drop out of school to ease financial pressure on the family. We believe that education has the power to level the playing field in society as it promotes access to knowledge and equality, fosters social mobility and builds more inclusive, equitable and resilient societies.

Through IFMIS and FDP, we contribute to SDG 4 'Quality Education' and SDG 8 'Decent Work and Economic Growth'. In championing the low-income segment, we contribute to Target 4.1, which is to ensure that children receive equitable, quality primary and secondary education and Target 8.6, which centres on substantially reducing the proportion of youths not in employment, education or training.

We also contribute to Target 8.10, which is about strengthening the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.

### Income Family Micro-Insurance Scheme (IFMIS)

We offer insurance protection without premium under IFMIS to all eligible students who qualify for Financial Assistance Schemes (FAS) in Singapore. The scheme pays out S\$5,000 to families of eligible students when a parent or guardian passes away or suffers total permanent disability.

The payout helps these families tide over vulnerable times when their circumstances deteriorate due to the loss of a sole breadwinner. During this trying period, affected families are less resilient and more susceptible to economic or health shocks.

By providing premium-free insurance and educational opportunities, we help these families navigate challenges and build resilience.

In 2023, the scheme paid out S\$160,000 in claims to eligible families and provided protection to over 53,600 FAS recipients who were students in local kindergartens, primary and secondary schools, pre-university institutions and special education and specialised schools in Singapore. They also included low-income students studying at NTUC First Campus' MyFirstSkool.

## Addressing Social Needs

### **Income OrangeAid Future Development Programme (FDP)**

The year 2023 marked the eighth year of the FDP. In the year, we awarded more than S\$1 million in bursaries to 400 eligible low-income students studying at local polytechnics and Institutes of Technical Education (ITE). The bursary supported the recipients' school fees and daily expenses.

We also conducted six full-day financial literacy workshops to help our awardees gain confidence in money management and to make informed financial decisions. In 2023, we held on-site workshops for the first time post pandemic and covered topics ranging from budgeting, expense and emergency fund management, to more complex concepts like assets, liabilities, interest rates and inflation.

Since 2018, alumni members of the programme have been returning to the FDP workshops to support their peers' learning journey under the Alumni Facilitator Training Programme.

In 2023, we trained 22 former FDP awardees who expressed an interest in giving back to the programme. The peer-to-peer engagement enhances learning effectiveness and deepens understanding. To date, 107 FDP graduates have served as workshop facilitators.



**"The bursary helps me defray school fees and daily expenses, including my monthly housing loan. It lifts some pressure off me when balancing school and work gets difficult. Most importantly, I'm better at managing and growing my money now after attending the FDP financial literacy workshop. This makes me more confident about the future."**

Gabriel Lim, 25, Year 3 Diploma in Mass Communication student

Gabriel Lim comes from a single-parent family. He lives with his mother and is the family's sole breadwinner. To support his family, Gabriel juggles work and school. This has been especially challenging during the period when he was undergoing a full-time internship as part of his polytechnic curriculum.

### **FDP Alumni Facilitators**



**"I have become more confident about my own saving goals now because of what I've learnt at the FDP financial literacy workshop. Discovering the concept of good and bad debt has been invaluable. I now give back to the programme to guide my younger peers so that they, too, can make informed decisions in their daily lives."**

Luke Nirvain J., 24, is currently pursuing Maritime Studies at Nanyang Technological University, 2023 FDP Alumni Facilitator



**"After I lost my mother, I had to make a tough decision between staying in school or dropping out. The FDP bursary allowed me to continue with my studies while I worked part-time. I also gained moral support at the workshop as I learned from peers' experiences and gained confidence about my future. I aim to support others who may be in the same situation as I was, as an alumni facilitator."**

Syahirah bte Sola'amat, 25, currently working in one of the big four accounting firms, 2023 FDP Alumni Facilitator

## Addressing Social Needs

### Support the well-being of seniors

Singapore is projected to become a “super-aged” society by 2026, with one in five Singapore residents aged 65 and older by 2030. For this reason, it is imperative to build a strong ecosystem to support intermediate and long-term care for seniors in Singapore.

