

Our Contribution

2021/2022

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Every day at TAL, we work to help Australians live a life filled with choices, options and freedoms – no matter what happens

Our Contribution 2021/22 outlines the work we are doing to support our customers, partners and stakeholders, and how we contribute as a life insurer, an employer, and part of the Australian community.

This report covers the period from 1 April 2021 to 31 March 2022 (TAL's 2021 financial year).



Who we are

For more than 150 years, TAL has been providing Australians and their families with financial security, enabling them to keep living the life they planned – no matter what happens.

4.5 million

Australians and their families protected by TAL and our partners





Message from our CEO

2021/22 is a year that has demonstrated once again the spirit, passion, and resilience of our people at TAL, as together we have navigated a period of rapid change, filled with opportunities and some ongoing challenges, and, ultimately, made significant progress as a business.

Against the backdrop of continued challenges that the COVID-19 pandemic has presented, TAL's Purpose, to help Australians live a life filled with choices, options and freedoms – no matter what happens, continues to be our critical point of reference for all of us at TAL.

TAL now protects 4.5 million people, but it is the support for those customers when they need us most that defines the role that we play in their lives. During the 2021/22 financial year, TAL paid \$2.7 billion in claims to 39,628 customers and their families, supporting more customers during their most difficult times than ever before.

At the same time, what is most pleasing as I reflect on the last year is our continued focus across the business on building and enhancing capabilities that play an important role in enabling us to deliver the best possible experience for every customer we protect.

Our Ambition in action

TAL's Ambition is to ensure our customers understand and value the protection we provide and are confident we will be there when they need us most, and the most important way we do that is in the support we provide through the claims experience.

We are determined to lead the industry in terms of the claims experience and customer outcomes, and achieving that requires us to get it right across every part of our business.



TAL paid \$2.7 billion in claims to 39,628 customers and their families, supporting more customers during their most difficult times than ever before.

Over the last year, we have refreshed our Claims Philosophy to clearly reflect the beliefs and commitments that underpin the way we deliver on the promise we make to every customer, ensuring they understand and feel confident in how we will handle their claim.

At the same time, through our Customer Excellence Program we have delivered on a significant number of industry-wide regulatory reforms, while also strengthening our capabilities and ultimately enhancing our ability to drive better customer outcomes.

Providing value for customers and partners

Equally important in delivering on our Ambition is the need to offer products that provide fair and valuable outcomes for all customers, while ensuring affordable cover remains accessible to all customers over the long term.

In recent years, the life insurance industry has been challenged to ensure the Individual Disability Income Insurance (IDI) products we provide remain sustainable, accessible and affordable for our customers.

The launch in September of a new range of Income Protection products, designed to deliver fit-for-purpose benefits at claim time while staying true to the principles of fairness, sustainability, and long-term customer benefit, represented another milestone for TAL.

We have also continued to support our financial advice community through the industry-leading education program, TAL Risk Academy, providing over 18,000 Continuing Professional Development hours to more than 3,700 advisers and their support staff across TAL's financial year. And we were pleased to achieve the Plan for Life / AFA Overall Platinum Life Company of the Year Award for the fifth year in a row.

Within the Group Life & Investments business we have made significant strides, continuing to strengthen our capabilities to support

our superannuation fund partners and their members, while at the same time developing future retirement solutions to support their members not just throughout their working lives, but as they transition into retirement and beyond.

TAL Risk Academy provided over 18,000 Continuing Professional Development hours to more than 3,700 advisers and their support staff across TAL's financial year.

Driving positive change for the future

Just as the products and services we offer need to be sustainable in the long term for our customers, we also need to consider how our organisation contributes to a more sustainable society and the environment.

The last year has seen us launch our Environmental, Social and Governance (ESG) Strategy, which will help to guide our goals, actions, and initiatives in support of these important themes into the future.

We were also honoured to have our long-standing focus on diversity and inclusion recognised once again by the Workplace Gender Equality Agency (WGEA) with an Employer of Choice for Gender Equality citation for the eighth year in a row.

And this year we are pleased to have launched our first innovative Reconciliation Action Plan, which sets out a clear framework including meaningful actions to enable us to support reconciliation in our community.

We continue to innovate in terms of the ways we help our customers to lead their healthiest lives, both physically and mentally, through ongoing investment in our own internal expertise, alongside our external health partnerships.

