Sustainability Report 2025

MSIG Insurance (Singapore) Pte. Ltd.

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Governance

Providing an update on ESG is stated as one of the objectives in the Risk Management Committee's Term of Reference.

An update on ESG is presented to the Senior Leadership Team during quarterly Risk Management Committee meetings and presented to Board of Directors during quarterly Board of Director meetings.

Strategy

Identification of Topics

Our Head Office has identified 3 key social challenges in which the company can make a difference, and they are: (1) Planetary Health, (2) Safe and secure society (Resilience), and (3) Happiness of diverse people (Well-being)

To address these challenges, we have established a five-pronged strategy that guides our efforts in sustainability. (See Diagram on the right)

The following topics have been identified as fundamental to our business operations and encourage holistic thinking as we develop future strategic plans in line with the five-pronged sustainability strategy

Sustainability Topics Material to MSIG

Business Model
- Customer Service
- Innovation
- Insurance Access & Affordability
- Investment Practices
- Sustainable Products & Services

Environment
- Biodiversity
- Climate Action
- Climate Risk Management

Social
- Diversity, Equity & Inclusion
- Employee Engagement
- Employment Practices
- Community Impact
- Human Rights

Governance
- Cybersecurity
- Regulatory Compliance
- Responsible Marketing & Branding
- Data Privacy

Sustainability Topics Material to MSIG

MSIG Sustainability Strategies to Address Topics

1 Achieve Net Zero carbon emissions

As a financial institution, we recognise our role in enabling economic activities and their associated carbon emissions which cause climate change. Hence, we strive to achieve Net Zero carbon emissions in our operating, insurance and investment portfolios by 2050.

2 Build resilient insurance and investment portfolios

Our ability to service our customers depends on the resilience of our insurance and investment portfolios in a volatile external environment. Hence, we adopt a risk-based approach which also considers climate change risks in our portfolio management.

3 Make positive impact with our products, services & investments

To enhance our society's quality of life, we endeavour to make a positive impact on our communities through insurance products and investments that address societal needs and challenges.

4 Drive a sustainability culture

Our employees are key to integrating sustainability within our business. We have in place various employee engagement initiatives to educate and inspire employees to participate in its sustainability efforts, including Lunch-and-Learn sessions on climate change, nature appreciation events and biodiversity awareness, employee recognition on contributions aligning with our core values and townhalls to engage and inform employees on business topics that are material to the organisation.

5 Collaborate for the CSVs

We recognise that no one will be able to achieve sustainability objectives alone, hence pointing to the need to collaborate.

Of the 17 topics identified above, the top 5 which are most material to MSIG in Singapore based on stakeholder materiality and credit materiality are: Customer Service, Climate Risk Management, Cybersecurity, Regulatory Compliance and Data Privacy.

Customer Service

As part of our digital transformation, we have fully digitalised our policies for customers' ease of access online. Our online platform offers a channel for our customers to purchase our policies, and chatbot and hotline to attend to their queries. Our service centre serves customers who prefer physical transactions. This is particularly relevant for senior citizens who do not have access to our digital services. As Singapore moves towards more e-payments, we believe overtime, most people will use digital platforms instead.

For some of our Personal Lines policies, we allow our customers to pay their premiums monthly. We have an easy claims payment system where our customers can receive their claims payment via FAST (bank transfer) or PayNow.

We believe that customer feedback is an important lever for us to improve our customer service. We have a feedback management process and a service quality team to monitor and manage customer feedback promptly. A customer feedback report is generated monthly for the purpose of analysing complaint trends, cases and tracking of follow-up actions. A Customer Centricity Council has also been set up as a primary advocate for customers within the organization and ensures that strategic and operational decisions prioritize and align business needs with customer needs and expectations.

Climate Risk Management

Climate risk management is important to protecting assets, ensuring financial stability, maintaining reputation and stakeholder trust. By effectively managing and quantifying climate risks, we can navigate the challenges of climate change and be poised for long-term success in a changing world.

The climate risk appetite and tolerance is also subsumed under the overall Risk Appetite Framework for MSIG Singapore following the standard definitions.

The Risk Appetite Framework, which includes climate risk, is reviewed and approved annually by the Senior Leadership Team and the Board of Directors. This framework is supported by a three-tiered Lines of Defence model.