In view of heightened demand for eldercare services and support, we have committed to make multi-year contributions to the Health for Life Fund (HLF) to help make essential eldercare services in Singapore more accessible and affordable. Access to affordable eldercare services is particularly important for middle-income households which enjoy less access to social subsidies. In 2023, we disbursed S\$5 million to HLF. To date, we have contributed S\$25 million to the Fund.

Our contributions to HLF support seniors' care needs in nursing homes and other eldercare facilities as well as research work, pilot projects and community-based services related to eldercare. Through this, we empower service continuity and help spur innovation that helps seniors achieve better health outcomes, lead more independent, active lives and become more resilient.



In 2023, we disbursed **S\$5 million** to HLF. To date, we have contributed **S\$25 million** to the fund.

With the generous contribution of donors, HLF has been able to provide financial assistance to over 2,550 seniors who required care and continue offering nursing home services to families who needed support in 2023.

This is on top of our senior suite of product offerings that support seniors' access to insurance.

Through the HLF and our senior-focused offerings, we contribute to SDG 3 ‘Good Health and Well-Being’. Specifically, our contributions support Target 3.8, which is to achieve universal health coverage including financial risk protection and access to quality essential healthcare services.



## Advocacy and Influencing Change

# Tapping into the power of many

**At Income Insurance, we strongly believe in the collective strength of individuals coming together. To leverage the power of many, we build alliances for causes that we believe in annually so that we ride on a bigger force to realise positive change faster and deliver greater impact.**

Apart from Income Eco Run, we drive positive social outcomes through two other initiatives – Income OrangeAid RoundUp and Income Gives Back – and tap the power of individuals to advocate for change and to augment our social impact.

### Income OrangeAid RoundUp

Today, Income Insurance serves 1.7 million customers and through Income OrangeAid RoundUp, we are encouraging our customers to round up their life and general insurance premiums to the next dollar (or more) and donating the difference to Income OrangeAid, our community development platform. In 2023, Income OrangeAid RoundUp raised over S\$260,000 and all proceeds went towards supporting the Income OrangeAid's Future Development Programme to support education for youths and children in need.

### Income Gives Back

Our staff volunteering programme, Income Gives Back, had close to 900 employees contributing to over 2,600 volunteer hours across 31 activities in the last quarter of 2023.

While employees align their volunteering activities with the Company's social impact focus areas, we also empower our employees to choose the causes they wish to support under Income Gives Back. As a result, our employees are more vested in their causes, making volunteerism more purposeful at the Company.

Our employees are also given three days of volunteer leave annually to participate in community initiatives that are organised or sponsored by the Company as we find participating in these initiatives fosters a greater sense of purpose and belonging among our employees.

FY2023	FY2022	FY2021
2,604	2,753	*
31	31	*

 Total number of volunteer hours | 2,604 | Number of activities organised by departments within Income Insurance | 31 |

\* Cancelled due to the pandemic



Teams from the Income Compliance, Corporate Affairs and Finance divisions organised several outings for seniors during which they interacted with the seniors to keep them mentally and physically active.



Teams from the Income Actuarial, Life and Health Ops and Health Strategy units showing their haul from cleaning up the beach at East Coast Park.



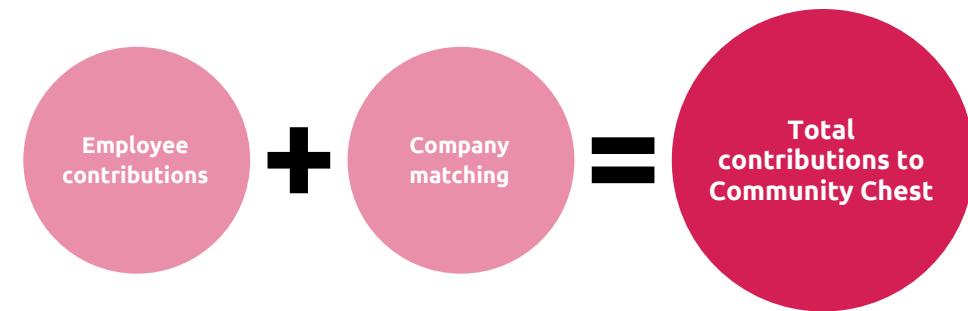
The Income Retail Financial Services team sorted and cleaned 1,500 pens to give these pens a new lease of life. Some 800 refurbished pens were given away to beneficiaries.

