



**PRU LIFE U.K.**

Listening. Understanding. Delivering.



# Creating a Better Future, Together with You

Pru Life UK ESG Report  
as a supplement to the 2021 Prudential plc ESG Report





Established in 1996, Pru Life UK is the pioneer of insuravest, or investment-linked life insurance products, in the Philippines and is one of the first life insurance companies approved to distribute US dollar-denominated investment-linked life insurance policies in the country. Since its establishment, Pru Life UK has expanded its reach to over 190 branches in the Philippines, with the biggest life agency force of about 44,000 licensed agents.

For two consecutive years in 2021 and 2020, the company ranked first among the Insurance Commission (IC)-regulated life insurers in terms of new business annual premium equivalent (NBAPE). NBAPE is a global standard in assessing the yearly business performance of a life insurance company – and is calculated by adding the value of regular premiums from products sold in a given year and 10% of single premiums written in the same period.

From 2015 to 2020, Pru Life UK also consistently ranked top among the IC-regulated companies in the ASEAN Corporate Governance Scorecard (ACGS). The ACGS is a general scorecard that allows companies to appraise and measure their corporate governance practices against international standards. The consistent top ranking of Pru Life UK in ACGS reflects the company's high standards in corporate governance, compliance and risk management – important in keeping the trust placed in the company by its stakeholders and ensures financial security of its customers.

Pru Life UK has a wholly-owned asset management unit in the Philippines, Pru Life UK Investments. Registered as Pru Life UK Asset Management and Trust Corporation, it is one of the first non-bank trust companies in the country.

Pru Life UK and Pru Life UK Investments are headquartered in Uptown Bonifacio, Taguig City.



As of 31 December 2021, the Board of Directors and the Management Committee of Pru Life UK were composed of the following persons.

#### Board of Directors<sup>1</sup>

1. Henry Joseph M. Herrera – Chairman
2. Angelica H. Lavares - Independent Board Member
3. Romerico S. Serrano - Independent Board Member
4. Imelda C. Tiongson - Independent Board Member
5. Eng Teng Wong– Executive Board Member
6. Wilfred John Blackburn– Non-executive Board Member
7. Wen Chen - Non-executive Board Member

#### Executive Committee<sup>2</sup>

1. Eng Teng Wong - President and Chief Executive Officer
2. Maria Divina H. Furagganan - Executive Vice President and Chief Distribution Officer
3. Michael R. Mabalay - Executive Vice President and Chief Transformation Officer
4. Francis P. Ortega - Executive Vice President and Chief Financial Officer
5. Rey Antonio M. Revoltar - Senior Vice President and Chief Human Resources Officer
6. Allan John M. Tumbaga - Senior Vice President and Chief Customer Marketing Officer
7. Ma. Emeren V. Vallente - Senior Vice President and Chief Legal and Government Relations Officer and Corporate Secretary
8. Rina Isabel A. Velasquez - Senior Vice President and Chief Risk Officer

This supplement report to the 2021 Prudential plc ESG Report summarizes the Philippine highlights in the global report and discusses other relevant local initiatives rolled out in 2021. Additionally, this material provides a brief overview of the Prudential ESG Framework which is the foundation of ESG implementation of Prudential operations globally, including the Philippines.

<sup>1</sup>Mr. Herrera resigned effective 31 December 2021 and Mr. Serrano resigned effective 15 January 2022. Two new independent directors were appointed on 14 February 2022, Maria Cristina “Teh” Opinion and Marife Butalid-Zamora. Ms. Tiongson was appointed Chairman on 14 February 2022.

<sup>2</sup>Gilbert Simpaio was appointed General Manager and Chief Commercial Officer effective January 2022.

## Prudential’s ESG Implementation in the Philippines

The local business units of Prudential plc. such as Pru Life UK and Pru Life UK Investments in the Philippines directly support the implementation of the overall ESG strategy, including climate change risks and opportunities.

The ESG implementation of Prudential is guided by its ESG Strategic Framework that was launched in 2020.



