

# SUSTAINABILITY REPORT



## ABOUT THE REPORT

Great Eastern Group is pleased to present our sustainability report which covers the Environmental, Social and Governance (ESG) performance of the Group for 2018. This is our second sustainability report. It has been prepared in accordance with the Global Reporting Initiatives (GRI) Standards: Core Option and is aligned with the requirements of Singapore Exchange's Sustainability Reporting guidelines.

We adopt a progressive approach towards reporting. Over time, disclosures on performance and targets will increase. This report includes ESG data which (unless otherwise indicated) covers our operations in Singapore, Malaysia, Indonesia and Brunei.



## BOARD STATEMENT

At Great Eastern, we are committed to creating long-term sustainable value for our stakeholders, including shareholders, customers, employees and the communities we operate in. The Board strongly believes in incorporating ESG principles into the company's strategic formulation and decision making.

Together with the management, the Board ensures that Great Eastern delivers on our ESG commitment. A Sustainability Steering Committee has been formed to oversee the company's sustainability efforts. This committee comprises senior management from across the Group, chaired by the Group CEO.

We are proud to be the first Singapore-domiciled insurer added as a signatory to the United Nations Principles for Sustainable Insurance (UN PSI). We were accepted as a member of the United Nations Environment Programme Finance Initiative (UNEP FI) on 10 September 2018.

We believe this report provides a reasonable and accurate presentation of the company's efforts and ongoing commitment towards creating a sustainable business model.

KOH BENG SENG  
Chairman

KHOR HOCK SENG  
Group Chief Executive Officer

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# OUR SUSTAINABILITY APPROACH

As a responsible insurer, Great Eastern is committed to building a sustainable future, guided by our core values of integrity, initiative, and involvement as well as our philosophy of doing things right and doing things better. As we continue to deepen our market presence, we seek to address ESG risks in a consistent manner.

## GOVERNANCE

Our Board provides strategic direction and considers ESG factors as part of Great Eastern’s strategy. Together with the Sustainability Steering Committee, the Board oversees sustainability-related matters across the Group.

The Sustainability Steering Committee (SSC) comprises senior management members and makes recommendations on sustainability strategy for the Board’s review and approval. Chaired by the Group CEO, the SSC determines and reviews material ESG issues, formulates sustainability strategies taking into consideration these material issues, sets the long term ESG targets and oversees the management of the Group’s sustainability performance.

The SSC is supported by the Sustainability Working Group (SWG). The SWG comprises senior managers from key functions within the company. The SWG drives the sustainability programmes and provides updates to the SSC.

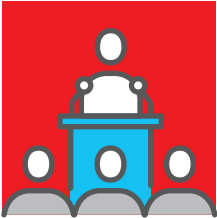
The following governance structure is in place to ensure timely management of sustainability issues and to provide updates to our Board of Directors promptly:

Sustainability Governance Structure	Activities / Composition
<b>Board of Directors / Delegated Board Risk Committee</b>	The Board of Directors is updated regularly on sustainability-related matters
<b>Sustainability Steering Committee</b>	To develop sustainability objectives and strategy, manage and monitor overall sustainability performance. Members include: <ol style="list-style-type: none"> <li>1) Group Chief Executive Officer (Chair)</li> <li>2) Group Chief Risk Officer</li> <li>3) Group Chief Financial Officer</li> <li>4) Group Chief Investment Officer</li> <li>5) Group Company Secretary and General Counsel</li> <li>6) Managing Director, Group Marketing</li> <li>7) Managing Director, Strategy and Transformation</li> <li>8) Managing Director, Human Capital</li> </ol>
<b>Sustainability Working Group</b>	To drive sustainability programmes across the Group. Departments involved include: <ol style="list-style-type: none"> <li>1) Group Risk Management</li> <li>2) Group Marketing</li> <li>3) Group Human Capital</li> <li>4) Group Operations</li> <li>5) Group Investment Management</li> <li>6) Group Finance</li> <li>7) Group Secretariat</li> <li>8) Group Product Management</li> <li>9) Regional Agency / Financial Advisors / Bancassurance</li> </ol>

## SUSTAINABILITY PILLARS

We support economic activities and contribute towards economic growth in the markets we operate in. As we continue to expand, we aim to champion healthy living and wellness, safeguard the interests of our customers and provide an engaging environment for our people to grow and realise their potential.

Our approach to sustainability is focused around five pillars:



### Customer-Centricity

We are committed to fair dealing as the basis of our business to safeguard the interests of our customers. We aim to make all interaction with customers as simple and engaging as possible, and to make insurance more accessible to customers.



### Communities

We are committed to being good corporate citizens in the communities we operate in. Guided by our Live Great philosophy, we champion healthy living and wellness in our community. Through our corporate social responsibility efforts, we encourage staff and financial representatives to volunteer and make a difference in our community. We are committed to provide comprehensive products to meet customers' financial and insurance needs at different stages of life.



### Right People

We are committed to providing an engaging environment to help our people grow with the company and realise their full potential. Investment in our people in both their personal and professional development is a key priority to us.



### Responsible Business Practices

Strong governance shapes our approach to sustainability and is an integral part of our business as well as our corporate philosophy. We have zero tolerance for financial crime, including fraud and take proactive measures to protect our customers' information from cyber attacks and illicit usage.



### Responsibility to Our Stakeholders

We make economic contributions to the communities we operate in through compensation to our employees, paying our fair share of taxes, dividends to our shareholders and payments to our suppliers. We are committed to conducting our investment in a responsible manner as part of our aim to promote sustainable development.




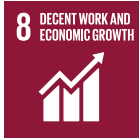

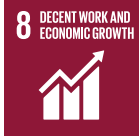




## OUR SUSTAINABILITY APPROACH

### SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The United Nations' (UN) 17 SDGs are the core elements of the 2030 Agenda for Sustainable Development adopted by United Nations member states in 2015. These global goals provide a focus to address a broad range of areas including decent work and economic growth, eradicating poverty, reducing inequality, strengthening governance in institutions as well as tackling climate change.

At Great Eastern, we believe in our role in promoting sustainable development. Taking into account our sustainability pillars and the markets we operate in, we have identified the following five SDGs where we can make meaningful contributions.

Sustainability Pillars	Sustainability Objectives	SDGs
<b>Customer-Centricity</b>	<ul style="list-style-type: none"> <li>Ensure Fair Dealing</li> <li>Harness technology as enabler to deepen and broaden customer engagement beyond insurance</li> </ul>	
<b>Communities</b>	<ul style="list-style-type: none"> <li>Champion healthy living and wellness in our community and corporate social responsibility efforts</li> <li>Make insurance inclusive and accessible</li> <li>Encourage employee and financial representatives volunteerism</li> </ul>	 
<b>Right People</b>	<ul style="list-style-type: none"> <li>Ensure workplace health and safety</li> <li>Promote work-life harmony</li> <li>Increase employee engagement and satisfaction</li> </ul>	 
<b>Responsible Business Practices</b>	<ul style="list-style-type: none"> <li>Protect the financial system against financial crime</li> </ul>	
<b>Responsibility to Our Stakeholders</b>	<ul style="list-style-type: none"> <li>Create sustainable economic value for our stakeholders</li> <li>Encourage long-term development of local businesses we participate in</li> <li>Take into account ESG factors in investment decision making</li> </ul>	   



# STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a key step in determining material issues as it gives us insight into our stakeholders' perspectives. We gain an understanding of their views and concerns through our regular interactions. They comprise our shareholders, customers, employees, regulators and financial representatives. Our stakeholder engagement approach is summarised in the table below:

