

Building *Inclusive Futures*

PRUDENTIAL SINGAPORE

SUSTAINABILITY REPORT 2024

Good governance and responsible business practices



Our dedication to good governance is foundational to our long-term success, ensuring that we act with integrity, transparency and accountability in all our operations.

This section outlines our governance approach across sustainability, ethics, anti-bribery and corruption, customer Fair Dealing, data privacy, and artificial intelligence.

GAURAV BHALLA

Chief Risk Officer



Corporate Governance

Our corporate governance framework is designed to ensure accountability, effective risk management and stakeholder engagement, with a strong focus on long-term value protection and creation. Due to our robust risk policies, control environment and strong corporate governance practices, Prudential Singapore had no significant instances of non-compliance with laws and regulations during the current reporting period.

The key elements of our corporate governance framework include:

Clear policies for Board composition, director independence and succession planning.

For more details on our governance structure and Board-level corporate governance, please refer to the *Annual Report*.

Regular Board and management committee meetings to review business performance and key risks.

Our Risk Committee convenes quarterly to review risk exposures and management practices across our company to ensure we are properly identifying and managing both fundamental and evolving risks.

Our Group-wide Internal Audit (GwIA) team independently evaluates our risk and internal control measures to determine their effectiveness and suggest improvements.

Transparent disclosure of governance practices and business performance.

Our Group Governance Manual (GGM), applicable to all employees including contingent workers, covers our interactions with customers and suppliers as well as measures taken to prevent financial crime. It incorporates the Group Code of Conduct which outlines the fundamental principles and values guiding our business practices.



Our Risk and Compliance colleagues ensure employees comply with all relevant policies by cultivating a responsible risk culture

Sustainability Governance

To ensure focus on and accountability to sustainability, we have set sustainability-linked KPIs for the Core Leadership Team (CLT), including the CEO and CFO. Additionally, sustainability is integrated into Board and management-level committees through dedicated sustainability committees and regular inclusion in meeting agendas. This ensures sustainability is a core consideration in decision-making and that there is clear accountability at the highest levels.



Board-level		
Management bodies	Roles and responsibilities	Chair
Prudential Singapore Board of Directors	<ul style="list-style-type: none"> Provides oversight on the development and implementation of our sustainability initiatives. Provides guidance and direction on sustainability matters and delegates responsibilities to management accordingly. Reviews and approves our sustainability reporting disclosures. Receives annual training on sustainability-related topics. 	Non-Executive Director
Board Risk Committee	<ul style="list-style-type: none"> Monitors the exposure and management of sustainability-related risks. Provides oversight on the Environmental Risk Management framework. 	Non-Executive Director

Management-level

Management bodies	Roles and responsibilities	Membership	Frequency
Risk Committee	<ul style="list-style-type: none"> Reviews the adequacy and effectiveness of Prudential Singapore's risk management framework and policies, including credit risk, market risk, insurance risk, liquidity risk, operational risk and environmental and climate risk. Assesses key risks, emerging risks and regulatory developments which could have material or significant impact on Prudential Singapore's risk profile. Assesses risk exposures against Prudential Singapore's financial and non-financial risk appetite statements or limits, including the effectiveness of mitigation actions and controls undertaken by business units. Exercises oversight and monitoring of Prudential Singapore's outsourcing risks via the Outsourcing Governance Committee. Reviews Prudential Singapore's internal and external incidents, as well as any material findings from regulatory inspections. 	<ul style="list-style-type: none"> Chief Risk Officer (Chair) Chief Executive Officer Chief Financial Officer Chief Operating Officer Chief Distribution Officer Chief Information Technology Officer 	Quarterly
Ethics and Sustainability Committee	<ul style="list-style-type: none"> Reviews policies and procedures related to ethics. Provides oversight on Prudential Singapore's Ethics and Conduct Risk framework. Oversees the implementation of Prudential Singapore's Ethical AI framework. Provides direction and oversight of our sustainability strategy and implementation. Reviews sustainability reporting information, including climate-risk disclosures. Reviews and approves materiality assessments on a bi-annual basis. 	<ul style="list-style-type: none"> Chief Executive Officer (Chair) Chief Human Resources Officer Chief Risk Officer Chief Distribution Officer Head of Ethics Head of Sustainability 	At least quarterly
Sustainability Working Group	<ul style="list-style-type: none"> Drives the integration of sustainability across the company. Monitors progress of sustainability targets 	Heads of: <ul style="list-style-type: none"> Sustainability (Chair) Investment Culture & Diversity, Inclusion and Belonging Outsourcing and Third Party Risk Management Community Investment 	At least quarterly
Investment Committee	<ul style="list-style-type: none"> Assists the Board in their responsibility for exercising oversight over the investment management activities of Prudential Singapore. Oversees the strategy, performance, operation and risk of all Investment Funds maintained by Prudential Singapore to ensure the Company meets its investment objectives. Manages the implementation of the Prudential Singapore Investment Policy, Group Investment Policy and Group Responsible Investment Policy. 	<ul style="list-style-type: none"> Head of Investment (Chair) Chief Executive Officer Chief Financial Officer Chief Risk Officer Chief Actuary Appointed Actuary 	At least quarterly