*The Prudential ESG Framework, featuring the three pillars and the strategic enablers*

The Framework outlines Prudential’s role in achieving the corporate purpose of helping people get the most out of life by making healthcare affordable and accessible and by promoting financial inclusion. It focuses on ways to make positive, meaningful, and lasting impact to people on the three areas that are relevant to the business, namely:

- **Making health and financial security accessible.** The aim is to close the health, protection and savings gaps. To achieve this, the focus is on four areas, namely: digital innovation, where it makes healthcare services and financial management tools easily available; inclusive offerings, where it develops more inclusive products and services for underserved segments of society, including products suitable for a wider range of income groups such as through ‘bite-sized’ insurance products; meeting the changing needs of its customers and ensuring they have the best access to products through a multi-channel and integrated distribution approach; and promoting financial literacy so that people gain knowledge of financial management and have a deeper understanding of protection benefits.
- **Stewarding the human impacts of climate change.** Prudential is committed to proactively play its part in enabling the transition to a low-carbon economy by decarbonizing its investment portfolio and own operations, and by working towards sustainable development and energy transition through collaborative and collective engagement.
- **Building social capital.** Prudential builds social capital by building trusted relationships with its employees where diversity of thinking, skills, identity, and experience is celebrated and inclusion assured for its people and by safeguarding the public’s trust in the company through a rigorous approach to digital responsibility.

### Philippine Highlights in the ESG Report and other ESG Focused Initiatives in 2021

In March 2022, Prudential plc published its 2021 ESG Report which documented the progress of its ESG implementation in 2021 for each of the pillars and enablers in the ESG Framework across its operations globally, including the Philippines. Pru Life UK and Pru Life UK Investments, as covered operations, directly contributed to the Report, providing the required ESG financial data and non-financial information.

The following case studies were the Philippine highlights in the report.

### Prudential ESG Pillar 1: Making health and financial security accessible

*Prudential is committed to support its customers by making healthcare affordable and accessible and by promoting financial inclusion.*

The report featured Pru Life UK's Healthscape PH Dialogue Series as one of the relevant initiatives in 2021. Launched in 2020, the thought leadership program seeks to continue the conversation about pressing healthcare topics and to gather stakeholders, including those from government, in one forum. The first Healthscape webinar in 2021, titled "Healthscape PH: Focus on Filipinos' Health and Wellbeing in 2021," was held on 04 February 2021 with 598 attendees. The discussion put a spotlight on the Philippine launch of Prudential's Health of Asia Barometer report. The panel of speakers included Dr. Raymond Sarmiento, the Director of the National Telehealth Center, the state research arm on telehealth services.

The second Healthscape PH webinar, also cited in the report, featured the launch of Pru Life UK's commissioned study that explored the health impacts of climate change and their potential pressures on the financial security and wellbeing of Filipino families and recommendations for action. Entitled "How will climate change affect the health of Filipinos in the next decade?", the study was authored by Dr. Renzo Guinto, a planetary health expert who was appointed by the government in 2021 as one of the members of the newly created National Panel of Technical Experts of the Philippines' Climate Change Commission.

The study was designed as a guide for the government and business leaders and stakeholders in developing mitigation strategies and solutions. For Pru Life UK, the paper supports the proposition of Pulse, its AI-powered health and wealth management app, related to its bite-sized health protection offerings such as the dengue cover, and is designed to jumpstart the company's thought leadership and influencing agenda on the topic of climate health risks and sustainability in risk management. Former Health Secretary and community doctor Dr. Jimmy Galvez-Tan joined as one of the reactors in the webinar. The webinar reached 367 attendees.

***Developing inclusive products is critical in achieving Prudential's goal of making health and financial protection products more accessible. Pru Life UK's launch of several 'bite-sized' product offerings on Pulse was also highlighted in the report.***

Among the products featured was PRUHealth Prime – Select Breast Cancer, a women-centric product that provides the benefit amount if insured is diagnosed with breast cancer, with an option to include surgery benefit as an added feature.

PRUDengue MedCare and PRUDengue MedCare Pro – two variants of a product that provides benefit if the insured is diagnosed with dengue – were also cited in the report. PRUDengue MedCare provides dengue protection with lump sum benefit of Php 10,000 (USD 200) upon diagnosis while PRUDengue MedCare Pro provides dengue protection with lump sum benefit of Php 10,000 (USD 200) upon diagnosis and death benefit due to dengue of Php 100,000 (USD 2,000). Premium costs for PRUDengue MedCare are Php 200 (USD 4) for six months and Php 300 (USD 6) for 12 months while premium costs for PRUDengue MedCare Pro are Php 240 (USD 4.8) for six months and Php 350 (USD 7) for 12 months.

Additionally, the PRUPA Junior product was made available on Pulse in 2021. This caters to the younger population (aged 5-21). This product provides coverage for death, disability due to accident with additional benefit for injury resulting to death during school sponsored field trip (Field Trip Cover). These may be purchased by parents for their children.