Stakeholder	Issues and concerns	Our response	Engagement method	Frequency
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Sustainable earnings growth</li> <li>• Volatility in earnings</li> <li>• Financial strength</li> <li>• Strong corporate governance</li> <li>• Disclosure of information</li> </ul>	<ul style="list-style-type: none"> <li>• Disciplined growth strategy</li> <li>• Consistent dividend policy</li> <li>• Strict compliance with the Code of Corporate Governance</li> <li>• Ensure sound capital management strategy and robust risk management practices</li> <li>• Strong board oversight</li> <li>• Transparent and timely disclosures</li> </ul>	<ul style="list-style-type: none"> <li>• Financial results reports</li> <li>• Annual Report</li> <li>• Great Eastern website</li> <li>• Announcements via SGXNet</li> <li>• Meetings with shareholders</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly financial reports</li> <li>• Annual report and Annual General Meeting</li> <li>• Regular meetings with shareholders</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Healthy lifestyle with sufficient insurance coverage</li> <li>• Wealth accumulation</li> <li>• Legacy planning</li> <li>• Comprehensive range and quality products to suit their needs</li> <li>• Fair dealing</li> <li>• Professional advice</li> <li>• Customer privacy</li> <li>• Seamless service</li> <li>• Ease of doing business with Great Eastern</li> </ul>	<ul style="list-style-type: none"> <li>• Provide clear details for all products, their defining features, benefits and risks and include the respective terms and conditions in all our marketing collaterals.</li> <li>• Provide comprehensive products and services to meet customers' financial and insurance needs at different stages of life.</li> <li>• Conduct regular product and skills training for our financial representatives to equip them to provide sound advice.</li> <li>• Implemented Robotic Process Automation (RPA) in 2017 which reduced turn-around time for hospital claims</li> <li>• Simplify processes leveraging our digital capabilities</li> <li>• Introduce PayNow service to enhance the electronic payment services to customers</li> </ul>	<ul style="list-style-type: none"> <li>• LIVE GREAT series of health and wellness events</li> <li>• Marketing campaigns</li> <li>• Conduct focus groups</li> <li>• Face-to-face portfolio reviews with respective financial representatives</li> </ul>	<ul style="list-style-type: none"> <li>• Regular LIVE GREAT talks and seminars</li> <li>• Annual LIVE GREAT events, including Great Eastern Women's Run (GEWR) in Singapore; Great Eastern Viper Challenge and LIVE GREAT Run in Malaysia.</li> </ul>



## STAKEHOLDER ENGAGEMENT

Stakeholder	Issues and concerns	Our response	Engagement method	Frequency
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Career development</li> <li>• Competitive wages and benefits</li> <li>• Fair employment practices</li> <li>• Work-life balance</li> <li>• Continuous learning</li> </ul>	<ul style="list-style-type: none"> <li>• Skills building and future proofing</li> <li>• Create a fair and inclusive workplace</li> <li>• Aim to be an Employer of Choice</li> <li>• Establish our LIFE Programme which champions health and wellness</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly LIFE Programme activities</li> <li>• Group CEO town halls</li> <li>• Divisional town halls</li> <li>• Making Life Great workshops</li> <li>• Staffnet (internal portal)</li> <li>• EDM updates to employees</li> <li>• Employee Engagement Survey</li> </ul>	<ul style="list-style-type: none"> <li>• Twice yearly employee townhall meetings</li> <li>• Bi-Annual Group-wide Employee Engagement Survey</li> <li>• Annual “Making Life Great” workshop</li> <li>• Ongoing engagement at the division and department levels</li> </ul>
<b>Regulators and Other Government Agencies</b>	<ul style="list-style-type: none"> <li>• Risk Culture</li> <li>• Market Conduct Risk</li> <li>• Combating financial crime</li> <li>• Data governance and data loss</li> <li>• Cyber security</li> <li>• Financial stability</li> <li>• Fintech</li> </ul>	<ul style="list-style-type: none"> <li>• Robust risk culture</li> <li>• Established a Cyber Security Roadmap</li> <li>• Mandatory completion of extensive e-learning programmes by all employees</li> <li>• Conduct regular trainings and issued circulars on data governance and Personal Data Protection Act (PDPA) requirements</li> <li>• Independent, effective and prompt handling of customer complaints through compliance with the Group Complaint Handling Policy</li> <li>• Policies and procedures to ensure compliance with applicable laws, rules and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings and ad hoc consultations with regulators</li> <li>• Participate in market industry forums and seminars</li> <li>• Regulatory and Audit reports</li> <li>• Actively engage Ministry of Home Affairs (“MHA”) in the detection of terrorism-related persons.</li> </ul>	<ul style="list-style-type: none"> <li>• Ad hoc or on a regular basis, depending on the nature of the engagement</li> </ul>

Stakeholder	Issues and concerns	Our response	Engagement method	Frequency
<b>Community</b>	<ul style="list-style-type: none"> <li>• Products which meet varying needs and budgets</li> <li>• A healthier community</li> <li>• A more inclusive society</li> <li>• Environmental sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Provide comprehensive products and services to meet customers' financial and insurance needs at different stages of life</li> <li>• Organise LIVE GREAT series of health and wellness events</li> <li>• Great Eastern Cares CSR activities</li> <li>• Encourage volunteerism among employees and financial representatives</li> </ul>	<ul style="list-style-type: none"> <li>• Collaborate with government agencies such as Central Provident Fund (CPF) and Ministry of Health (MOH) to bridge the protection gap through government schemes</li> <li>• Through series of LIVE GREAT health and wellness events</li> <li>• Organise a series of Great Eastern Cares CSR activities throughout the year</li> </ul>	<ul style="list-style-type: none"> <li>• Regular and as well as ad hoc basis, depending on the nature of the engagement</li> </ul>
<b>Financial Representatives</b>	<ul style="list-style-type: none"> <li>• Updated product knowledge and skill competency to provide sound advice</li> <li>• Digital tools for better agency and customer engagement</li> <li>• Data governance and data privacy</li> <li>• Management of market conduct risk and controls</li> <li>• Sharing of best practices and initiatives regionally</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct regular product and skills training for our financial representatives to equip them to provide sound advice</li> <li>• Integrated bite sized learning modules to supplement existing training roadmap, and allow continuous pre and post learning</li> <li>• Annual e-learning exercises</li> <li>• Work closely with Distribution Division to improve the management of market conduct risks through appropriate mitigating controls</li> <li>• Regular review of touch points for potential improvement</li> <li>• Timely updates on new products, company initiatives and changes to agency guidelines</li> <li>• Implemented a new digital point of sale system known as GreatAdvice</li> <li>• Building centre of excellences regionally</li> </ul>	<ul style="list-style-type: none"> <li>• Training sessions at our Centre for Excellence (CFE)</li> <li>• Face-to-face meetings</li> <li>• Engagement with leaders</li> <li>• Townhall/ Leaders Cluster meetings/ Appreciation engagement sessions with stakeholders</li> <li>• Use of social media tools and applications to regularly engage stakeholders</li> <li>• Capitalize and synergize on resources and expertise</li> </ul>	<ul style="list-style-type: none"> <li>• Regular segmented training sessions</li> <li>• 24 hours access to our digital tools, social media applications and learning management platform</li> <li>• Quarterly engagement with leaders</li> <li>• Quarterly Leaders Townhall, led by Group CEO and Group Management Committee</li> <li>• Quarterly leader cluster meetings</li> <li>• Adhoc Regional Engagement Conferences</li> </ul>





# MATERIALITY

As we focus on creating sustainable value for our stakeholders, we take into account both internal and external factors and developments, challenges facing the insurance industry, and the insights from our stakeholders.

Our priorities include transforming the way we engage with customers and financial representatives, strengthening risk culture and fortifying our cyber security to safeguard the interests of our stakeholders.

In 2017, our SSC was responsible for identifying and prioritizing our material ESG issues following a four-step process guided by GRI Standards. Our board validated and approved the 9 material ESG issues.

In 2018, the SSC reviewed the material issues and validated their continued relevance. As part of the review, we expanded the Employer of Choice pillar and renamed it as Right People to include our financial representatives, which is in line with our focus to prioritize talent management and retention to enhance the organization's competitiveness in the marketplace.

Going forward, our material ESG issues will be reviewed annually to ensure completeness and continued relevance.

Our material ESG issues and their corresponding boundaries are summarised in the following table:

Material ESG Issue	Category	Impact	Involvement*
<b>Fair Dealing</b>	Social / Governance	Customers, Regulators and Employees	Direct
<b>Customer Experience</b>	Social	Customers	Direct and Indirect
<b>Corporate Social Responsibility</b>	Social	Communities	Direct and Indirect
<b>Right People</b>	Social	Employees and Financial Representatives	Direct
<b>Financial Inclusion</b>	Social	Customers, Communities	Direct and Indirect
<b>Strong Governance</b>	Governance	All Stakeholders	Direct
<b>Cyber Security, Customer Privacy &amp; Combating Financial Crime</b>	Governance	Customers, Regulators	Direct and Indirect
<b>Economic Contributions</b>	Social / Governance	Customers, Communities, Shareholders, Employees and Financial Representatives	Direct and Indirect
<b>Responsible Investment</b>	Environment / Social / Governance	Customers, Communities and Shareholders	Direct and Indirect

\* Our indirect involvement indicates that the impacts occur outside of the company and we may therefore only have limited control.



## CUSTOMER-CENTRICITY

Integrity in all our dealings with our customers and the wider community is one of our core values and the cornerstone of our business.