Ethics

Ethics is at the heart of our business conduct. We are committed to maintaining the highest ethical standards, fostering trust and respect among all our stakeholders. Our [Code of Ethics](#) guides employees and financial representatives on ethical behaviour and decision-making, covering areas such as conflicts of interest, fair treatment and respect for diversity. In 2024, we updated our Code to align with our new values, The PruWay, reinforcing our ethical commitments by ensuring our values and actions are always connected. We also expect high ethical standards from our business partners, as outlined in our [Supplier Code of Conduct](#).

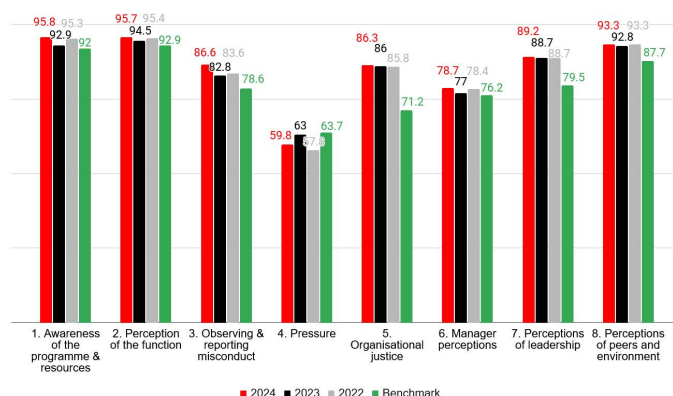
Since 2019, we have conducted an annual Ethical Quotient Questionnaire (EQQ, previously known as Ethical Culture Survey) with our employees to assess the impact of our ethics initiatives. In 2024, Prudential Singapore achieved a score of 88.4, surpassing the benchmark score of 83.2 for companies of comparable size and revenue.



Our Ethics team explores the PruWay value “We Respect and Care for One Another” during the PruXperience event



Four recipients of the Ethics & Conduct Award, with Chief Human Resources Officer Neetha Nair and Chief Agency Officer Rom Lee



83.2 Benchmark Overall Survey Score

88.4 2024 Overall Survey Score

87.1 2023 Overall Survey Score

87.4 2022 Overall Survey Score

We continue to conduct ethics training for our employees and financial representatives, including new joiners, to address topics of concern identified by the EQQ and reinforce the importance of ethical conduct to support a workplace culture that values transparency, fairness and accountability.

Our ethics initiatives include:

- Regular newsletters and bespoke campaigns like ‘In Conversation with Ethel,’ which encourages navigating ethical dilemmas and recognising ethical behaviour.
- Engaging colleagues via the Ethical Dilemma Cards game and the Gratitude Box to promote care and respect.
- The Prudential Singapore Ethics & Conduct Award which recognises agency leaders and financial representatives who exhibit strong ethical behaviour. The Ethics & Conduct Committee celebrated our new award recipients in July 2024.

We have a robust system for responding to allegations of misconduct which are handled timely through established processes. Employees and financial representatives are encouraged to report misconduct through our local #DORight channel and the global Prudential Speak Out channel. Our Non-Retaliation Policy supports a safe reporting environment by taking a zero-tolerance approach to retaliatory behaviour. Ethics Advisers, a group of employee volunteers, promote ethical practices and support colleagues facing ethical dilemmas. By embedding ethics into every aspect of our operations, we ensure a trustworthy environment for all our stakeholders.