The global report also mentioned PRUMedCare – Select Infectious Disease, a more comprehensive product solution which provides cover for dengue plus three other common infectious diseases, namely, malaria, measles, and typhoid.

Another notable entry under inclusive offerings which recognizes the diversity of Filipino families is the approval of Pru Life UK's Simplified Underwriting Guidelines for same sex domestic partners who will purchase the PRUHealth FamLove, a product that is targeted for release in April 2022. The simplified guidelines allow the designation of a same-sex partner as beneficiary of a policy and streamline the requirements and application process. FamLove is designed to be the first-in-the-market critical illness (CI) product that will allow shareability of CI cover across the eligible family members. Family members, under the definition of this product, includes legal spouse, common-law-partners, same-sex partners, biological and even legally adopted children, parents and siblings.

Also cited in the ESG report is the group insurance package for companies and their employees through Pru Life UK's collaborative venture with AstraZeneca, a leading biopharmaceutical company; Avega, the country's leader in healthcare administration; and Intellicare, the country's preeminent health maintenance organization (HMO). The product is made available via Pulse and is supplemented by health awareness content from AstraZeneca that can also be accessed in the app, to create a holistic approach in providing the best health and wellness programs for the Filipino workforce.

The rollout of digital wealth solutions enables business units in Prudential to leverage on digital channels to cater to the needs of more people. Among the examples cited in the report is Pru Life UK's launch of Wealth@Pulse, a digital tool within the Pulse app which seeks to make financial planning and management simpler and more accessible to its customers through Pulse. It features financial goal-setting functionalities, UITF dashboard for existing customers of Pru Life UK Investments easy-to-digest money management tips, and a 24/7 chatbot.

Prudential's advocacy on financial literacy supports its goal of making health and financial security accessible to its valued stakeholders. In the report, this advocacy is demonstrated locally by the Pru Life UK Online Professional Certification Training Program on Financial Literacy or PRU eFinLit. PRU eFinLit was rolled out in June 2021 in the province of Negros Occidental in central Philippines which certified 3,325 teachers in its first phase of implementation. PRU eFinLit seeks to systematically address the competency development of the Filipino public in terms of financial literacy, by introducing a financial literacy course for teachers and other professionals through a professional certification program accessible online.





## Prudential ESG Pillar 2: Building Social Capital

*In Prudential, forging and nurturing trusted relationships is key to its business purpose of helping people get the most out of life. This extends to safeguarding the public's trust through initiatives on digital responsibility.*

A program that seeks to build Artificial Intelligence (AI) and other digital capabilities among young people, the PRU AI Explorer Program of Pru Life UK, was featured in the report. Launched in October 2021, PRU AI Explorer is a capability building program that offers AI and digital learnings and immersion opportunities for underserved teens in partnership with literacy NGO advocate Junior Achievement Philippines and technology and learning resource provider Microsoft Philippines.

For its pilot in Q4 2021, the program offered a free Microsoft-powered online introductory Data Science course and Data Analyst certification exam to 1,000 senior high students from public schools and alternative learning systems (ALS) in various marginalized communities including Tondo in Manila, Cabanatuan City in Luzon, Negros Occidental province in Visayas and Bicol region.

### Strategic Enabler: Community engagement and investment

The last initiative from Pru Life UK highlighted in the global report was on community engagement and investment which formed part of Prudential's strategy to align with its stakeholders' interests in support of the corporate purpose.

*The initiative involves Pru Life UK's continuing partnership under the SAFE STEPS Road Safety program with the Metro Manila Development Authority (MMDA). The company has provided for free personal accident insurance coverage to 8,000 regular and contingent employees of MMDA, who belong to the marginalized sectors and have little or no access to protection. MMDA is the frontline government agency in Metro Manila that is responsible for traffic management, waste management and disaster prevention among others. For the period, 2020 to October 2021, Pru Life UK processed benefits for 21 families of MMDA employees.*

## Prudential ESG Pillar 3: Stewarding the Human Impacts of Climate Change

*As part of its commitment to safeguarding the environment, Pru Life UK adhered to its ESG pillar on stewarding the human impacts of climate change.*

In 2021, the company continued to integrate sustainability efforts in the management of its corporate assets. Among its green workplace initiatives in 2021 included adoption of measures to ensure proper waste segregation such as the distribution of centralized bins within office premises. The efficient use of electricity and water in the office was also observed by way of turning off the lights in office premises for an hour during lunch breaks, as well as replacing damaged light and faucet fixtures with LEDs and sensors, respectively. The deployment and use of office supplies, particularly printer toners and papers, were also closely monitored to manage consumption. Other activities were focused on optimizing the office space, such as the hybrid work arrangement in which some employees who work in a separate office space were transferred to the main office building.