### FAIR DEALING

By upholding best practices in Fair Dealing, we aim to deliver our products to customers in a transparent and responsible manner, helping us to develop long-term partnerships with customers. Fair Dealing directly impacts our customers and has a bearing on the way the industry is perceived by the community at large. We aim to adhere to the highest standards of Fair Dealing to reinforce and reflect customer centricity as one of our core values.

Fair Dealing is central to our corporate culture. We are committed to adhering to the MAS Guidelines on Fair Dealing by:

- Providing professional and quality advice based on individual needs and circumstances
- Offering products and services that are suitable for our target customer segments.
- Ensuring competent representatives who provide our customers with quality advice and appropriate recommendations.
- Providing clear, relevant and timely information so that our customers can make informed financial decisions.
- Dealing with customer complaints in an independent, effective and prompt manner.

Our Group Fair Dealing Committee has the oversight responsibility of fair dealing at Great Eastern, fair dealing outcomes are reported to the Board Risk Committee on a quarterly basis. This demonstrates the company's firm commitment to the adoption of the Fair Dealing outcomes across the Group.

Our Group Market Conduct Risk Management Policy, augmented by operating manuals and procedures, sets out the expectations of good market conduct practices in delivering Fair Dealing outcomes to our customers.

Fair Dealing and Market Conduct Key Performance Indicators (KPIs) are assigned to members of the Group Management Committee (GMC) by the Group CEO. These members are managing divisions that have active roles in contributing to the achievement of Fair Dealing outcomes and managing Market Conduct risks. Fulfilment of these assigned KPIs

is tied directly to the remuneration of the respective GMC members. The Fair Dealing monitoring programme includes:

1. Monitoring the achievement of Fair Dealing outcomes
2. Regulatory reporting of misconduct cases
3. Internal and external audit findings related to market conduct and fair dealing principles

Results from the monitoring of metrics and thresholds set for each Fair Dealing Outcome are reported to the Senior Management and Board on a quarterly basis.

All employees are required to complete our Fair Dealing e-learning module regularly and all of our new employees in 2018 completed the training as part of employee on-boarding requirements. There were no significant cases of non-compliance pertaining to the Fair Dealing requirements in 2018.

Similarly, financial representatives are required to undergo training with the Company upon on-boarding, which includes training on the Company's products and expected conduct for representatives. New representatives are also required to undergo coaching from their supervisors via joint fieldwork, to ensure that new representatives are appropriately supervised in the execution of the Company's prescribed sales advisory process. Supervisors exert on-going oversight of all representatives under their management, via the endorsement of their representatives' sales and periodic coaching.

Going forward, in 2019 we continue to target zero non-compliance pertaining to Fair Dealing requirements.

### CUSTOMER EXPERIENCE

We are committed to provide meaningful solutions and deliver a superior differentiated customer experience. The customer is the centre of our business and we focus on enhancing customers' experience at key moments of truth.

#### **Making insurance an enjoyable, everyday experience**

Investments in technology to enhance our service capabilities to meet our customers' lifestyles and business needs continue to be our focus in 2018.

In 2018, we deepened our engagement with customers through enhancements to our online platforms and public website to offer a better customer experience.

## CUSTOMER-CENTRICITY

### Self-help portals

#### - e-Connect

In Singapore and Malaysia, with our e-Connect portal, our customers have an integrated view of their insurance portfolio combining Group, General and Life insurance. In addition to viewing their integrated insurance portfolio 24/7 and on-the-go, customers are also able to access self-help services online to submit selected policy transactions.

In 2018, we enhanced the e-Connect portal for our Group Insurance corporate clients. The enhanced portal improved the key processes in servicing our corporate clients with complete paperless and automation. It serves as a single platform where information can be shared between us, intermediaries and corporate clients. The transformation of e-Connect is a breakthrough in performance internally (through shifting from paper to digital documents and process automation) and externally (through effective delivery of traditional services and improved customer experience).

#### GIX eXchange (GIX)

Through GIX, the general insurance's point of sales system, financial representatives can submit online motor quotation requests to underwriters for approval. Upon approval, financial representatives can follow up with online policy fulfilment and e-policy document will be sent to the customer. This will increase straight-through processing through GIX and better customer experience.

#### EdGE

In Singapore, to allow our financial representatives to service their customers better, we have made further enhancements to our customer relationship management tool (EdGE). The enhanced EdGE will provide our financial representatives with real-time transaction information on their customers' new insurance application and claims submission. This enables our financial representatives to provide timely and quality responses to our customers' queries.

### Mobile Applications

#### GETGREAT and UPGREAT

To enable us to deepen and broaden customer engagement beyond just insurance to everyday interactions and experiences, we launched two exciting digital engagement industry-first features in Singapore, GETGREAT and UPGREAT. GETGREAT empowers our users and the community to live healthier and better. UPGREAT is an all in one lifestyle rewards platform for users as well as family



and friends. These platforms received good response from users. Since launch, the platforms have garnered more than 80,000 sign-ups and 3.2 million interactions. New features, which were developed with close collaboration with our users, have been added to the platforms since launch.

#### Live Great and SupremeCare

With our Live Great and SupremeCare mobile applications, our Group Insurance customers are no longer required to submit original receipts. They can now enjoy the convenience of submitting their medical bills on-the-go by snapping pictures with their personal phones.

#### GreatAdvice

A new digital mobile point-of-sale system GreatAdvice is a interactive financial planning tool that enables our financial representatives to perform end-to-end sales advisory process in a seamless manner. It is developed with 3 'E's - Easy to use, Engaging and Empowering - in mind for customers to make more informed decisions regarding their financial planning needs. It offers a richer and more seamless customer experience, as well as customised products solutions tailored to individual customer needs.

In place of laborious form-filling, the customer can now co-create a life storyboard, guided by our financial representative, enabling greater customer engagement.

#### Digitalised Payment

In Singapore, we made available digitalised payment services to our customers leveraging on PayNow - Singapore's instant fund transfer service for corporates and businesses. Besides payouts triggered by Great Eastern, PayNow is also

enabled for selected group self-service payment transactions on e-Connect. These self-service transactions can be instantaneously processed and paid out to customers' bank accounts. They would also be notified via SMS once the payments are deposited into their PayNow-linked bank accounts.

### **Interactive Voice Response System**

We also upgraded our Interactive Voice Response (IVR) system with cloud enabled technology in 2018. The enhancement is critical in improving call experience through intelligent call routing and providing a secure and seamless mobile phone message verification process. It also comes with an auto call-back option for our customers and financial representatives, which serves to reduce their overall waiting time and enhance their call experience. The new solution enabled our call centre to demonstrate greater agility in the workplace, improving operational efficiency and customer-centricity.

Additionally, we are continuing in our journey to provide greater convenience to our customers through the digitalisation of customer correspondences. In doing so, we are ensuring that important customer correspondences are safeguarded by two-factor-authentication and yet still conveniently accessible by the customer anytime. In 2018, we introduced digital policy contracts for our customers in Malaysia. This will be rolled out to Singapore in 2019. We have also started a Go-Green initiative for our annual bonus statements for life policyholders in Singapore.

We are building up our digital capabilities to enhance customer experience. For details, please refer to the Annual Report.

### **Delivering superior service through our service transformation initiatives**

#### **Underwriting**

The non-medical limits for term and mortgage-reducing term assurance policies were raised so as to improve the competitiveness of Great Eastern plans and to provide a differentiated experience for our customers. With higher limits that allow the waiver of medical checks for insurability, customers who buy policies within the higher limits will experience a more streamlined purchase process and a shorter turnaround time for their policies to be underwritten.

#### **Claims**

We implemented Robotics Process Automation (RPA) in Singapore to automate and perform repetitive, high volume and time-consuming tasks for medical claims. The improved efficiency and productivity through the utilization of RPA has allowed us to deliver a faster claims processing turn-around-time for our customers. There are plans to roll out RPA across different functions and regions.

#### **Customer Service**

Our customer service officers from the Customer and Agency Touchpoints Department are trained to ensure that they maintain relevant skill sets to provide consistent service to our policyholders. All new hires undergo basic life insurance training to familiarise themselves with life insurance products. After the initial induction process, they will be attached to their respective teams to learn specific skills such as call handling and email etiquette. A learning calendar will be provided by Human Resources Department where there will be opportunities throughout the year for experienced staff to sign up for courses relevant to their scope of work. Beyond the courses organised by Human Resources, Claims Department, New Business Underwriting Department and Customer Policy Services Department also conduct technical workshops for our customer service officers so as to further enhance their knowledge of the various processes.

The department also works with external trainers to deliver programmes focused on customer service experience to inspire each and every customer service officer to adopt customer centric approaches in their day-to-day communications with customers.

With an all-round training programme targeting both the technical know-how and service delivery, Great Eastern customer service officers are equipped with the best-in-class knowledge and attitude to deliver superior customer service experience to all our customers and agency representatives.