Our Code of Ethics guides employees and financial representatives on ethical behaviour and decision-making, covering areas such as conflicts of interest, fair treatment and respect for diversity.

Anti-Bribery and Corruption (ABC)

Prudential Singapore maintains zero tolerance for bribery, corruption and unethical business practices. Our Group Financial Crime Policy¹ is designed to prevent, detect and address any form of bribery and corruption within our operations. In 2024, no incidents of bribery or corruption were reported and no significant risks related to corruption were identified as part of the annual ABC Risk Assessment.

Financial crimes can disrupt the company, causing financial losses and serious reputational and legal risks. We have implemented robust preventive measures, including:

- An annual enterprise-wide ABC Risk Assessment which is reviewed and approved by the Board of Directors.
- Quarterly reporting of ABC-related metrics to the Risk and Audit Committees for accountability.
- Utilisation of the StarCompliance platform for submitting declarations and obtaining approvals for better management of Conflicts of Interest (COI) as well as Gifts and Hospitality (G&H).

Our policy extends to third parties such as suppliers, financial representatives and partners. We consistently communicate our expectations, making sure that they adhere to the highest standards of conduct. We also provide mandatory annual training for all employees and financial representatives to educate them on their responsibility in preventing and reporting bribery and corruption. Additionally, employees in high-risk roles, such as

claims adjudication, payment authorisation or decision-making positions, must attend advanced ABC training. This training equips them with the knowledge to identify and manage ABC risks in complicated or sensitive situations. A consequence management framework is in place for non-completion of such trainings.

Customer Fair Dealing

We are dedicated to treating our customers fairly and with respect. Our customer Fair Dealing practices focus on providing clear, accurate and transparent information, enabling informed decision-making. We ensure that products and services meet the diverse needs of our customers and are sold in a responsible manner, in line with our Fair Dealing Charter and the MAS Guidelines on Fair Dealing.

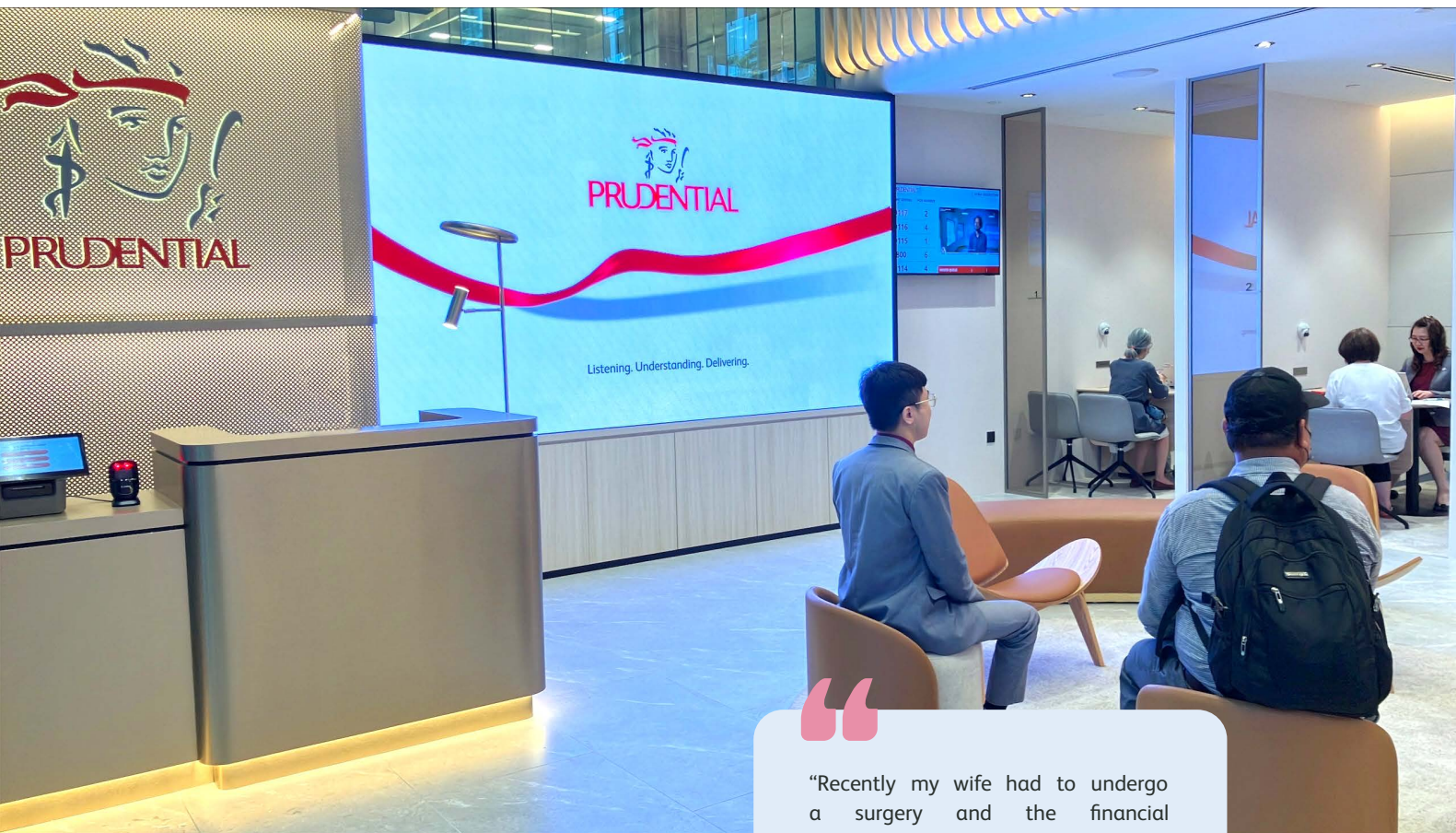
The Fair Dealing Committee (FDC), led by the Head of Customer Experience (CX), ensures Fair Dealing outcomes and compliance with regulatory standards. Reporting to the CEO CX Forum, the FDC is also responsible for increasing awareness of Fair Dealing within the organisation.