As we look to the future, 2022/23 promises to be yet another transformative year for the TAL business as we continue to build on the important work done over the last 12 months.

Following the successful completion of the integration of the Asteron Life business over the last year, our attention will turn to our more recent acquisition of Westpac Life, which includes the opportunity to continue to provide life insurance products to Westpac's Australian customers.

I would like to thank the staff of TAL, our partners and customers for their continued support. I am looking forward to seeing what we will achieve together in the year ahead.



Brett Clark
TAL Group CEO and
Managing Director

Our 2021/2022 highlights

From the 4.5 million people we protect, to our valued and enduring partnerships, to those that make it happen here at TAL, people and communities are at the centre of what we do.

TAL is a leading Australian life insurer



\$2.7 billion

paid in claims to 39,628 customers and their families¹



\$4.9 billion

in-force premiums as at 31 March 2022



+54 Net Promoter Score (NPS)

for claims (from post inbound phone call survey, +49 from post claim email survey)²

We value enduring partnerships



89/100
"Excellent/Top Tier"

reputation with our partners based on the independently verified RepTrak® survey



3,791

advisers and support staff trained through our TAL Risk Academy, providing over 18,000 Continuing Professional Development hours



Plan for Life/AFA

Overall Platinum Life Company of the Year Award for fifth consecutive year

We are a people business



Employer of Choice

for Gender Equality for eight consecutive years: Commonwealth Workplace Gender Equality Agency



98.2%

gender pay equity as at 1 April 2022



12 month

continuation of paid superannuation and group insurance coverage during parental leave for our people

We are committed to broader impact



Reconciliation Action Plan

launched in FY21



Family violence support

published TAL's Family Violence commitments, added Family Violence to our financial hardship policy and established a new support service for impacted customers



Financial hardship support

extended to flood-impacted customers

1. Claims statistics based on total claims paid under TAL Life Limited insurance products (excluding funeral insurance) between 1 April 2021 and 31 March 2022.

2. Based on TAL Life Limited Annual Post Claim Survey as at 31 March 2022.



What we stand for

Supporting Australians in their time of need

For more than 150 years, TAL has been protecting people, not things. Together with our partners, today we protect 4.5 million Australians and their families – and it is a responsibility we take very seriously.

Our business model reflects a fundamental principle: that Australians should have choice in how they access affordable life insurance that best suits their needs and circumstances. That means ensuring our customers can access cover in the way they choose, on their terms:



From a financial adviser



From their superannuation fund



From us, over the phone or online



From one of our corporate partners

Our Purpose, Ambition and Priorities

Our Purpose

Our Purpose is grounded in our past as well as who we are today. It is why we do what we do:

To help Australians live a life filled with choices, options and freedoms, no matter what happens.

To deliver on our Purpose, we are acutely aware of the need to continually evolve our products and practices, keeping pace with ever-changing community expectations.

Our Ambition

Our Ambition signals what we ultimately want to achieve:

To ensure our customers understand and value the protection they have and are confident we will be there when they need us most.

Our Priorities

Led by TAL's Executive Team and Board, our Priorities are an integral part of our strategic process. They help ensure our long-term performance and sustainability to meet the needs of all our stakeholders.

Our Priorities for TAL's 2021 financial year:



Customer and industry leadership

Leading the industry by getting it right for our customers and partners



People

Building a culture that is high performing, confident, and creates exciting opportunities for our people



Growth

Building on our existing business and finding new ways to help our customers and partners for the future



Strengthening the business

Strengthening and simplifying what we do to be a more resilient business



Integration

Bringing TAL, Asteron Life and Westpac Life together to build a stronger and better business for the future



Financial performance

Delivering long-term sustainable financial performance so that we will be here to deliver on our Purpose and Ambition



By your side, for life

TAL is owned by the Dai-ichi Life Group in Japan. The Dai-ichi Life mission, to be 'by your side for life', has deep cultural meaning and is a strong operating principle for Dai-ichi Life businesses around the world. Companies in the Dai-ichi Life Group aim to contribute to better lives and communities, standing beside our customers and their loved ones, for life. Since Dai-ichi Life first invested in TAL in August 2008, we have grown to become a leading Australian life insurer.

Our Executive Team

The diversity and depth of experience of our Executive Team helps us protect the lifestyles of 4.5 million people as a leading Australian life insurer.