In our endeavours to achieve an enhanced customer experience, compliments and complaints are key indicators to measure our performance. In Singapore, the number of compliments received far exceeds the number of complaints received, with the ratio of compliments-to-complaints surpassing the 10:1 mark for 2018.

In the Customer Satisfaction Index of Singapore Survey conducted by the Institute of Service Excellence (Singapore Management University), Great Eastern topped the life insurance category in 2017.



## CUSTOMER-CENTRICITY

### PROVIDING SERVICE EXCELLENCE THAT DELIGHTS CUSTOMERS BY GOING THE EXTRA MILE

A Great Eastern policyholder visited our Customer Service Centre to surrender a policy as she required the funds urgently. The payment exceeded the threshold for immediate pay-out and staff took the initiative to liaise with multiple departments to ensure that policyholder received the cheque promptly to allow same-day cheque clearance. The Policyholder was delighted with the exemplary service rendered.

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*“Thank you for your assistance for our mutual client.*

*The client specially mentioned Agnes Lim from the counter on how helpful and patient she was. ”*

*Cheers  
Great Eastern Agency Director*

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### PROVIDING SERVICE EXCELLENCE THAT DELIGHTS CUSTOMERS IN OUR USUAL DAY-TO-DAY WORK

The Policyholder called our Customer Service Hotline to enquire more about his existing policies with Great Eastern. The policyholder was very impressed with the staff he spoke to as she displayed strong insurance knowledge, professionalism and at the same time, also provided excellent customer service.

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*“ I was very impressed by her great patience, detailed knowledge of insurance policies, attention to details & professionalism in addressing my every question. Her ability to multi-task between accessing the screen information, performing on-the-spot calculations & understanding my complex needs makes her exceptional in my eyes. Not to mention her tact in maintaining a great customer experience through her good communication style. Having been a regional leader where Customer Service was part of my divisional responsibilities before, I consider her abilities nothing short of extraordinary. As such, please accept my high regards for this talent in Great Eastern Life.”*

*Great Eastern Customer*

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### Financial Representatives

To deliver a differentiated experience for our customers through our financial representatives, the one-stop servicing concept was initiated at our Agency Service Centre with the setting up of claims counters in our branch offices in Singapore. Customer service officers are cross-trained to handle enquiries on claims cases and provide one-stop servicing for financial representatives at the service centre. This improves the overall experience as transactions are being resolved or performed at the counter instead of being referred to our back-office teams. Dedicated Claims and New Business hotlines were also set up to provide greater speed and convenience for our financial representatives, whenever they require our support. This has resulted in our financial representatives being able to deliver quicker and differentiated resolutions to customer enquiries or transactions.

We have dedicated underwriters serving high-net-worth customers, a new initiative was launched in 2018 for financial representatives to make an appointment with underwriters to accompany the representative and customer for a medical examination. In doing so, underwriters can review the results of the medical check-up on the spot, and advise on the underwriting decision or if any additional requirements are necessary.





## COMMUNITIES

The prosperity and well-being of the communities we operate in are intimately connected with the group's own sustainability as a business.

### FINANCIAL INCLUSION

At Great Eastern, we believe in making insurance inclusive and making insurance accessible to the larger community.

In line with this commitment, we regularly review and evaluate the relevance and effectiveness of our product offerings. Through continuous monitoring, we are able to refine and enhance existing offerings as well as introduce new innovative products across all our business lines – Life, General and Group insurance.

To reach out to the wider community, Great Eastern supports government schemes and initiatives to provide basic insurance products at affordable premiums across the countries that we operate in.

### Singapore

We are one of only two insurers to support all government schemes and initiatives, offering a wide range of products to provide life, disability, health and long term care coverage.

#### Dependants' Protection Scheme

An affordable term-life insurance scheme that provides basic coverage of up to \$46,000 in the event of death, Terminal Illness or Total Permanent Disability. We are one of two appointed insurers that administer this basic insurance scheme for the Central Provident Fund Board (CPF Board).

#### Integrated Shield Plans – the additional private insurance component integrated with MediShield Life

MediShield Life provides lifetime coverage regardless of age or pre-existing health conditions. We are one of seven appointed insurers that offer Integrated Shield Plans, providing comprehensive medical insurance coverage which is integrated with MediShield Life.

#### ElderShield

This scheme provides basic financial protection coverage for those who need long-term care, especially in old age, by supplementing one's savings in the event of severe disability. CPF members with a Medisave Account (MA) will automatically be enrolled in ElderShield at the age of 40, unless they opt out of the scheme. We also offer additional coverage for those who wish to extend it with higher monthly income benefits and over a longer benefit pay-out period.

In the year 2020, Ministry of Health will be enhancing ElderShield to CareShield Life which will provide universal coverage to Singapore residents aged 30 and above. The enhanced benefits under CareShield Life include higher payouts that will increase over time and lifetime payouts as long as the claimant is severely disabled.

We remain committed to provide additional coverage over and above CareShield Life when it is launched and is in the progress of reviewing our existing ElderShield Supplementary Plans benefits to complement CareShield Life.

#### compareFIRST

Great Eastern supports compareFIRST, a joint effort by the Consumers Association of Singapore (CASE), MAS, LIA, and MoneySENSE. This web aggregator allows customers to compare and find life insurance products most suited to their financial objectives. By making it easier for customers to compare product benefits and features all within the same website, customers are better positioned to make informed choices.

Recognising that some customers prefer a 'no-frills' approach and prefer to purchase insurance directly from us, we set up a dedicated Customer Service Counter at Great Eastern Centre for our Direct Purchase Insurance products.

### Malaysia

Great Eastern supports the Perlindungan Tenang initiative by Bank Negara Malaysia to provide affordable, accessible and easy-to-understand insurance protection to the population.

We have two products catered to the disadvantaged and underserved segments i.e. Group Multiple Benefits Insurance Scheme (GMBIS) & Easy Care Plus. Due to the affordability and comprehensive benefits, these schemes / products are extended to communities such as plantation / estates workers, government staff in rural areas, factory workers, hotel workers, etc.

GMBIS Investment Linked Plan is an affordable plan with comprehensive protection against loss of life, total permanent disability (TPD), accident and the 36 critical illnesses. It allows for Partial Surrender for members to withdraw units when the need for cash arises. Upon Maturity or Full Surrender, members are entitled to the policy's cash value.

There are on-going initiatives and roadshows to create insurance awareness among the B40 (bottom 40 percentile) group, at the same time encouraging them to sign up for the scheme.

Meanwhile, Easy Care Plus provides affordable protection for a defined period of time especially when insurance needs are high but the budget is limited. The plan offers protection against loss of life and TPD with a reasonably low premium of RM10 per month. In the event of Death or TPD, the Sum Assured will be payable in one lump sum. For Death due to accidental causes, an additional amount of 100% of the Sum Assured will be payable.

**Indonesia**

We offer health insurance rider to complement Badan Penyelenggara Jaminan Sosial (BPJS) Kesehatan (Government-sponsored health insurance scheme). While BPJS provides basic health insurance benefits, the rider allows customers to enjoy a better experience during hospitalization and surgery. This rider provides benefits such as global standard medical treatments and coverage on overseas hospitalization. Moreover, customers may also qualify for free medical check up during the protection period.

LiveSMART and PA COMBO are two other products, priced competitively for the mass segment. We worked hand in hand with banks and various affinity partners to make these products accessible. These micro-insurance products are aligned with the Government’s initiative on Financial

Inclusion, to provide life protection, personal accident, hospital income, cancer protection, viral infection/dengue protection or total permanent disability benefits. Customers may also enjoy return of premium or no claim bonus.

In support of the Government’s push for financial literacy, we regularly conduct corporate social responsibility campaigns in the form of workshops and seminars for targeted groups. Topics covered include financial health check and financial planning. In 2018, the focus was on housewives since they are typically the ones making the important financial decisions at home and to groups of employees working in non-financial industry, as well as students. In 2019, we will continue to expand our reach to small medium enterprise (SME) workers and other communities.

**CORPORATE SOCIAL RESPONSIBILITY**

At Great Eastern, we strive to bring about positive changes for the communities in which we operate. Our Corporate Social Responsibility (CSR) focus is anchored on four pillars – Promoting Healthy Living and Wellness through Sports, Helping the Young and Elderly Needy, Empowerment through Education and Supporting the Environment. Please refer to this Annual Report for details of our CSR initiatives for 2018.

We will continue to organise a series of Great Eastern Cares CSR activities throughout the year.