## Advocacy and Influencing Change

### Regular staff donation

Since 2021, our people have supported the fundraising initiative to extend Lunar New Year festivities to residents of Thye Hua Kwan (THK) Moral Home for the Disabled Eunos by way of donations via staff payroll. Over the last three years, our staff contributed close to S\$92,000 to the Home. These funds were used to purchase essential items such as nutritional supplements.

To promote a culture of giving at Income Insurance, our employees can also opt to make donations via monthly deductions from their payroll to the Community Chest. Under the SHARE as One programme, our employees' donations are matched dollar-for-dollar by the Company. In 2023, we were conferred the Charity Silver Award by the Community Chest.



	FY2023	FY2022	FY2021
Employee Contributions	<b>S\$51,296</b>	S\$47,361	S\$41,300
Dollar-For-Dollar Matched By Income Insurance	<b>S\$51,296</b>	S\$47,361	S\$41,300
Total Contributions	<b>S\$102,592</b>	S\$94,722	S\$82,600



## Managing Our Social Impact

# Capturing our impact on beneficiaries and society

We made a commitment in 2021 to invest S\$100 million towards supporting communities by 2030. To ensure that we channel our social investments to drive change, we must have a better understanding of our impact. We are cognisant of the complexity that comes with measuring the long-term effects of social interventions. Nevertheless, we are committed to sharpen our way of measuring and assessing our social impact so that we can continuously improve the way we contribute to society through our corporate citizenship activities.

Our Investments	Our Social Impact	Contributions to SDGs
<b>Income Family Micro-Insurance Scheme (IFMIS)</b>  Offers premium-free insurance protection to over 53,600 students in Financial Assistance Schemes	<ul style="list-style-type: none"> <li>Paid out S\$160,000 in claims to 32 families in 2023</li> </ul>	 <ul style="list-style-type: none"> <li>Supported SDG 4 on Quality Education: Target 4.1</li> </ul>
<b>Income OrangeAid Future Development Programme</b>  Disbursed S\$1.1 million in 2023 to provide bursaries and financial literacy workshops	<ul style="list-style-type: none"> <li>400 eligible students received bursaries and participated in workshops</li> <li>93% of awardees felt more supported financially</li> <li>93% of awardees were able to focus more on school and school-related activities</li> </ul>	 <ul style="list-style-type: none"> <li>Supported SDG 8 on Decent Work and Economic Growth: Target 8.6</li> </ul>
<b>Income OrangeAid RoundUp</b>  Customers' donation to Income OrangeAid (OA)	<ul style="list-style-type: none"> <li>More than S\$260,000 raised from customers rounding up their insurance premiums and donating the additional money to Income OrangeAid</li> </ul>	
<b>Health For Life Fund</b>  Donated S\$5 million in support of seniors' care needs	<ul style="list-style-type: none"> <li>Health for Life Fund has been able to provide financial assistance to 2,554 seniors who required care and continue offering nursing home services to families who needed support in 2023</li> </ul>	 <ul style="list-style-type: none"> <li>Supported SDG 3 Good Health and Well-Being: Target 3.8</li> </ul>
<b>Income Gives Back</b>  Close to 3,000 volunteering hours	<ul style="list-style-type: none"> <li>31 activities were carried out with close to 900 employee participants</li> </ul>	 <ul style="list-style-type: none"> <li>Supported SDG 17 Strengthen the Means of Implementation and Revitalise the Global Partnership for Sustainable Development: Target 17.17</li> </ul>
<b>Income Eco Run</b>  Invested S\$528,000 in organising mass run in support of zero-waste and sustainable living	<ul style="list-style-type: none"> <li>Close to 3,000 participants ran in support of zero-waste at Income Eco Run 2023</li> <li>Income Insurance pledged S\$1 for every kilometre clocked by run participants, raising S\$40,000 for green cause</li> <li>47% of participants ran in past Income Eco Run tees (saving 135 kg in 135kg shirt materials)</li> <li>No medals (saved 169Kg of materials)</li> <li>Avoided using close to 10,000 paper cups (participants used reusable cups)</li> </ul>	 <ul style="list-style-type: none"> <li>Supported SDG 12 Responsible Consumption and Production: Target 12.5</li> </ul>