Brett Clark

Group CEO & Managing Director



Jenny Oliver

Chief Claims Officer



David Lees

Chief Financial Officer



Tim Thorne

Chief Commercial Officer
– Individual Life



Andrew Howard

Chief Commercial Officer
– Group Life & Investments



Fiona Macgregor

Chief Information &
Innovation Officer



Chad Downie*

Chief General Counsel



Cameron Pelling

Chief Risk Officer



Alex Homer

Chief Customer & Brand Officer



Ceri Ittensohn

Chief People & Culture Officer



Kensuke Takashima*

Chief Dai-ichi Corporate Officer

* With effect from 1 April 2022.

Understanding and engaging our stakeholders

Hearing from our customers

We actively listen to our customers to help understand and ensure we are meeting their needs. We do this in a variety of ways:

- We have a daily customer listening program that provides our senior leaders with direct customer feedback through customer Net Promoter Score (NPS) surveys and customer verbatim feedback.
- 9,500 customers on average provide feedback on their experience each month, covering more than 70 customer experience touchpoints.
- 5,791 customers gave us feedback about their claims experience in FY21.
- We actively contact customers who have shared feedback that they had a poor experience, though our case management process, to resolve issues raised.

5,791

customers gave us feedback about their claims experience in FY21

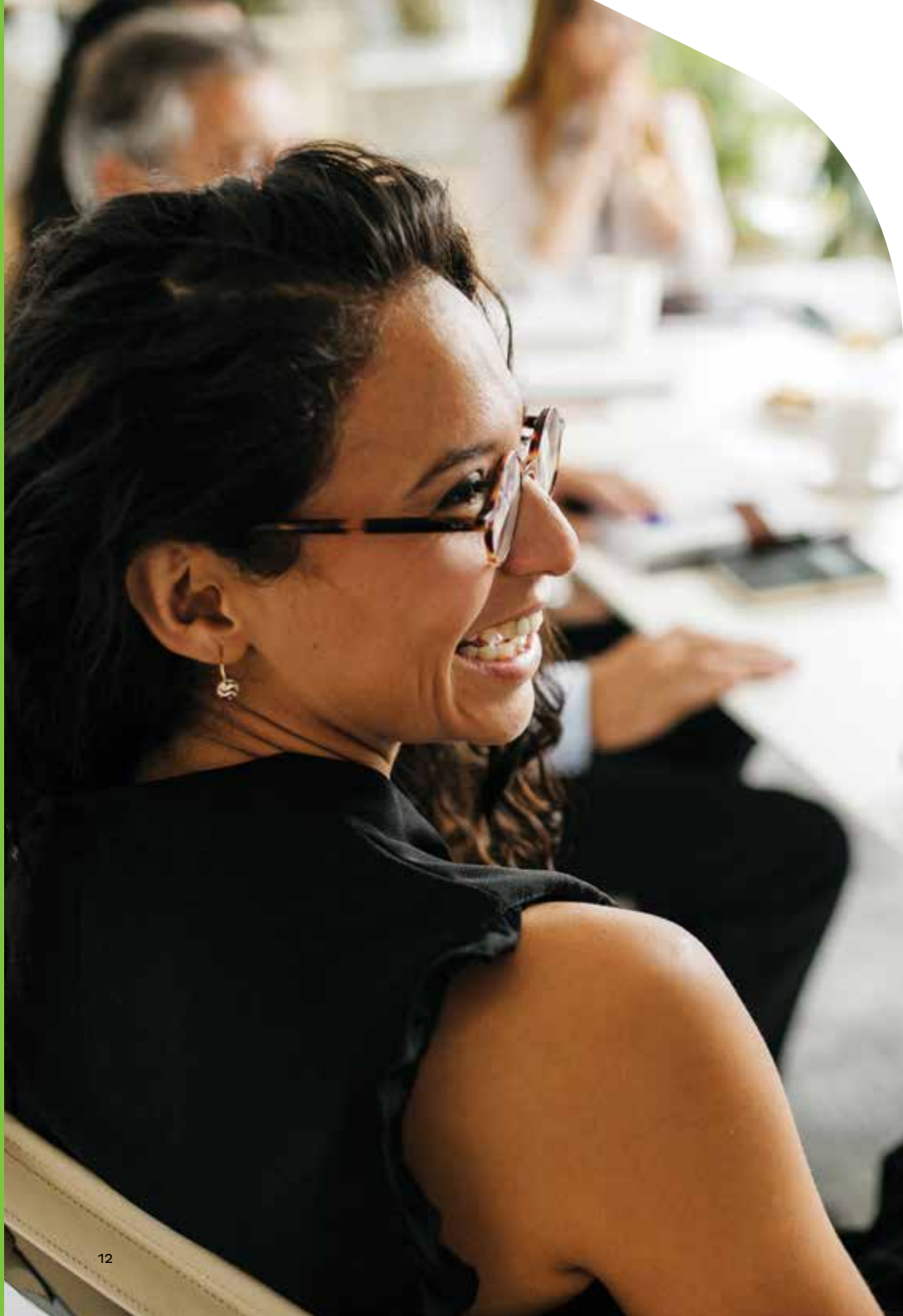
Our Consumer Consultation Board

TAL's Consumer Consultation Board is a regular forum with external bodies that represent the interests and voices of Australian consumers.

Chaired by our Group CEO, and supported by TAL's Chief Customer and Brand Officer, the Board facilitates ongoing engagement between TAL's senior leaders, consumer groups and industry stakeholders.

During TAL's 2021 financial year, the Board discussed topics including the implementation of regulatory reforms delivered through TAL's Customer Excellence Program, TAL's approach to industry changes to individual disability income insurance, and additional support TAL provided to customers during the COVID-19 pandemic.





Understanding and engaging our stakeholders cont'd

Listening to our superannuation fund, financial adviser and corporate alliance partners

We gather feedback from our superannuation fund, financial adviser and alliance partners through the independent RepTrak® survey*. In TAL's 2021 financial year:



419

key stakeholders across our partners provided feedback on our business and reputation



89/100

"Excellent/Top Tier" reputation with all of our partners

16,948

real-time adviser surveys, giving feedback on the way we support them and their customers

92/100 reputation score with our superannuation fund partners

81/100 reputation score with our adviser partners

93/100 reputation score with our alliance partners

* TAL's 2021/22 financial year Corporate Reputation Report.

Collaborative partner forums