### Delivering our Promise to Customers with ESG in mind

In addition to those initiatives featured in the report, Pru Life UK also launched other notable ESG-focused initiatives. These primarily fall into the key ESG focus areas of Social and Governance.

*Pru Life UK's social contribution covers its inclusive product offerings and processes, bancassurance partnerships, financial literacy and education initiatives, as well as government engagements and community investment programs.*

Since its launch in the Philippines in February 2020, Pulse recorded a total of 6.07 million downloads and 2.18 million registered users as of December 2021.

Pru Life UK also started to offer subscription packages on Pulse. The first plan is Pulse Fit which gives subscribers access to exclusive features such as the AI Exercise Buddy that tracks multiple exercises to help subscribers achieve the correct form and repetitions. This is available for only Php 89/month (USD 1.78); Php 199/quarterly (USD 3.98) and Php 629/yearly (USD 12.58). The second package is Pulse Gold, a full-suite subscription program that allows access to all health, wellness, and features on Pulse. Subscribers have access to exclusive AI-powered health and wellness features 24/7 such as unlimited chat and one video consultation with a dietitian, an AI Exercise Buddy, a Fitness channel with fitness related content. Gold subscription is available for Php 399/monthly (USD 7.98); Php 899 (USD 17.98)/quarterly; and Php 2,890/yearly (USD 57.8).

It was also through Pulse that Pru Life UK was able to continue to provide free COVID-19 protection and personal accident coverage to 279,000 Filipinos from April 2020 until September 2021.

Pru Life UK's bancassurance partnerships made it possible for customers to have greater access to its products. The company signed a partnership in 2021 with CIMB Bank Philippines, making Pru Life UK the first bancassurance partner for CIMB Bank in the Philippines. Under the partnership, CIMB products will be made available on Pulse. These products include CIMB Savings and its newly-launched REVI Credit – a unique, on-demand, digital credit line which will also function as a Buy Now Pay Later product. In turn, Pru Life UK will provide CIMB's customers with easy access to life insurance products through the Bank's app and health and wealth offerings on its Pulse app. These include features such as an AI-powered symptom checker and health assessment tool.

In February 2021, Pru Life UK also renewed its strategic bancassurance partnership with Robinsons Bank, the financial services arm of JG Summit, one of the largest conglomerates in the Philippines. The three-year partnership which started in 2018 offers affordable life insurance products to the bank customers via the lender's 154 branches nationwide. In Q4 2021, the Pru Life UK credit card powered by Robinsons Bank was launched, offering a more convenient payment option for policyowners, agents and employees, bundled with exclusive perks and benefits for cardholders.

Pru Life UK also initiated improvements to its processes for the benefit of existing customers. Amid quarantine restrictions in 2021, Pru Life UK made available multiple online channels for its agents and customers to submit their transactions. It introduced a new business mailbox for agents to submit online new business applications and an after sales mailbox to serve as an e-channel for its customers to conveniently submit their after-sales transactions.

Aside from this, Pru Life UK provided a customer-centric handling of daily hospital income (DHI) claim for COVID-19. Confinement in quarantine facility and home confinement was accepted provided proof of daily hospital care is provided. Pru Life UK also relaunched in 2021 the Simplified Reinstatement Offer (SRO) which allowed qualified clients to reinstate their policies by just answering one health question and without the need to undergo medical exam.

Following the aftermath of Typhoon Odette (international name Rai) which directly affected more than three million Filipinos in December 2021, Pru Life UK offered a 90-day grace period in lieu of the standard grace period of 31 days for its customers in Palawan, Visayas and Mindanao, for policies with premium dues between 15 November 2021 to 15 January 2022. Claims from policyowners from the affected areas were expedited with shorter processing times and documentation requirements for death or accident claims directly caused by the typhoon were relaxed.

Another process improvement initiative introduced in 2021 was the implementation of electronic Auto Debit Arrangement (e-ADA) with major partner banks to ensure a hassle-free and continuous coverage for clients. This has ensured expanded digital payment options for clients amid mobility restrictions due to the pandemic.

## Commitment to our employees, agents and the communities we serve

With health and safety risks persisting in 2021 due to the pandemic, Pru Life UK continued to provide several COVID-19 health-related initiatives for employees, providing preventive measures against the spread of the virus across its offices, branches, and business centers nationwide, as well as resource support for employees' health and wellbeing.