- The first line of defence involves the integration of climate risks into the company's underwriting, claims, and investment processes.
- The second line of defence monitors the implementation of the climate risk framework and includes challenging practices and decisions where appropriate.
- The third line of defence is an independent review of the robustness of the overall risk management framework, including climate risk.

Annually, as part of the Own Risk and Solvency Assessment exercise, a climate stress scenario is performed, focusing on acute physical risks. The exercise results underscore the importance of having adequate reinsurance in place to protect ourselves against accumulation events, such as floods.

Another aspect of climate risk management is the mitigation of climate change impacts in our investment portfolios.

We monitor the emissions intensity of the investment portfolio, managed by one of the external fund managers, on a quarterly basis. The external fund manager also engages with investee companies to improve their emissions performance

For our insurance portfolio, we are building capacity to provide insurance in support of the Singapore government's initiative to advance the nation's sustainable development. These include coverage for electric vehicles and upgrading to energy-efficient home appliances.

In addition, we are also collaborating with a Managing General Agent to provide insurance coverage for renewable energy projects as part of our growth strategy.

Cybersecurity

Cybersecurity is crucial for credit materiality as disruptions to operations may lead to substantial losses from ransom payments, damage to public trust, business decline, and regulatory fines. The company focuses on holistic service availability and robust data protection as an organisation. Concerns around cybersecurity in itself presents an opportunity for the company to also offer insurance protection that are needed by customers.

The company has a policy (D-1 IT Governance) and Critical System Framework to govern cybersecurity practices. Cybersecurity is one of the key identified risks, and is hence monitored quarterly and presented in the Risk Management Committee. The senior management team is also regularly updated on evolving cybersecurity risks posed by AI as part of a technological trends update during monthly senior management team meetings.

All staff are required to use Windows Hello, a biometric authentication feature that supports facial recognition, fingerprint scanning, and PIN entry. This added layer of protection enhances defences against unauthorised access.

The company performs security updates to systems periodically to plug in any vulnerability gaps that were discovered. Staff are trained on cybersecurity compliance. The IT department regularly send emails to educate and inform staff of the latest cyber threats and remind them of ways to protect themselves and our business.

Every quarter, phishing emails simulations are executed to improve cyber resilience to ensure the organisation is functioning in a safe environment. The results from the simulation efforts are measured by Susceptibility Rate and Reporting Rate (via an inbuilt button within Outlook to report phishing) and compared across the region. Remedial actions are taken to improve our year-on-year results. Frequent awareness emails are sent to staff to guide and remind them on how to recognize phishing risks and the appropriately respond.

The company has a Business Continuity Plan to ensure business resilience when a cyber incident happens and it conducts annual cyber-attack simulations on its systems to test the ability to recover.

Given that cybersecurity is an area of concern for the company's clients, the company also offer cyber insurance products.

Regulatory Compliance

At MSIG, we are working towards enhancing the business' sustainability agenda, especially since this is a material concern for our stakeholders. The landscape of sustainability regulatory compliance field is complex with numerous jurisdictions involved. Our goal is to manage the company's reputation by ensuring we are compliant with the regulations and legislations pertaining to sustainable development and we remain updated on the latest regulatory changes around the topic of sustainability.

Controls to mitigate this regulatory risk include: (a) Establishing and sharing of legal matrix to all heads of departments; (b) emphasising and educating all staff on importance of statutory and regulatory matters; (c) onboarding training for new staff and refresher training for current staff; (d) messages from top management.

Material risks such as risk of breach of Personal Data Protection Act (PDPA) breaches and corresponding controls are monitored and presented quarterly during Risk Management Committee meetings.

Our Regional Sustainability Taskforce members and Climate Change Controllers are regularly updated on regulatory developments surrounding sustainability disclosures.

Data Privacy

The company views data privacy protection with great importance as it directly impacts the personal information of its stakeholders. It is cognisant of the severity of data breach incidents and constantly upskills employees to ensure the safety of customers' data and business information.

The commitment to data protection starts from the tone from the top and is cascaded to the whole organisation.