## RIGHT PEOPLE

As a LIFE company, we inspire people to LIVE GREAT. We are constantly building an engaging environment that fosters effective synergies, creating a place for people to discover and develop their potential to the fullest.

### OUR EMPLOYEES

Our Human Capital strategies continue to be focused on Career and Development, Employee Engagement and Health and Well-Being.

### Career and Development

We continue to invest in our people and in their personal and professional development. All employees receive regular performance and career development reviews and with the Great Eastern Career Framework rolled out across the Group, employees are presented with greater clarity and visibility of their career paths and opportunities. All of our employees received a performance and career development review in 2018.

We are proud to be acknowledged as a Human Capital Partner (HCP) by the Tripartite Alliance for Fair & Progressive Employment Practices' (TAFEP). The HCP programme brings together employers who are committed to develop their local talent core and adopt fair and progressive workplace practices across both local and foreign manpower.

Employee satisfaction levels for Career and Development was 76% in 2018's Employee Engagement Survey.

### Employee Engagement

During the year, we ramped up initiatives to build a strong corporate culture anchored on Moving Together As One, fundamental to the success and sustainability of the company. Some of our key initiatives include:

**Making Life Great Workshop:** In 2017, the customer-centricity journey started with the concept of customer-centricity and customer journey mapping, introduced to employees in all countries. This year, the development of this concept is further introduced through Design Thinking and experiential learning, providing employees an opportunity to identify, experience and analyse real-life issues.

**Great Connections – Lunch with Leaders:** This is a new series developed for colleagues to connect, engage and learn from our Management team. Organised as an interactive dialogue session, encouraging feedback was received with more than 80% of participants inspired to attend another session.

Our employee engagement initiatives have borne good fruit. The Group's employee engagement score of 75% ranks Great Eastern amongst the top in the Asia Pacific Insurance category by Aon Hewitt.

### Health and Well-Being

As a LIFE company, the well-being of our employees is a priority. In 2013, the LIFE programme was birthed to support Singapore Health Promotion Board's campaign that a healthier lifestyle begins at work and to assist employees to understand and internalise what it meant to work in a LIFE Company - to emulate the corporate LIVE GREAT programme launched to actively support our policyholders in their efforts to live better in their daily lives.

Throughout the year, a series of health-focused workshops and activities was organised at company and department levels to spur employees on their journey to better health. Participation in this voluntary in-house programme continues to be high and most recently, has increased to over 80% for Singapore and Malaysia, and over 50% for Indonesia, since its launch.





### Diversity of Our Employees



**MEN**  
**35%**  
**1,485**

**WOMEN**  
**65%**  
**2,770**



**< 30 YEARS OLD**  
**21%**

**30 – 50 YEARS OLD**  
**66%**

**> 50 YEARS OLD**  
**13%**

#### PERMANENT



**MEN**  
**35%**  
**1,472**

**WOMEN**  
**65%**  
**2,755**

#### DIRECT CONTRACT/TEMPORARY



**MEN**  
**46%**  
**13**

**WOMEN**  
**54%**  
**15**

#### INDIRECT CONTRACT



**MEN**  
**41%**  
**168**

**WOMEN**  
**59%**  
**238**

Total Headcount	SVP and above	AVP and VP	Managers and Associates	Non-executives
Female	23%	54%	68%	71%
Male	77%	46%	32%	29%

Total Headcount	<30 years old	30-50 years old	50 years old and above
Female	66%	64%	69%
Male	34%	36%	31%

New Hires	<30 years old	30-50 years old	50 years old and above
Female	64%	52%	50%
Male	36%	48%	50%

	Average training hour	Turnover Rate
Overall	30.5	14.8%
Female	30.1	12.7%
Male	31.4	18.8%

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*“My best takeaway from the LIFE Programme is the Health Coaching programme that I participated in. This was a team based programme where we motivated each other in our journey to healthy living. We participated in different activities such as weekly team exercises (strength, aerobics and stretching), healthy food preparation and individual health consultations catered for a specific area of concern. LIFE Programme has made me healthier and more aware of the importance of healthy living!”*

Susan Neo, Group Finance, Singapore

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*“I love that the LIFE Programme encouraged me to improve my health level from Amber Zone to Green Zone (healthy zone). Without this programme, I would not be aware of my unhealthy habits that led to an overweight and high cholesterol issue. Through the programme, I was also able to meet a lot of new people while enjoying many fun activities at work!”*

Fatin Aziera, Claims, Malaysia

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## OUR FINANCIAL REPRESENTATIVES

It is important to prioritise talent management and retention as our competitiveness in the marketplace depends much on the strength of its sales force. The ability to develop and provide effective coaching to our current sales force is vital to deliver and cultivate a professional and highly productive sales culture which focuses on long term relationships and customer centricity. Retention of our top sales force ensures the stability and sustainability of the system for long-term business growth.

Our agency force are engaged through the following platforms to ensure that they maintain relevant skill sets to better serve our policyholders and are made aware of our corporate policies and standards:

- Regular product and skills training for our advisory force to equip them to provide holistic advice
- Integrated bite sized learning modules to supplement existing training roadmap, and allow continuous pre and post learning
- Annual e-learning exercises
- Working closely with Distribution Division to improve market conduct risks through appropriate mitigating controls
- Establishing a dedicated Regional Data Protection Governance Office
- Regular review of improvement on touch points
- Timely updates on new products, company initiatives and changes to agency guidelines
- Annual Regional Agency Conferences on sharing of best practices regionally

Our financial representatives are required to meet the regulatory fit & proper criteria to be a Representative of the Company, with respect to their recruitment and selection, contract maintenance (Field Force Evaluation) and higher appointment. The minimum contract maintenance and promotion requirements are well defined for the agency force through the minimum and promotion requirements guidelines. This is well communicated transparently on an annual basis to all the agency force. Aside from that, we established clear recognition platforms for top producers and top agency leaders.

We will continue to strengthen the quality of our financial representatives through talent management and retention strategies to ensure the stability and sustainability of the system for long-term business growth.



## RESPONSIBLE BUSINESS PRACTICE

Strong governance shapes our approach to sustainability and is an integral part of our business as well as our corporate culture.

### STRONG GOVERNANCE

Firmly guided by our core values of integrity, initiative and involvement, strong governance is critical to our long-term success. We are committed to the highest standards of corporate governance. We conduct our business with high ethical standards and comply with all applicable laws and regulations.

Our strong governance and risk culture ensures achievement of our business objectives based on sound and responsible principles and, more importantly, sustainable growth in the long term.

Our governance and risk focused culture permeates all levels within the Group, from the Board of Directors, to management and frontliners. The Risk Management Committee provides oversight and approval of governance frameworks and policies on evaluation and management of risks. All business units and functional departments are required to perform regular self-assessments to identify and evaluate key risks inherent in their respective business operations as well as the adequacy of controls established to mitigate each of the respective identified risks. Through a bottom-up approach, key issues are regularly highlighted and discussed at Group Management and Risk Management Committee meetings.

Recognising the behavioural aspect of risk management, the Board of Directors emphasises the importance of institutionalising a strong risk culture within the Group, which in return bolsters the ability of Great Eastern to satisfy the MAS Code of Corporate Governance.

In 2018, Great Eastern formalised our risk culture statement which defines the principles and desired behaviours for all to adhere to. A risk culture assessment was performed across the Group, which allowed us to assess the current state of culture against the desired state, provide industry benchmarking and identify areas of improvements. To promote stronger risk ownership and awareness, various initiatives were also implemented among staff and the agency force.

All employees are required to complete an extensive e-learning programme to ensure that they are kept aware of their roles and responsibilities in managing risks in their respective areas. These include Fraud Risk Management, Whistle-blowing, Insider Trading and Anti-Money Laundering / Countering the Financing of Terrorism (AML/CFT). All employees are to carry out their duties with the highest standard of ethical conduct as outlined in the Code of Conduct in the Group Human Capital Policy.

Group Risk Management submits regular updates and reports to the Board of Directors and management. This includes regulatory updates and regulatory breach reports. Group Audit maintains a log of all whistle-blowing cases received and reports the progress and status of whistle-blowing investigations to the Audit Committee. Fraud incidents are also reported to Risk Management Committee.

There were no significant regulatory breaches in 2018.

In 2019 we are working towards weaving the risk culture principles and behaviours into the Human Capital frameworks and processes. We will also continue to adopt a zero-tolerance stance to significant regulatory breaches.

### CYBER SECURITY, CUSTOMER PRIVACY AND COMBATING FINANCIAL CRIMES

#### Cyber Security

Cyber risks continue to be a concern for financial institutions, including Great Eastern. The spate of cyber-attacks and incidents in 2018 that happened worldwide and in Singapore highlighted the seriousness of cyber threats, and we foresee the threat landscape will continue to evolve in 2019. Great Eastern will continue to improve on controls implementation to address cyber and data loss related risks as well as raising our staff awareness on cyber incidents and their vigilance on cyber threats via regular e-mail broadcasting, e-learning and social engineering exercise.