## About This Report

# Showcasing our progress

**This report covers the combined environmental, social and governance (ESG) performance of Income Insurance between 1 January and 31 December 2023, unless otherwise stated.**



This report summarises the progress and achievements Income Insurance made in its sustainability journey over the reporting period. It also details the approach the Company's management took in executing its sustainability strategy in 2023.

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). As a signatory to the UN Global Compact (UNGC), we indicate our contributions to the United Nations Sustainable Development Goals (UN SDGs) where relevant.

These reporting standards are recognised globally and support performance comparability. 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

In 2022, we conducted an internal audit on the controls that we put in place for the collection of data and information. The same controls were relied upon for the preparation of this 2023 Sustainability Report. 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

More information about our financial performance can be found in our [Annual Report](#) for the financial period from 1 July 2022 to 31 December 2023.

This one-off long accounting period is due to the corporatisation exercise and serves to align the Company's financial period to the calendar year. On 19 December 2022, the Company obtained approval from the Accounting and Corporate Regulatory Authority to change its financial year end from 30 June to 31 December. The change of financial year results in the second financial year covering period from 1 July 2022 to 31 December 2023.

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](mailto:sustainability@income.com.sg).

### Headquarters

75 Bras Basah Road, Income Centre  
Singapore 189557

Income Insurance is a Singapore-based company.

## GRI Standards Content Index

<b>Statement of use</b>	: Income Insurance has reported in accordance with the GRI Standards for the period 1 January to 31 December 2023
<b>GRI 1 Used</b>	: GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	: Not applicable

GRI Standard Disclosure	Indicator	Report Section(s) Reference/Supplementary Information
2-1	Organisational details	About Income Insurance Limited
2-2	Entities included in the organisation's sustainability reporting	About This Report
2-3	Reporting period, frequency and contact point	About This Report
2-4	Restatements of information	About This Report
2-5	External assurance	About This Report
2-6	Activities, value chain and other business relationships	About Income Insurance Limited
2-7	Employees	Nurturing an Engaged Workforce
2-8	Workers who are not employees	We have 434 workers who are not employees, consisting of outsourced and sub-contracted staff
2-9	Governance structure and composition	Managing and Embedding Sustainability; Embedding Effective Corporate Governance
2-10	Nomination and selection of the highest governance body	Managing and Embedding Sustainability
2-11	Chair of the highest governance body	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 and Embedding Sustainability
2-13	Delegation of responsibility for managing impacts	
2-14	Role of the highest governance body in sustainability reporting	
2-15	Conflicts of interest	Refer to Supplementary Information  The directors disclose any conflicts of interest as and when they become aware of the conflict of interest. They are required to complete an annual declaration under the Related Party Transaction Policy. On a quarterly basis, the management reports any identified significant related party transactions to the Audit Committee and the Board and these transactions are reviewed accordingly. Directors with conflicts of interest recuse themselves from discussions and decisions involving issues of conflict.
2-16	Communication of critical concerns	Managing and Embedding Sustainability; Embedding Effective Corporate Governance