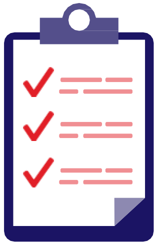
To protect data from unauthorised access, the company encrypts its communications channels and update devices to the latest firmware to plug in any vulnerability gaps that were discovered.

A Personal Data & Privacy Policy is in place and the company also has a policy on information security which covers the availability and confidentiality of information and the integrity of information.

The company trains its staff to protect data from unauthorised access through phishing exercises. This improves cyber resilience and ensures that the organisation is functioning in a safe environment. The results from the simulation efforts are measured by Susceptibility Rate and Reporting Rate and compared across the region. Remedial actions are taken to improve our year-on-year results.

The company also extends its data privacy standards to third party vendors who have access to customers' data and business information due to the nature of their service, to raise awareness of laws concerning data privacy.

How Sustainability Strategies are Embedded into Business Model



Underwriting

MSIG Singapore's underwriting strategy aims for stability by managing the insurance cycle properly and by underwriting the right risks and pricing them appropriately.

In addition to activities aimed at reducing volatility in underwriting results, processes are established to ensure that the correct discipline is in place to ensure that underwriting strategy is properly applied by the appropriate personnel, with authority delegated based on the company's underwriting guidelines.

Aligned with Sustainability Strategies 2 and 3 above, our underwriting guidelines incorporate sustainability considerations as well such as restrictions on providing insurance coverage for coal-fired power plants, oil-sands mining and inhumane weapons manufacturers. Additionally, we promote environmentally-friendly insurance products such as enhanced motor insurance products with bespoke benefits for electric vehicles owners and providing coverage for homeowners up to a certain value to upgrade to energy-efficient home appliances after loss or damage.

To address changing societal needs and challenges, we have enhanced our travel insurance product offerings to cover stable pre-existing medical conditions and expanded our personal accident insurance to cater to different life stages and lifestyle needs. We are also collaborating with a Managing General Agent to provide insurance coverage for renewable energy projects as part of our growth strategy.

In claims management, we prioritise local service providers where possible and incentivizes motor workshops to repair rather than replace in a bid to reduce carbon emissions.

To mitigate acute physical climate risks, we purchase reinsurance in line with our guidelines and monitor natural catastrophe exposures.

Travel insurance customers under TravelEasy, TravelEasy Pre-Ex and TravelEasy Flex plans purchased on or after 1st March 2026 and who are inconvenienced by flight delays, will be able to enjoy complimentary access to airport lounges worldwide if the flight is delayed by 90 minutes or more.

Investment

In line with Sustainability Strategies 2 and 3 above, Investment procedures are in place to ensure investment funds are managed in the most effective manner to provide the optimal investment return, while minimising the risks arising from investment activities.

The focus of investment activities is on maintaining a balance between risks and returns, in order to ensure stable profits and promote stable growth of net asset value over the medium and long terms.

Investments and loans should not be made to countries designated as specific countries in the MSIHO's operational guidelines for anti-money laundering and combating the financing of terrorism.

From the perspective of human rights issues, no investments or loans should be made to anti-personnel weapon manufacturers specified by the Holding Company such as cluster munitions that may kill large numbers of people at once and biological and chemical weapons, and anti-personnel mines that may cause indiscriminate mass killing. The company will carefully determine whether or not to make investments in the businesses which may violate human rights of indigenous people or local communities, while taking into account the businesses' consideration for the environment and society.

From the perspective on challenges related to addressing climate changes, no new investments or loans should be made for

A. new coal-fired power plants

B. existing coal-fired power plants nor make

C. new investments in developing and managing steam coal mines. However, in cases where decarbonizing technologies and techniques toward achieving the Paris Agreement targets are incorporated, investments for B & C may be handled after careful consideration.

Currently, the company is working with its external fund managers in aligning the corporate bond portfolio and equity portfolio that it manages with the company's corporate goals on climate and biodiversity, where, with one of the external fund managers:

The aim is to reduce 25% in greenhouse gas emissions intensity in the corporate bond portfolio and equity portfolio that the external fund manager manages by the end of calendar year 2025, using the end of calendar year 2021 as the base year.

And for the external fund manager to conduct enhanced due diligence on issuers where land and biodiversity risk have been marked as a material issue; and/or issuers that derive significant (>30%) revenue from operations in industries exposed to biodiversity risk (based on the mapping of the Global Industry Classification Standards – GICS sub-industry) to Sustainable Development Goals 14 and 15.