In 2024, we introduced games such as '2 Truths and A Lie' and 'This or That' to boost internal awareness and understanding of Fair Dealing. Additionally, we conduct mandatory Fair Dealing training for employees and financial representatives during onboarding and annually as part of ongoing education. The Board reviews the results of these initiatives annually to ensure sufficient focus and resources are dedicated to promoting Fair Dealing outcomes at Prudential Singapore.



Head of Customer Experience Luzanne Chong hosts a fireside chat on building a best-in-class customer experience (CX) during our annual CX Week event

¹ Previously known as Group Anti-Bribery and Corruption Policy.



Our customer service team provides support through a variety of platforms, including the customer service centre

Enhancing customer satisfaction and managing complaints

Customer satisfaction is everyone's responsibility. We collaborate to address complaints, improve processes and resolve issues. In 2024, we integrated customer feedback and common complaint issues into the training materials for our financial representatives. Additionally, we implemented enhanced monitoring measures on financial representatives who receive a substantiated complaint related to service standards.

To increase customer satisfaction, we launched an initiative to personally contact customers who provided negative feedback through our PRUVoice platform. Our team, including members of our leadership team, spoke with these customers individually to understand their concerns and find out how we can improve. In 2024, our net promoter score (NPS) improved across purchasing, servicing and claims customer touchpoints. For the second year in a row, we were named Singapore's Best Customer Service for insurance by The Straits Times and Statista survey, based on over 10,000 respondents across 1,900 brands in 99 categories.

"Recently my wife had to undergo a surgery and the financial representative was there to guide us through the [claim] processes, answer our queries and clear our doubts. He is knowledgeable, updated and an invaluable asset of your company."

Mr Thurairajah, via Email

(Customer feedback, Agency Force)

"Your service is fair and unbiased, with the interest of the customer at heart. That itself exemplifies the reputation of Prudential as a leader in the industry."

Mr Eddy, via Email

(Customer feedback, Customer Resolution)

"I deeply appreciate the time and effort your team has invested in reviewing my case and considering the circumstances I presented. This resolution reflects Prudential's commitment to customer satisfaction, and it reinforces my confidence in your organisation."