Regularly bringing together our superannuation fund partners, our partner forums encourage the exchange of ideas and insights on important industry topics. In 2021, we discussed opportunities within our underwriting experience and we explored ways to increase confidence in our industry.

With COVID-19 continuing to be a dominant theme, we also welcomed leading psychologist, Dr Justin Coulson, for an interactive conversation on building resilience in a pandemic working environment.

Industry and regulatory engagement

Government, regulators, industry bodies, thought leaders and consumer groups are all key stakeholders for TAL. In the last year, we actively engaged with policy makers and regulators on issues that are important to our customers, partners and communities. This included with the Australian Government, the Australian Securities and Investments Commission (ASIC), the Australian Prudential Regulation Authority (APRA), the Financial Services Council (FSC), the Association of Financial Advisers (AFA), the Financial Planning Association (FPA), and the Association of Superannuation Funds of Australia (ASFA).

Key areas of discussion

This engagement focused on informing stakeholders about TAL and our activities, and participating in public policy discussions and consultations on topics including the future of financial advice, financial services product rationalisation, the Retirement Income Covenant and exclusions in group insurance. We also participated in the development of Life Insurance Code of Practice 2.0 (LICOP) and were in regular contact with the Life Code Compliance Committee regarding matters relating to the current LICOP.

We have you covered

We also supported the national COVID-19 vaccine program by assuring Australians their life insurance products will continue to protect and cover them as they have always done once they are vaccinated. The 'We have you covered' campaign, which TAL supported with a number of other life insurers, achieved broad reach, including more than 25 pieces of media coverage across online, print and broadcast channels.



Engaging our people

Our people are central to shaping our culture, which is why we actively listen to their feedback and ideas in a variety of ways:

- We use our Employee Insights Surveys to regularly seek our peoples' feedback and understand what we are doing well and areas for improvement.
- Our quarterly 'TAL Together' town hall sessions encourage open discussions between our people and the Group CEO and Executive Team.
- TAL's Health and Wellbeing Committee focuses on initiatives that support our people's physical, mental and financial health.

Our Employee Insights Surveys achieved an overall response rate of 85% in FY21.

Delivering on our Purpose

Our Purpose is to help Australians live a life filled with choices, options and freedoms, no matter what happens. That is why supporting our customers through the claims we pay is the most important thing we do.

\$2.7 billion

paid in claims to 39,628 customers and their families*

* Claims statistics based on total claims paid under TAL Life Limited insurance products (excluding funeral insurance) between 1 April 2021 and 31 March 2022.