We continuously promote awareness among staff and practitioners on cyber risk and preparedness. Basic cyber security awareness is communicated to all staff via e-learning annually, while specialised training on cyber security response are provided to relevant IT and Cyber Security staff to uplift their skillsets. A Cyber Range exercise was conducted to enable IT and Cyber Security staff to familiarise with the incident response processes in a simulated environment. Learnings from the exercise were used to improve our processes to provide faster response to cyber threats.

A social engineering exercise was also conducted group wide in 2018 for a period of five days to test staff awareness and vigilance against phishing e-mails. To increase the complexity and the authenticity of these e-mails, a total of five different campaigns were designed and used. Besides, testing for staff vigilance in disclosing their personal data, the exercise also tested if the escalation of suspicious e-mails to IT to investigate and block the traffic to these sites. The exercise was concluded with a post campaign awareness e-mail that educates and reinforces the awareness for staff to take precaution when an unknown email has been received.

We will continually invest in new, and refresh of, security technology solutions to keep pace with cyber threats. A Cyber security roadmap has been developed, and various security programs such as security analysis training, “red teaming” exercises to test our cyber response processes, and deployment of “big data” technology such as endpoint detection and user behaviour analytics, will be implemented in 2019 to enhance the capability of Great Eastern to detect and respond to cyber threats.

### **Customer Privacy**

Our customers entrust us to protect their personal information. We recognise our responsibility to protect our customers’ privacy, in line with the strict regulations of the Personal Data Protection Act (PDPA).

We take this responsibility for confidentiality of our customers’ data very seriously and it is one of our highest priorities to ensure that all details of our customers’ policies are safe with us. The group is taking all necessary steps to protect our customers’ data so that our customers will continue to have confidence in doing business with us.

Our Group Data Governance Policy clearly defines authority and control over the management of all data owned by or in control of the group and its subsidiaries and branches, in both electronic and non-electronic form. Privacy & Security Policies are in place with a view to keeping the public informed on the purpose of our collection and acceptable use of their personal data. These Privacy & Security Policies are available online at <https://www.greateasternlife.com/sg/en/privacy-and-security-policy.html> and a reminder of this link is included on the envelopes of all mail sent out to Customers.

Our initiatives to promote PDPA awareness include training to all employees and financial representatives on data governance. Annual e-learning exercises cover different aspects of regulatory topics such as data governance and PDPA. In addition to training, circulars are issued to employees and financial representatives on relevant regulatory updates concerning our industry and their obligations when handling customers’ data. Apart from our Group Data Governance Policy, we also have a Data Entry Procedure which gives guidance on how to reflect customers’ data in our systems so that there is consistency in data quality.

In 2018, we dovetail with the group’s strategies and transformation initiatives for continuous protection of customers’ data, including but not limited to automation of customer-related correspondences.

There were no significant cases concerning breaches of customer privacy.

We will continue to strengthen our internal controls and policies to prevent loss of data and to improve better customer experience by refining our processes and customer touch points.

### **Combating Financial Crimes**

At Great Eastern, we are in the business of trust. We recognise that financial crimes negatively affect our reputation and our business. We take proactive measures to guard against being used as a vehicle or as a source of any kind of unlawful transactions.

We conduct our business in accordance with high ethical standards and in compliance with all relevant laws and regulations pertaining to financial transactions, including actively managing risks pertaining to money laundering, terrorism financing, and sanctions (ML/TF/S).

The Group regularly reviews policies, procedures, programmes and transaction monitoring systems to manage the ML/TF/S risk.



## RESPONSIBLE BUSINESS PRACTICE

Aiding our AML/CFT efforts is a Group-wide AML/CFT screening and risk scoring system which provides timely automated screening for due diligence checks. The system enables name screening against watch-lists (such as sanctions, terrorists, politically exposed persons and other high risk persons) and categorises the respective person's risk profile based on a set of pre-determined risk factors for the filtering of high-risk persons. This system has been rolled out in Singapore and is currently in progress for Malaysia and Indonesia.

The Group Customer Acceptance Standard sets out the criteria for acceptance of customers. Where a person is identified as high-risk, enhanced due diligence is required and approval from Senior Management is to be obtained prior to business establishment or to continue the business relationship.

For on-going monitoring, it extends beyond reviewing and monitoring customer's transactions to include customer's behaviours and activities as well as the adequacy of customer identification information. Where a suspicious case has been identified, the relevant authorities will be informed and a Suspicious Transaction Report will be filed.

Further, Internal Audit performs a review on our ML/TF/S framework to assess the effectiveness and adequacy of our controls. For any ML/TF/S breaches or incidents of non-compliance, business units are required to file a compliance event report with Group Risk Management and ensure prompt actions are taken to resolve the event.

Our officers are also kept abreast of the latest regulatory changes and developments on AML/CFT as well as emerging types of risk as part of the officer's orientation programme and annual trainings.

All employees are made aware of our policies and standards and all relevant documents are posted in our intranet, making them easily accessible to all employees of the company. All employees are also subjected to training on AML/CFT laws and regulations, customer due diligence measures, detecting and reporting of suspicious transactions, prevailing techniques, methods, trends in ML/TF as well as the Group's internal AML/CFT policy and standards.

We adopt a zero tolerance stance towards fraud, including bribery and corruption. The Group Fraud Risk Management Policy lays the foundation and sets the company's tone from the top with minimum standards and principles in managing fraud risks within the Group.

We also have a Group Insider Trading Policy which sets the minimum standards with regard to the prevention of insider trading within the Group. These are promulgated through compulsory e-learning courses for all employees on a regular basis to raise the level of awareness on the policies requirement.

The Board of Directors together with Senior Management provides strong governance, leadership and oversight to ensure that appropriate and relevant anti financial crime initiatives are carried out.



## RESPONSIBILITY TO OUR STAKEHOLDERS

We generate direct and indirect economic value for our various stakeholders and we are committed towards creating a sustainable business model.

### ECONOMIC CONTRIBUTIONS

In the course of conducting our business sustainably, we generate direct and indirect economic value for our various stakeholders and society. These contributions come in the form of tangible financial and intangible non-financial values.

Our economic contributions arise from compensation to our employees, taxes to the authorities, dividends to our shareholders and payments to our suppliers. As part of commitment to supporting long-term development of local businesses, we make every effort to procure from local suppliers.

In 2018, our Group generated total income of S\$ 12,095 million, with profit attributable to shareholders of S\$740.7 million.

in Singapore Dollars (millions)		2018	2017	2016
Society	Operating costs	7,923.5	6,956.0*	6,304.0
	Tax contributions	317.3	402.1	264.1
Employees	Employee costs and related expenses	307.2	359.6*	309.9
Providers of Capital	Interest expense paid on debt issued	18.3	18.3	18.3
	Dividends paid to shareholders	331.3	236.7	260.3

\* The Group adopted a new financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") on 1 January 2018. With the adoption of SFRS(I), certain figures for 2017 have been restated.

We are committed to creating sustainable economic value for our stakeholders and to continue the distribution of this value in a number of ways.

For further details, please refer to the sections Letter to Shareholders and Financial Statements in this Annual Report.

### Total Jobs Offered

	2018	2017	2016
Employees	4,255	4,153	3,996
Agents	25,864	26,150	25,605
Financial Advisors	2,081	1,762	1,656
Total	32,200	32,065	31,257

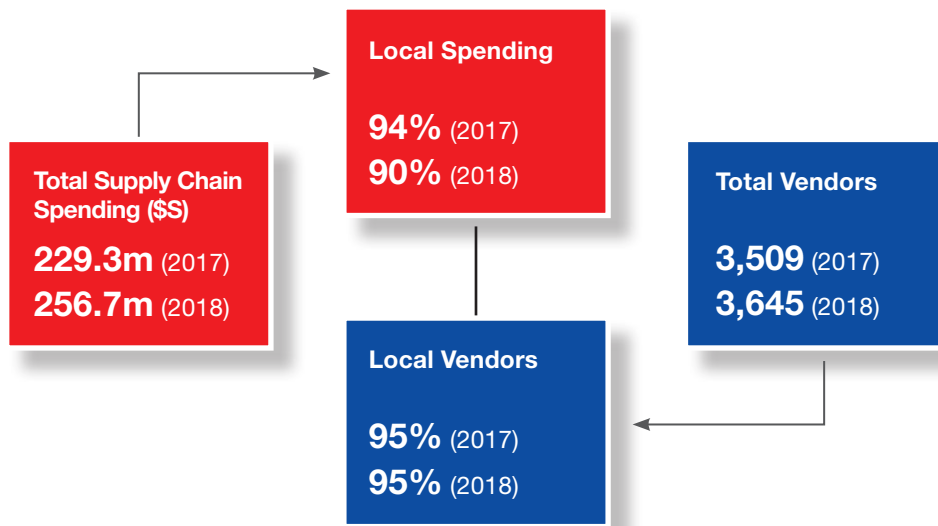


## RESPONSIBILITY TO OUR STAKEHOLDERS

### OUR SUPPLY CHAIN

We procure from local suppliers as part of our commitment towards supporting the long-term development of the local economy in all markets we operate in. We also support local businesses and help create jobs through the goods and services we buy.