Ms Rowena, via Email

Data Privacy and Protection

We remain committed to safeguarding customer privacy and ensuring secure data management, as failure to protect personal information can erode trust and negatively impact our business. This year, Prudential Singapore attained the ISO 27001 certification and will conduct continuous assessments to maintain it.

We have established a robust framework to identify, detect and mitigate digital risks. This framework is supported by comprehensive policies on data protection, data privacy and information security.



Data protection and data privacy framework

Data protection policy	<ul style="list-style-type: none"> ▪ Outlines the specific requirements, roles, and responsibilities to ensure compliance and alignment with Singapore's Personal Data Protection Act (PDPA). ▪ Adheres to the latest regulatory requirements set forth by the Personal Data Protection Commission (PDPC).
Privacy Impact Assessment	<ul style="list-style-type: none"> ▪ Identifies and manages privacy risks in new and existing processes. ▪ Reviews how these processes may affect the privacy of individuals whose personal data are being processed.
Data breach management	<ul style="list-style-type: none"> ▪ All breaches are managed by our incident reporting group and reported to the Risk Committee and regulator when necessary. ▪ The Risk Committee escalates material matters to the Board Risk Committee, which oversees technology risk.
Information security	<ul style="list-style-type: none"> ▪ All employees are required to attend a mandatory data protection awareness training. ▪ We regularly communicate regulatory requirements and best practices to our financial representatives, who must undergo an annual Technical Knowledge Assessment. ▪ We conduct monthly phishing exercises, cyber-attack simulations, training for new joiners and an annual refresher training for all employees. ▪ Employees who do not pass the phishing exercise will need to attend re-training. All re-trainings for the phishing exercise have been completed as of January 2025.

In 2024, we reported 13 cases of identified leaks, thefts, or losses of customer data to the PDPC. For each case, we conducted internal investigations and implemented remedial actions to prevent similar incidents. We took immediate corrective actions to resolve all complaints concerning breaches of customer privacy.

Artificial intelligence and machine learning governance

As Prudential Singapore increasingly incorporates artificial intelligence (AI) and machine learning (ML) technologies into our operations, we are committed to ensuring our solutions are designed, developed and deployed in a responsible, trustworthy and ethical manner. This includes ensuring that AI and ML systems fulfil the [Fairness, Ethics, Accountability, and Transparency \(FEAT\) principles stipulated by the MAS](#) to mitigate risks such as algorithmic bias and discrimination.

Prudential plc's eight AI ethics principles continue to guide our actions and decisions regarding the use of AI. In 2024, they were updated to address the specific challenges and opportunities posed by Generative AI. We have developed a set of guidelines for Generative AI in a way that respects human dignity, values and rights.

Our AI and ML governance approach includes:

Adherence to industry best practices for responsible AI use and data ethics

- PruSafeAI is an internal framework that ensures adherence to the FEAT principles, in the design and development of responsible AI systems.
- Since early 2024, we have also extended PruSafeAI to incorporate the GenAI governance framework proposed by AI Verify Foundation and Infocomm Media Development Authority (IMDA).

Clear accountability and oversight for AI and ML projects

- AI and ML projects undergo rigorous assessment and multiple approvals, including reviews by the AI Working Group at Group and Prudential Singapore.

Building the Future of Insurance with AI

Leveraging our skills and expertise, Prudential AI Lab turns ideas into reality and develop scalable AI solutions.

Our Strategic Focus



Collaborative Innovation

The Prudential AI Lab is partnering schools, start-ups, industry and tech experts to create an impactful ecosystem. It will also build AI knowledge and talent within Prudential and the community.

Interested in collaborating with us to solve business challenges?

Prudential Singapore's Chief Information Technology Officer Tomasz Kurczyk presents our AI Lab at Singapore Fintech Festival 2024. The Lab aims to build scalable AI solutions to drive impact in insurance.

To maximise the potential of AI in transforming our operations, we launched MedLM, a powerful language model developed by Google, which enables us to approve and pay out claims more quickly, ensuring a smooth experience for our customers. MedLM is also instrumental in increasing the rate of automation for claims review and improving accuracy of claims decision.

We continue to invest in developing and applying AI responsibly, making sure that these technologies align with our commitment to ethical standards, customer trust and regulatory compliance. For more information, you may refer to Prudential plc's [Responsible AI statement](#).