Who we are

Delivering on our Purpose

Making a broader contribution



Delivering on our claims promise

Claiming with confidence

We deliver on the promise we make to every customer, ensuring they understand and feel confident in how we handle their claim.

In our 2021 financial year we paid

\$2.7 billion

in claims to

39,628

customers and their families.¹

Of the claims we paid,

71%

were in living benefits, which helped our customers continue to live their lives while recovering from an illness or injury.²

1. Claims statistics based on total claims paid under TAL Life Limited insurance products (excluding funeral insurance) between 1 April 2021 and 31 March 2022.

2. Claims statistics based on total number of accepted claims that were decided on between 1 April 2021 and 31 March 2022. A claim is decided on when a decision is reached as to whether or not the claim is payable.

Our Claims Philosophy

TAL's Claims Philosophy has been further embedded within our business this year, through our processes and procedures, health support programs and our decision review processes, with performance tracked via our Claims Philosophy Dashboard. Key measures include understanding our customers' experience through their claims journey with some strong results for FY21:

End-of-claim NPS

+45 12 mths to March 2021

+48 12 mths to March 2022

▲ 3pt uplift

Post-call claims customer service NPS

+44 12 mths to March 2021

+54 12 mths to March 2022

▲ 10pt uplift

At TAL, we believe in:



Providing guidance and support, every step of the way

We give our customers clear expectations and allow them to claim with confidence.



Helping our customers reach their best health outcomes

We do all we can to support our customers on their path to recovery.



Investing in our Claims teams to better support customers

We know that handling claims can be a challenging role, which is why we invest in our people and the tools they need.



Partnering with our customers and their support network

We remove complexity and work together to gather the information we need to assess their claim as fast as we can.



Delivering fair outcomes for every customer

We assess claims and make decisions in a considered, efficient manner that reflects the design of our products.



Who we are

Delivering on our Purpose

Making a broader contribution

Bringing our Claims Philosophy to life

Professional development in claims

Training and development provided to our Claims teams is another important part of our Claims Philosophy. TAL offers a comprehensive technical framework to support the professional development of our Claims Consultants and ensure they continue to provide the best support to our customers. Through the TAL Claims Academy, our Claims teams completed approximately 2,000 training programs (around 18,000 hours) in TAL's 2021 financial year.

We also provide specialised coaching for our Claims Consultants in areas such as mental health and empathy training, to ensure they have the skills needed to understand each customer's situation and goals, and tailor the claims experience to suit.



This training supports the Australian and New Zealand Institute of Insurance & Finance (ANZIIF) Professional Standards Framework for the life insurance industry, which enables all claims professionals to achieve a Certificate IV level by December 2023. Our training includes a strategic partnership with Deakin University to launch a tailored TAL Certificate IV program for Underwriting and Claims.

18,000

hours of training completed by our Claims teams through the TAL Claims Academy over TAL's 2021 financial year



TAL's digital claims support hub

Our Claims Hub continues to help guide our customers around the claims journey and provide enhanced support during claim time.