The corporate bond portfolio and equity portfolio managed by the external fund manager shall not invest in tobacco producers or in companies involved in controversial weapons.

With another external manager, the company aims to reduce 25% in greenhouse gas emission intensity in the non-government bond portfolio by the end of calendar year 2025, using end of calendar year 2022 as the base year.

Greenhouse Gas Reduction of own operational activities

In line with Sustainability Strategy 1, MS&AD Group has set a target of reducing greenhouse gas emissions by 50% by FY 2030 (compared to FY 2019 levels) and achieving Net Zero by FY 2050. In accordance with the Group targets, MSIG Singapore has set out its GHG emissions reduction plan with regard to its own operational activities from now till 2030, focusing on reducing electricity usage of its office premise and reducing usage of leased gasoline cars.

Where reducing electricity usage of its office premise is concerned, with flexible working arrangements and desk-sharing, office space is reduced as compared to 2019. Ongoing efforts are underway to reduce the number of devices for example printers, optimizing power-management of laptops to the lowest energy consumption possible and setting timers to heating/cooler devices such as water dispensers.

Where reducing usage of leased gasoline cars is concerned, MSIG Singapore has leased less cars in 2025, as compared to 2024 and where practical, to reduce car usage of physical meetings in favour of virtual meetings.

Driving Sustainability Culture

In line with Sustainability Strategies 4 and 5, We believe in involving our staff driving a sustainability culture and more impactful changes for a greener future.

Employees:

In 2025, we organized various activities and lunch-and-learn sessions to raise staff awareness and knowledge in sustainability.

For example:

We organized an electronic waste recycling drive in January and December.

Coinciding with the national Go Green SG – a nationwide initiative led by the Ministry of Sustainability and the Environment to promote sustainability, we organized in-office activities such as upcycling workshop, a lunchtime webinar on eco-tourism, and quizzes on sustainability topics.

In Q3, we organized a Lunch-and-Learn webinar conducted by our MGA partner on the reinsurance and underwriting aspects of renewable energy infrastructure

In October, we organized Sustainable Fashion workshops covering topics such as using press nails and making miniature art using clay and upcycled materials.

On a quarterly basis, ESG newsletters are being sent out to all staff to build ESG awareness. Examples of topics covered in these newsletters are the latest ESG-related developments in the news, commonly-used ESG terminology and ESG-related insurance products such as parametric insurance solutions and carbon project failure insurance.

Driving Sustainability Culture

Eco-Office Certification

In 2025, as part of our efforts to achieve Sustainability Strategy 1, We were awarded the "4-Leaf " status- the highest certification level - for the Singapore Environment Council (SEC)'s Eco Office Certification, an improvement from the 2nd-highest certification level (i.e. the Champion status) attained in 2023.

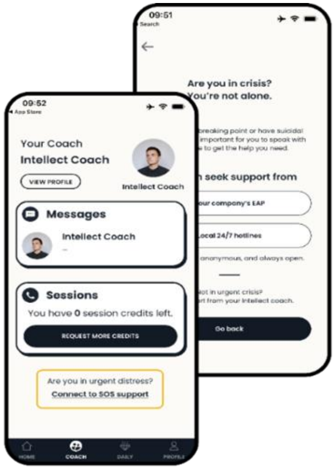
The Eco Office is a certification program that aims to provide applicants with insights on greening their corporate offices and drive behavioural changes amongst employees

Employee wellness

To support its employees in total wellness, MSIG Singapore has the following programmes which focus on the five pillars of wellness – physical, mental, social, financial and health.

In 2025, the activities include:

- Connecting colleagues via MSIG Interest Groups such as soccer interest group and walking interest group
- Organizing free flu vaccinations and health screening.
- Partnering with Doctor Anywhere to offer an additional corporate health screening package and extending the corporate rate to staff's family.
- Creating greater awareness of the mental wellness support app that provides self-care tools, coaching, helpline and clinical counsellor support.
- Organizing employee engagement activities such as Movie Night, Dinner and Dance, National Day, Halloween and Christmas celebrations.
- Conducting employee engagement surveys with action plans to improve employee engagement



Risk Management

Risk Assessment

MSIG Singapore maintains an appropriate material risk management and monitoring framework via the risk register and the risk profile through the Risk Management Committee with an objective of identifying, assessing and managing risks on an ongoing basis.