## GRI Standards Content Index

GRI Standard Disclosure	Indicator	Report Section(s) Reference/Supplementary Information
2-17	Collective knowledge of the highest governance body	Managing and Embedding Sustainability; Embedding Effective Corporate Governance
2-18	Evaluation of the performance of the highest governance body	
2-19	Remuneration policies	Please refer to the Annual Report 2023 for our remuneration policy
2-20	Process to determine remuneration	
2-21	Annual total compensation ratio	Refer to Supplementary Information After careful consideration, the Board has decided not to disclose information on the Company's annual total compensation ratio for confidentiality reasons
2-22	Statement on sustainable development strategy	Foreword; Our Sustainability Strategy
2-23	Policy commitments	Tracking Our Progress; Managing and Embedding Sustainability
2-24	Embedding policy commitments	
2-25	Processes to remediate negative impacts	Managing and Embedding Sustainability; Embedding Effective Corporate Governance
2-26	Mechanisms for seeking advice and raising concerns	
2-27	Compliance with laws and regulations	No fines or non-monetary sanctions were incurred in FY2023
2-28	Membership associations	About Income Insurance Limited
2-29	Approach to stakeholder engagement	Engaging Our Stakeholders
2-30	Collective bargaining agreements	Nurturing an Engaged Workforce – Collective Bargaining
3-1	Process to determine material topics	Identifying Issues That Matter
3-2	List of material topics	
3-3	Management of material topics	Addressing Social Needs
203-1	Infrastructure investments and services supported	Innovating Inclusive Products and Solutions – Enabling Sustainable Value-Based and Outcome-Driven Healthcare
203-2	Significant indirect economic impacts	Addressing Social Needs
3-3	Management of material topics	Our Approach to Achieving Environmental Resilience

## GRI Standards Content Index

GRI Standard Disclosure	Indicator	Report Section(s) Reference/Supplementary Information
305-1	Direct (Scope 1) GHG emissions	Engaging in Sustainable Investment; Building Sustainable Operations
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
305-6	Emissions of ozone-depleting substances (ODS)	Due to the nature of our business, the discharge of ozone-depleting substances (ODS), as well as nitrogen oxides (NO <sub>x</sub> ) and sulfur oxides (SO <sub>x</sub> ), is minimal and is therefore not disclosed in this report.
305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	
3-3	Management of material topics	Fostering a Learning Culture
404-1	Average hours of training per year per employee	
404-2	Programs for upgrading employee skills and transition assistance	
404-3	Percentage of employees receiving regular performance and career development reviews	<p>By gender</p> <ul style="list-style-type: none"> <li>Female: 97% of eligible permanent headcount</li> <li>Male: 97% of eligible permanent headcount</li> </ul> <p>By employee category</p> <ul style="list-style-type: none"> <li>Senior management: 88% of eligible permanent headcount</li> <li>Middle management: 92% of eligible permanent headcount</li> <li>Staff: 99% of eligible permanent headcount</li> </ul>
3-3	Management of material topics	Embedding Effective Corporate Governance
417-1	Requirements for product and service information and labelling	We ensure the labelling of our products is aligned with regulatory requirements for financial products and actively incorporate ESG considerations in the development and provision of our products and services
417-2	Incidents of non-compliance concerning product and service information and labelling	Embedding Effective Corporate Governance – Fair and Transparent Advice and Engagements
417-3	Incidents of non-compliance concerning marketing communications	
3-3	Management of material topics	Embedding Effective Corporate Governance – Cybersecurity and Data Protection
418-1	Substantiated complaints concerning breaches of customer privacy	

## TCFD Index

TCFD Pillar/Recommendation	Report Section(s) Reference
<b>Governance: Disclose the organisation's governance around climate-related risks and opportunities</b>	
a) Describe the Board's oversight of climate-related risks and opportunities	Managing and Embedding Sustainability; Understanding Climate Risks and Opportunities
b) Describe management's role in assessing and managing climate-related risks and opportunities	
<b>Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material</b>	
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	Understanding Climate Risks and Opportunities
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Understanding Climate Risks and Opportunities; Engaging in Sustainable Investment; Innovating Sustainable Solutions
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Understanding Climate Risks and Opportunities
<b>Risk management: Disclose the processes used by the organisation to identify, assess and manage climate-related risks</b>	
a) Describe the organisation's processes for identifying and assessing climate-related risks	Understanding Climate Risks and Opportunities
b) Describe the organisation's processes for managing climate-related risks	Understanding Climate Risks and Opportunities; Engaging in Sustainable Investment; Innovating Sustainable Solutions
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Understanding Climate Risks and Opportunities
<b>Metrics and targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</b>	
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Understanding Climate Risks and Opportunities; Engaging in Sustainable Investment – Climate Metrics and Targets of Investment Portfolio; Building Sustainable Operations
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Tracking Our Progress; Engaging in Sustainable Investments – Climate Metrics and Targets of Investment Portfolio