Embracing technology to enhance the claims experience

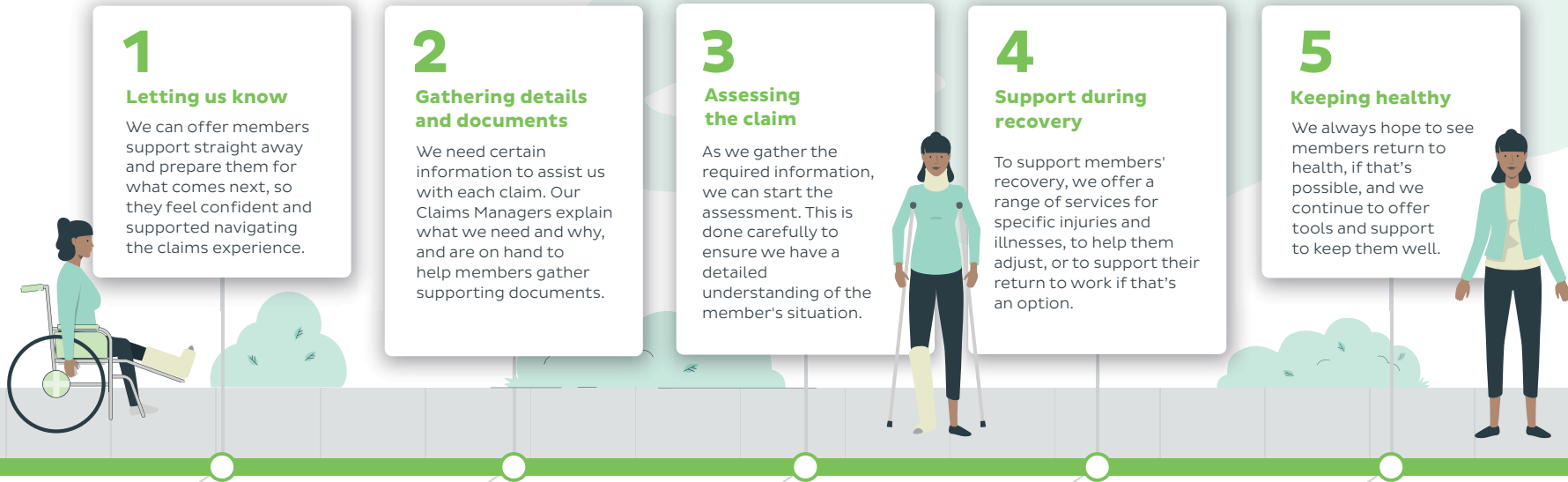
With digital transformation happening in all aspects of life, we are continually looking for ways to leverage new technologies and streamline our claims processes to improve the customer experience. This can be seen across the digital aspects of our approach to claims and broader health support.

Key to our digital transformation program, our Claims Assist service continues to be extended and is now available to members across 14 of our superannuation fund partners. In addition to providing a standalone version of the tool, we have fully integrated Claims Assist into our Insurance Online superannuation fund member portal to offer a more seamless insurance experience. It also includes access to new health engagement tools, including TAL Health Connector and TAL Carer Assist.

Developed in-house by our Innovation team, Claims Assist uses tailored automation to improve efficiencies in the administration aspect of the claims process. It simplifies claim tracking by allowing customers to upload documents, review the status of their claim and clarify any outstanding information requirements.

Currently, almost 50% of eligible members use the solution at claim time, providing faster claims outcomes.

Our approach to claims and health support for members of our superannuation fund partners



1

Letting us know

We can offer members support straight away and prepare them for what comes next, so they feel confident and supported navigating the claims experience.

2

Gathering details and documents

We need certain information to assist us with each claim. Our Claims Managers explain what we need and why, and are on hand to help members gather supporting documents.

3

Assessing the claim

As we gather the required information, we can start the assessment. This is done carefully to ensure we have a detailed understanding of the member's situation.

4

Support during recovery

To support members' recovery, we offer a range of services for specific injuries and illnesses, to help them adjust, or to support their return to work if that's an option.

5

Keeping healthy

We always hope to see members return to health, if that's possible, and we continue to offer tools and support to keep them well.



Core systems and functions

Step-by-step guide

We provide information to help members understand what to expect at every step and make their claim as easy as possible.

Insurance web app

For even faster decisions, our claims lodgement web app will soon be available, allowing members to upload their documents via our Claims Assist portal.

Progress tracker

Claims Assist allows members to track their claims status and be notified of any additional requirements we may need to support their claim.

Benefit payment tracking

Payments can be tracked through Claims Assist or SMS so members know when they will be getting each and every payment.

Cover check-in

Members can check that they still have the right level of protection through their fund's insurance portal.



Health and wellbeing support

Health Connector

Members can discover and connect with local services and specialists with our online tool.

Condition information

Where appropriate, we email information to members on their condition from our health experts to help them navigate their road to recovery.

Health care plan

We can connect members with the right support services provided by TAL. The extra support options are emailed with the Health Care Plan, to supplement primary treatment.

Cora

Members can hear from people who have been through similar conditions with access to Cora – our resource with hundreds of tips and stories from previous claimants.

Prevention

Members can continue to access support resources to help keep them healthy through services such as our online mental health prevention tool, Headlight.