Under the flexible work arrangement guidelines released in 2020, employees' health and safety remained a major priority in the continuity of business operations. This enabled employees to work from home or report to the office in split teams, depending on quarantine restrictions in their respective locations. The staff who worked remotely were given the necessary work devices, intranet access, and other application tools to assist in their productivity, while those reporting onsite received safety supplies, transportation, and meal provisions to ensure their convenience and peace of mind in the office.

Pru Life UK also catered to the health needs of both employees and their families by offering telemedicine consultations, medical expense coverage related to COVID-19, an expanded list of reimburseable items through the PRUFlexiben Rewards program, and a COVID-19 vaccination program (with 219 employees and 254 dependents fully and partially vaccinated as of December 2021) – all at no cost to employees and their qualified dependents. In addition to the continuous information dissemination campaign against COVID-19, webinars focusing on employees' overall wellbeing continued to be a staple offering throughout the company in 2021.

As part of its commitment to continue its financial literacy and education advocacy, Pru Life UK continued to hold a series of virtual multi-themed talks on health and financial wellbeing bannered under PRUWise Webinars that was started in 2020.

Pru Life UK held 15 webinars in 2021 excluding the two Healthscape webinars, reaching 10,398 attendees as it continued to raise awareness and educate the general public on health and personal finance management topics with webisodes that featured experts from the business unit and across different industries. Wealthscape webinars were also launched in 2021. The webinars were aimed at bringing in leaders, influencers, and industry movers to collaborate, stir discussions, and support actions towards wider and deeper financial inclusion and literacy among Filipinos.

A complementing initiative to Healthscape PH Dialogue Series was the release of an issue of the Healthscape Insights, an e-newsletter which highlighted the finding in the Prudential's Health of Asia Barometer study on the opportunities in public-private collaboration in health. It featured the insights into the topic of Philippine Insurance Commissioner Dennis Funa; Dr. Renzo Guinto of the St. Luke's Medical Center College; Girlie-Garcia Lorenzo, President of the Philippine Alliance of Patient Organization; and Dr. Jimmy Galvez Tan of the Health Futures Foundation. The e-newsletter was released internally and shared with some government stakeholders and the public through LinkedIn.

The company also placed importance on collaborative efforts with government stakeholders to develop and maintain valuable relations with the government. In one of these engagements, Pru Life UK participated in the study of the National Economic Development Authority (NEDA), the government's top socioeconomic planning body, on Filipinos' access to social protection programs for income security. The study is yet to be released, but initial findings showed still low awareness of insurance to protect against income shocks among the populations.

In September 2021, Pru Life UK also successfully organized for the Insurance Commission a nine-hour learning session on IFRS 17, the new global financial reporting standard that is set for national implementation in 2023. Close to 100 participants attended and the IC also invited participants from the Government Service Insurance System (GSIS), the state pension fund; the Philippine Health Insurance Corporation, the state health insurer; and the Philippine Crop Insurance. IFRS 17 can serve as a better metric of financial position and performance of the local insurance industry which is integral to achieving financial inclusion.

*Community investment is an ongoing endeavor that Pru Life UK undertakes to support the health, education, and safety interests of its stakeholders and the community where it does business as part of its business strategy.*

Through its ongoing partnership with the British Embassy Manila, Pru Life UK continued to co-fund a Chevening Scholarship grant of one Filipino scholar. Chevening provides opportunities for young aspiring professionals with leadership potentials to develop their skills and network extensively by earning a master's degree in the UK.

Lastly, the Pru Life UK Board approved the insurer's updated Manual of Corporate Governance in November 2021 to comply with the IC's recommended corporate governance best practices, including on board diversity. Of the seven members of the Board of Directors in 2021, three were women, two of whom were independent non-executive directors. ###



Pru Life UK and Prudential plc are not affiliated with Prudential Financial, Inc. (a company whose principal place of business is in the United States of America), Prudential Assurance Company (a subsidiary of M&G plc, a company incorporated in the United Kingdom), Philippine Prudential Life Insurance Company, Prudentiallife Plans, Inc. or Prudential Guarantee and Assurance, Inc. (all Philippine-registered companies). Pru Life UK is a life insurance company and is not engaged in the business of selling pre-need plans.

Pru Life UK's wholly-owned subsidiary Pru Life UK Investments is regulated by the Bangko Sentral ng Pilipinas.

For more information, visit [www.prulifeuk.com.ph](http://www.prulifeuk.com.ph) and [www.prulifeukinvestments.com.ph](http://www.prulifeukinvestments.com.ph)