Our supply chain includes asset managers, consultancy services, legal, real estate/facilities maintenance, external service providers in IT and other services.



### RESPONSIBLE INVESTMENT

In 2018, the Group held S\$85 billion in assets on our own accounts and on behalf of our customers.

We are committed to conducting our investment in a responsible manner and take into account financial and ESG factors in our investment decision making while at the same time managing risks and generating sustainable, long-term returns.

In Singapore, we invest with external asset managers who support ESG principles in their investment process, including the incorporation of ESG issues into their ownership practices and policies, as well as their investment analysis and decision-making processes. Many of the asset managers whom we invest with are United Nations Principles of Responsible Investment (UN PRI) signatories. As part of their commitment to ESG principles, they are required to report on their responsible investment activities annually and are scored in an Assessment Report. We evaluate our responsible investment activities by monitoring the Group's allocations to these asset managers and analysing the performance of these investments. As at end 2018, we had S\$2.8 billion invested with these asset managers; of these, 74% of our investments in equity funds are managed by UN PRI signatories.

At end 2018, we also had S\$1.65 billion allocated to ESG mandates. These mandates adopted a best-in-class approach to select companies with the highest ESG ratings within their sector and region peer group, and to consciously exclude companies with poor ESG ratings and those involved in ESG controversies.

In Malaysia, we support bonds which have been accorded Sustainability Ratings or Second Opinion Reports provided by accredited consultants. The Sustainability Rating of an issuer is based on a holistic methodology developed by RAM Consultancy to measure ESG and positive impact from the alignment of the company's business activities towards United Nations Sustainable Development Goals. The Second Opinion Reports, provided by RAM Consultancy and CICERO, evaluate the projects' contributions towards the development of sustainable and low carbon future. As at end 2018, we had S\$109 million (RM330 million) invested in the bonds with Sustainability Rating or Second Opinion Report. GELM also had S\$306 million (RM929 million) invested in external asset managers who are UN PRI signatories.

In the next few years, we will start to apply a more integrated approach to ESG. We are working with our subsidiary who is also our key fund manager, Lion Global Investors (LGI), to incorporate ESG considerations into our investment process.



As an insurance company and a good corporate citizen we have a moral obligation to safeguard the well-being of future generations.

Our operations at our office buildings and branches contribute the most to our direct environmental impact. We constantly explore ways to minimise the carbon footprint arising from our operations.

In Singapore, Orchard Gateway @ Emerald have been accorded Green Mark Gold Certified by the Building and Construction Authority (BCA). We are in the process of getting Green Mark Certification for the Great Eastern Centre and the offices in Nankin Rows in 2019. We target to achieve Green Mark certification for all our buildings in Singapore in future.

In Malaysia, our two latest investment buildings, the Equatorial Plaza Office is a Green Building Index (Gold) certified building, and 50 Jalan Ampang building which is currently under development is targeted to achieve GBI Certified upon completion.

### RESPONSIBLE MANAGEMENT OF OUR RESOURCES

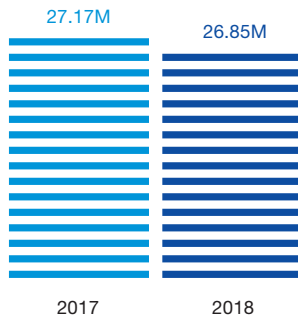
We monitored and reported our energy and emissions and water consumption for our Singapore operations in the 2017 report. In 2018, we have extended the reporting across the Group and also started to track paper usage.

We will continue to monitor and control our environmental impact through our energy, water consumption and paper usage.

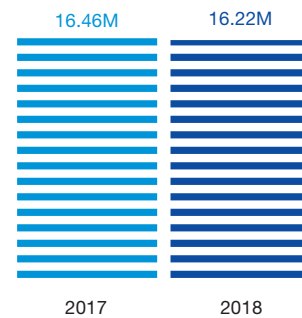
Listed below are the figures for year 2017 and 2018.

### ENERGY & EMISSIONS

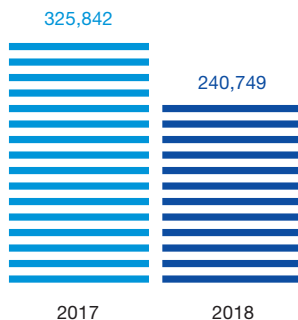
Electricity Used (kWh)



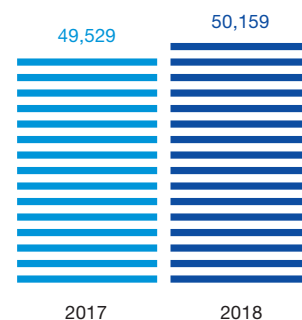
Carbon Emissions (kgCO<sub>2</sub>)



Water Consumption (cu/m)



Paper Usage (reams)







## PERFORMANCE INDICATORS

Performance Indicators	2018	2017	2016
<b>Total Headcount</b>	4,255	4,153	3,996
Female (<30 years old)	588	599	590
Male (<30 years old)	307	319	311
Female (30-50 years old)	1,795	1,704	1,660
Male (30-50 years old)	1,006	957	921
Female (50 years old and above)	387	396	356
Male (50 years old and above)	172	178	158
Female (SVP and above)	23%	43%	N/A
Female (AVP and VP)	54%	54%	N/A
Female (Managers and Associates)	68%	44%	N/A
Female (Non-executives)	71%	39%	N/A
<b>Individuals within the organization's governance bodies</b>	53	50	N/A
Female	19%	15%	N/A
<30 years old	0%	0%	N/A
30-50 years old	55%	48%	N/A
50 years old and above	45%	52%	N/A
<b>New hires</b>	722	626	618
Female (<30 years old)	206	183	182
Male (<30 years old)	117	132	107
Female (30-50 years old)	204	172	163
Male (30-50 years old)	187	127	155
Female (50 years old and above)	4	8	4
Male (50 years old and above)	4	4	7
<b>Employee Attrition Rate</b>	14.8%	12.8%	13.5%
Female	12.7%	11.8%	N/A
Male	18.8%	15.5%	N/A
<b>Training</b>			
<b>Total training Hours</b>	129,881	96,701 <sup>^</sup>	88,885 <sup>^</sup>
Female	83,323	58,300	N/A
Male	46,558	38,401	N/A
<b>Average training hours per employee</b>	30.5	23.3	23.1
Female	30.1	21.6	N/A
Male	31.4	26.4	N/A

Performance Indicators	2018	2017	2016
<b>Economic Value of Contributions (\$ million)</b>			
Total operating income	12,095.0	17,184.3*	12,166.0
Profit attributable to shareholders	740.7	1,036.7*	589.3
Dividend to shareholders	331.3	236.7	260.3
Staff cost and related expenses	307.2	359.6*	309.9
Income tax to government	317.3	402.1	264.1
Operating expenses	7,923.5	6,956.0*	6,304.0
<b>Indirect Economic Contribution</b>			
<b>Total jobs offered</b>	32,200	32,065	31,257
Employee	4,255	4,153	3,996
Agents	25,864	26,150	25,605
Financial Advisors	2,081	1,762	1,656
<b>Suppliers</b>			
Total Purchase (\$ million)	256.7	229.3	N/A
Purchase from local suppliers (%)	90%	94%	N/A
Total no of suppliers	3,645	3,509	N/A
<b>Environment</b>			
Electricity used (kWh)	26,847,862	27,167,623	11,731,411**
Carbon emissions (kgCO <sub>2</sub> )	16,218,050	16,462,470	5,859,260**
Water consumption (cu/m)	240,749	325,842	62,596**
<b>Waste</b>			
Machines Recycled (unit) **	185	126	306
Papers Recycled (kgs) **	51,918	62,567	74,144
Paper Usage (reams)	50,159	49,529	N/A

^ Restated numbers

\* The Group adopted a new financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") on 1 January 2018. With the adoption of SFRS(I), certain figures for 2017 have been restated.