The respective risk owners update the Key Risk Indicators of the risk categories, along with mitigation actions if any, on a quarterly basis and these risks are monitored as part of the company's risk profile. The risk profile is then presented to the Risk Management Committee and the Board.

Organization's process for identifying and assessing climate-related risks

Environmental risk is not a unique risk category by itself but potentially impacts the material risk categories of insurance risk, market risk, credit risk, liquidity risk, operational risk and reputational risk, via the physical risk and transition risk channels. These material risk categories are then updated and monitored in the risk register and risk profile on a quarterly basis.

Insurance Risk

Physical risks adversely impact insurance risk via increased frequency and severity of claims caused by climate change.

Transition risks adversely impact insurance risk via increased frequency and severity of claims under liability policies. Inadequate and/or slower transition away from underwriting non-green insurance products may result in increased severity of claims as reinsurance capacity in these products are reduced.

Market Risk and Credit Risk

Physical risks causes property damage and supply chain interruption leading to loss of revenues and lower profits.

This increases the probability of default leading to increase in credit spread risk and credit default risk of corporate bonds issued by these companies, and consequently decreases in market values of equity issued by these companies.

Similarly, transition risk causing asset stranding can worsen a company's financial position, increasing its probability of default, credit spread risk and credit default risk respectively of bonds issued by these companies and consequently a decrease in market values of equity issued by these companies.

Liquidity Risk

Natural disasters can cause widespread damage on physical properties and incur significant costs. This can lead to a surge for funds, exacerbating liquidity stresses.

At the same time, there may be difficulty in liquidating assets which are stranded in transition to a more environmentally-sustainable economy.

Environmentally-conscious investors may cut back on sources of funding for insurers that underwrite activities with a negative impact on the environment.

Operational Risk

Severe extreme weather events can cause property damage and business interruption, impact the company's operations and workers' productivity.

Reputational Risk

Reputational risk can arise from providing coverage to customers whose business activities have a negative impact on the environment. Negative perception of such underwriting activities can adversely affect insurers' ability to maintain or establish business relationships.

Risk Appetite Framework (including climate risk)

Climate physical and transition risks are subsumed under the main risk categories of insurance risk, market risk, liquidity risk, operational risk and reputational risk of the insurer and these risk categories are assessed and monitored via the risk register and risk profile and reported to the Risk Management Committee on a quarterly basis.

The climate risk appetite and tolerance is also subsumed under the overall Risk Appetite Framework for MSIG Singapore following the standard definitions.

On an annual basis, a climate stress scenario focusing on acute physical risk is performed and incorporated as part of the Own Risk and Solvency Assessment exercise.

MSIG Singapore's Board of Directors and senior management incorporates environmental considerations into the entity's risk appetite, strategies, business plans and reviews the Risk Appetite Framework (including climate risk) at least annually.

Scenario Analysis and Stress Testing

In line with Sustainability Strategy 2 to build resilient insurance portfolios, a climate stress scenario is performed as part of the annual ORSA exercise. The stress scenario relates to the elevated physical risk to the Company resulting from global inaction to climate change and is used to assess the standalone impact of physical climate change risk to the company's solvency.

Given no further climate mitigation policies are implemented, there is minimal transition risk assumed under this scenario.

Under three lines of defence (LoD) model

- The first line considers environmental risks as part of the company's underwriting, claims and investment process and ensures that they are in line with the respective underwriting, claims and investment guidelines ESG-related Underwriting and Investment topics are covered respectively in the Underwriting and the Investment Committees.
- The second line monitors the implementation of the climate and environmental risk framework as part of the wider monitoring of the risk appetite framework, including challenging practices and decisions where appropriate.
- The third line considers as part of its independent review the robustness of the overall risk management framework including climate and environmental risk.