\*\* Singapore operations only

N/A Not Available



# GRI STANDARDS CONTENT INDEX

Disclosure Number	Disclosure Title	Page Reference and Remarks
<b>Organisational Profile</b>		
102-1	Name of the organisation	Great Eastern Holdings Limited
102-2	Activities, brands, products, and services	Segmental Information section. Refer to page 203-206
102-3	Location of headquarters	1 Pickering Street, Great Eastern Centre, Singapore 048659
102-4	Location of operations	Group Network section. Refer to page 255-257
102-5	Ownership and legal form	Public limited company listed on the Singapore Exchange
102-6	Markets served	Segmental Information section. Refer to page 203-206
102-7	Scale of the organisation	Segmental Information section. Refer to page 203-206 Right People section. Refer to page 67-68 Consolidated Profit and Loss Statement section. Refer to page 117 Balance Sheet section. Refer to page 119
102-8	Information on employees and other workers	Right People section. Refer to page 67-68
102-9	Supply chain	Economic Contributions section. Refer to page 73-74
102-10	Significant changes to the organisation and its supply chain	Nil
102-11	Precautionary Principle or approach	Great Eastern does not explicitly refer to the precautionary principle or approach in its risk management principles.
102-12	External initiatives	Financial Inclusion section. Refer to page 65  We are HCPartner, part of our support for Singapore's Tripartite Alliance for Fair & Progressive Employment Practices' (TAFEP) Human Capital Partnership (HCP) Programme
102-13	Membership of associations	GEL: Life Insurance Association Singapore ("LIA") GEG: General Insurance Association ("GIA") GEFA: Association of Financial Advisers (Singapore) ("AFAS")
<b>Strategy</b>		
102-14	Statement from senior decision-maker	Board Statement. Refer to page 53
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behavior	<a href="https://www.greasternlife.com/sg/en/about-us/company-profile/our-vision-mission-and-values.html">https://www.greasternlife.com/sg/en/about-us/company-profile/our-vision-mission-and-values.html</a>
<b>Governance</b>		
102-18	Governance structure	Sustainability Governance section. Refer to page 54
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	Stakeholder Engagement section. Refer to page 57-59
102-41	Collective bargaining agreements	In Singapore, the Singapore Insurance Employees' Union (SIEU) represents our applicable employees' cohort on collective bargaining.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement section. Refer to page 57-59
102-43	Approach to stakeholder engagement	Stakeholder Engagement section. Refer to page 57-59
102-44	Key topics and concerns raised	Stakeholder Engagement section. Refer to page 57-59

Disclosure Number	Disclosure Title	Page Reference and Remarks
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	Subsidiaries and Associates section. Refer to page 172
102-46	Defining report content and topic Boundaries	Materiality. Refer to page 60
102-47	List of material topics	Materiality. Refer to page 60
102-48	Restatements of information	Refer to page 73, 76-77
102-49	Changes in reporting	Nil
102-50	Reporting period	About This Report section. Refer to page 52
102-51	Date of most recent report	February 2018
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Corpcomms-sg@greateasternlife.com
102-54	Claims of reporting in accordance with the GRI Standards	About This Report section. Refer to page 52
102-55	GRI content index	GRI Standards Content Index
102-56	External assurance	We have not sought external assurance for this reporting period
<b>Economic Contributions (GRI: Economic Performance)</b>		
103-1	Explanation of the material topic and its Boundary	Economic Contributions section. Refer to page 73-74
103-2	The management approach and its components	Economic Contributions section. Refer to page 73-74
103-3	Evaluation of the management approach	Economic Contributions section. Refer to page 73-74
201-1	Direct economic value generated and distributed	Economic Contributions section. Refer to page 73-74
203-2	Significant indirect economic impacts	Economic Contributions section. Refer to page 73-74
<b>Responsible Investment (GRI: Indirect Economic Impacts)</b>		
103-1	Explanation of the material topic and its Boundary	Responsible Investment section. Refer to page 74
103-2	The management approach and its components	Responsible Investment section. Refer to page 74
103-3	Evaluation of the management approach	Responsible Investment section. Refer to page 74
<b>Customer Experience</b>		
103-1	Explanation of the material topic and its Boundary	Customer Experience section. Refer to page 61-64
103-2	The management approach and its components	Customer Experience section. Refer to page 61-64
103-3	Evaluation of the management approach	Customer Experience section. Refer to page 61-64
NON GRI	Customer Satisfaction Index	Customer Experience section. Refer to page 61-64
<b>Cyber Security, Customer Privacy and Combating Financial Crimes</b>		
103-1	Explanation of the material topic and its Boundary	Cyber Security, Customer Privacy and Combating Financial Crimes section. Refer to page 70-72
103-2	The management approach and its components	Cyber Security, Customer Privacy and Combating Financial Crimes section. Refer to page 70-72
103-3	Evaluation of the management approach	Cyber Security, Customer Privacy and Combating Financial Crimes section. Refer to page 70-72
205-2	Communication and training about anti-corruption policies and procedures	Cyber Security, Customer Privacy and Combating Financial Crimes section. Refer to page 70-72
NON GRI	Cyber Security	Cyber Security, Customer Privacy and Combating Financial Crimes section. Refer to page 70-72
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cyber Security, Customer Privacy and Combating Financial Crimes section. Refer to page 70-72
<b>Energy</b>		
302-1	Energy consumption within the organisation	Environment section. Refer to page 75
<b>Water</b>		
303-1	Water withdrawal by source	Environment section. Refer to page 75



## GRI STANDARDS CONTENT INDEX

Disclosure Number	Disclosure Title	Page Reference and Remarks
<b>Emissions</b>		
305-1	Direct (Scope 1) GHG emissions	Environment section. Refer to page 75
305-2	Energy indirect (Scope 2) GHG emissions	Environment section. Refer to page 75
<b>Employment</b>		
103-1	Explanation of the material topic and its Boundary	Right People. Refer to page 67-68
103-2	The management approach and its components	Right People. Refer to page 67-68
103-3	Evaluation of the management approach	Right People. Refer to page 67-68
401-1	New employee hires and employee turnover	Right People. Refer to page 67-68
404-3	Percentage of employees receiving regular performance and career development reviews	Right People. Refer to page 67-68
405-1	Diversity of governance bodies and employees	
<b>Training and Education</b>		
103-1	Explanation of the material topic and its Boundary	Right People. Refer to page 67-68
103-2	The management approach and its components	Right People. Refer to page 67-68
103-3	Evaluation of the management approach	Right People. Refer to page 67-68
404-1	Average hours of training per year per employee	Right People. Refer to page 67-68
<b>Community Development (GRI: Local Communities)</b>		
103-1	Explanation of the material topic and its Boundary	Corporate Social Responsibility section. Refer to page 44-47
103-2	The management approach and its components	Corporate Social Responsibility section. Refer to page 44-47
103-3	Evaluation of the management approach	Corporate Social Responsibility section. Refer to page 44-47
413-1	Operations with local community engagement, impact assessments, and development programmes	Corporate Social Responsibility section. Refer to page 44-47
<b>Financial Inclusion (GRI FSSD: Local Communities)</b>		
103-1	Explanation of the material topic and its Boundary	Financial Inclusion section. Refer to page 65-66
103-2	The management approach and its components	Financial Inclusion section. Refer to page 65-66
103-3	Evaluation of the management approach	Financial Inclusion section. Refer to page 65-66
FS14	Initiatives to improve access to financial services for disadvantaged people	Financial Inclusion section. Refer to page 65-66
<b>Fair Dealing (GRI: Marketing and Labeling)</b>		
103-1	Explanation of the material topic and its Boundary	Fair Dealing section. Refer to page 61
103-2	The management approach and its components	Fair Dealing section. Refer to page 61
103-3	Evaluation of the management approach	Fair Dealing section. Refer to page 61
NON GRI	Fair Dealing True Customer Centricity (Non-GRI material topic)	Fair Dealing section. Refer to page 61
<b>Strong Governance - Regulatory Compliance &amp; Risk Focused Organisation (GRI: Socioeconomic Compliance)</b>		
103-1	Explanation of the material topic and its Boundary	Strong Governance section. Refer to page 70
103-2	The management approach and its components	Strong Governance section. Refer to page 70
103-3	Evaluation of the management approach	Strong Governance section. Refer to page 70
419-1	Non-compliance with laws and regulations in the social and economic area	Strong Governance section. Refer to page 70
NON GRI	Strong Governance - Regulatory Compliance & Risk Focused Organisation	Strong Governance section. Refer to page 70