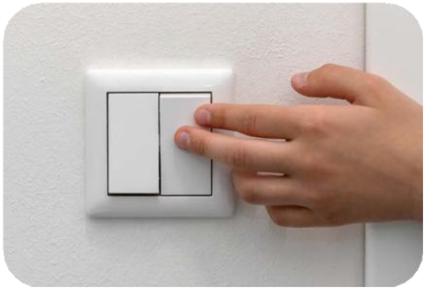
Metrics and Targets

MS&AD Group has set a target of reducing operational greenhouse gas emissions by 50% by FY 2030 (compared to FY 2019 levels) and achieving Net Zero across all scopes of carbon by FY 2050. In accordance with the Group targets, MSIG Singapore has set out its GHG emissions reduction plan from now till 2030, focusing on reducing GHG emissions in the following areas:

GHG Scope 2 emissions: Electricity consumption of its office premise

GHG Scope 3 emissions: Leased car usage

Action plans to reduce emissions from electricity consumption of its office premise and leased car usage include:



Inculcating in staff good personal habits to reduce energy usage such as optimizing power settings for personal computers, printing only when necessary.

Reducing the use of internal combustion engine vehicles and instead using hybrid vehicles and where operationally-practical, reduce car usage for physical meetings in favour of virtual meetings.

The company has committed to reduce paper consumption by about 6% from 2024 to 2025. In 2025, the company has managed to reduce paper consumption from 2024 levels by about 46%, from 5752kg in 2024 to 3090kg in 2025.

Action plans to reduce emissions from paper usage include:

- Streamlining internal processes with approval documents through electronic means for example. emails, digital forms, e-signatures
- Eliminating the need to print document for customers by switching to e-document
- Reducing the number of copiers to encourage printing only when necessary.

	2019	2022	2023	2024	2025
GHG Scope 2 – Electricity Consumption of own office premise	455,231 KWh	289,152 KWh	142,595 KWh	140,353 KWh	133,858 KWh
GHG Scope 3 – Leased car usage	11,737 litres	6,047 litres	6,366 litres	4,978 litres	5,101 litres

	2022	2023	2024	2025
Paper Usage	15,190 kg	8,088 kg	5,752 kg	3,090 kg

	2021	2022	2023	2024	2025
Weighted Average Carbon Intensity of Corporate Bond Portfolio managed by 1 of the external fund managers	151.39 tCO2e/USD'm revenue	141.83 tCO2e/USD'm revenue	156.5 tCO2e/USD'm revenue	73.75 tCO2e/USD'm revenue	58.68tCO2e/USD' m revenue

	2022	2023	2024	2025
Weighted Average Carbon Intensity of Corporate Bond Portfolio managed by other external fund managers	208.76 tCo2e/USD'm revenue	236.88 tCO2e/USD'm revenue	143.48 tCO2e/USD'm revenue	76 tCO2e/USD'm revenue

	2021	2022	2023	2024	2025
Weighted Average Carbon Intensity of Bond Fund Portfolio	880.02 tCO2e/USD’m revenue	571.86 tCO2e/USD’m revenue	521.59 tCO2e/USD’m revenue	366.19 tCO2e/USD’m revenue	283.83tCO2e/USD ’m revenue
	2021	**2022**	**2023**	**2024**	**2025**
Weighted Average Carbon Intensity of Equity Portfolio	204.20 tCO2e/USD’m revenue	277.72 tCO2e/USD’m revenue	267.64 tCO2e/USD’m revenue	140.47 tCO2e/USD’m revenue	124.65t CO2e/USD’m revenue

Topic	Metric	Unit	Description
Gender Diversity as of 31 Dec 2024	30% male; 70% female	Percentage (%)	Percentage of existing employees by gender
Age-based Diversity as of 31 Dec 2024	Under 30 yrs old – 5% 30 – 50 yrs old – 62% Over 50 yrs old – 33%	Percentage (%)	Percentage of existing employees by age group
Development and Training over the past 3 years	2023 – 39 hours 2024 – 35 hours 2025- 44 hours	No. of hours	Average training hours per employee during reporting period
Workplace Health & Safety	In 2025, 1 case	No. of cases	Number of recordable work-related injuries/deaths during reporting period

Topic	Metric	Unit	Description
Board Composition	3 out of 7 directors are independent	Fraction	Number of independent directors/Total number of directors
Ethical Behaviour	In 2025, 0 cases of dishonest and unlawful behaviour	No. of cases	Number of cases during reporting period

MSIG

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