Common reasons for claim*

Mental health conditions

Including post-traumatic stress disorder and depression



18% of all the claims we accepted

- 4% Life insurance
- 25% Total & permanent disability insurance
- 71% Income protection

Cancer

Including breast and pancreatic cancers

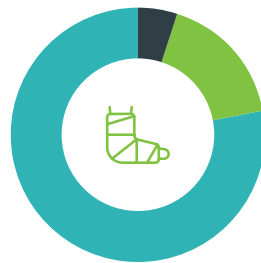


17% of all the claims we accepted

- 48% Life insurance
- 5% Total & permanent disability insurance
- 5% Critical illness insurance
- 42% Income protection

Injuries and fractures

Including joint dislocation and bone fractures

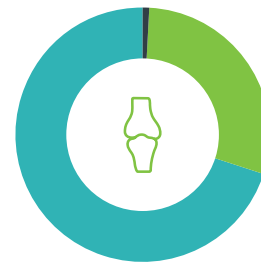


16% of all the claims we accepted

- 5% Life insurance
- 17% Total & permanent disability insurance
- 78% Income protection

Musculoskeletal and connective tissue conditions

Including back pain and sciatica



13% of all the claims we accepted

- 1% Life insurance
- 29% Total & permanent disability insurance
- 70% Income protection

Conditions of the circulatory system

Including heart attack and stroke



10% of all the claims we accepted

- 57% Life insurance
- 9% Total & permanent disability insurance
- 4% Critical illness insurance
- 30% Income protection

OTHER REASONS FOR ACCEPTED CLAIMS

5%

Conditions of the nervous system

4%

Conditions of the respiratory system

2%

Conditions of the digestive system

15%

Other reasons

* Claims statistics based on total number of decided claims (excluding funeral insurance) that were accepted between 1 April 2021 and 31 March 2022. A claim is decided on when a decision is reached as to whether or not the claim is payable.

Customer excellence ambition

Though TAL's **Customer Excellence Program**, we successfully delivered all the required regulatory reforms in 2021, including Complaints Transformation (RG271), Claims as a Financial Service, and Customer-Centric Product Design and Distribution (DDO). In total, nine programs of work were delivered on schedule, seeing us deliver on the reforms, while also strengthening our capabilities and delivering better customer outcomes.

The Customer Excellence Program is a key part of TAL's **Customer Excellence Framework**, designed to support our ambition of providing better customer outcomes.

Encompassing ongoing initiatives across our business, the Customer Excellence Framework aims to actively listen to understand our customers, design products and services that are sustainable and easily understood, and deliver product and service excellence to continuously enhance and improve the customer experience.

TAL's commitment to customer excellence extends to creating a positive complaints culture. Chaired by TAL's Chief Customer and Brand Officer, our **Customer Excellence Forum** brings together all business units and functions to consider customer complaints and customer experience issues, and identify key insights, themes and actions that will have a positive impact for customers.





New retail income protection products

This financial year, TAL launched a new range of Individual Disability Income Insurance (IDII) products for Retail customers. A key part of the Customer Excellence Program, the new products aim to deliver fit-for-purpose benefits at claim time, while ensuring all customers can access affordable cover over the long term.

For customers unable to work due to illness or injury, IDII products meet a critical consumer need by providing a replacement for their income.

Designed with customers in mind

With a focus on providing products that deliver fair and sustainable outcomes for all customers, the new products were designed to balance our customers' needs and provide valuable cover that remains affordable into the future.

Drawing on expertise and insights across TAL, including Claims, Product Development, Underwriting, Health Services, Customer Experience and Distribution, TAL adopted an evidence-led design approach involving in-depth research.

This included review and back-testing on more than 10 years of historical income protection claims, more than 2,500 cases, alongside research conducted with more than 1,500 customers, 145 advisers and Licensees in addition to input from our Customer Consultation Board.

The result is a range of product solutions that are tailored to customer needs, featuring revised definitions, aligned to guidelines provided by the Australian Prudential Regulation Authority (APRA) and the Institute of Australian Actuaries Disability Taskforce, which balance value and while ensuring the right benefits are paid when they are needed most.

Our testing identified three primary customer concerns: the cost of cover, ensuring adequate cover, and certainty in claim payment. This feedback, combined with the extensive review of the claims experience, allowed for evidenced decisions and targeted product design changes to address sustainability issues and improve initial and ongoing affordability (cost), ensure coverage aligns with genuine needs (cover), and that product definitions provide payment as intended (certainty).

Customer-focused design

Continue to meet the core customer need

income replacement if the customer is unable to work due to injury or illness

Provide stable, predictable pricing

and a fair value exchange at the time of purchase and through the customer lifecycle

Include clear definitions

that are as straight-forward as possible and give certainty about payment

Incentivise and assist

customers' return to health, wellbeing and work

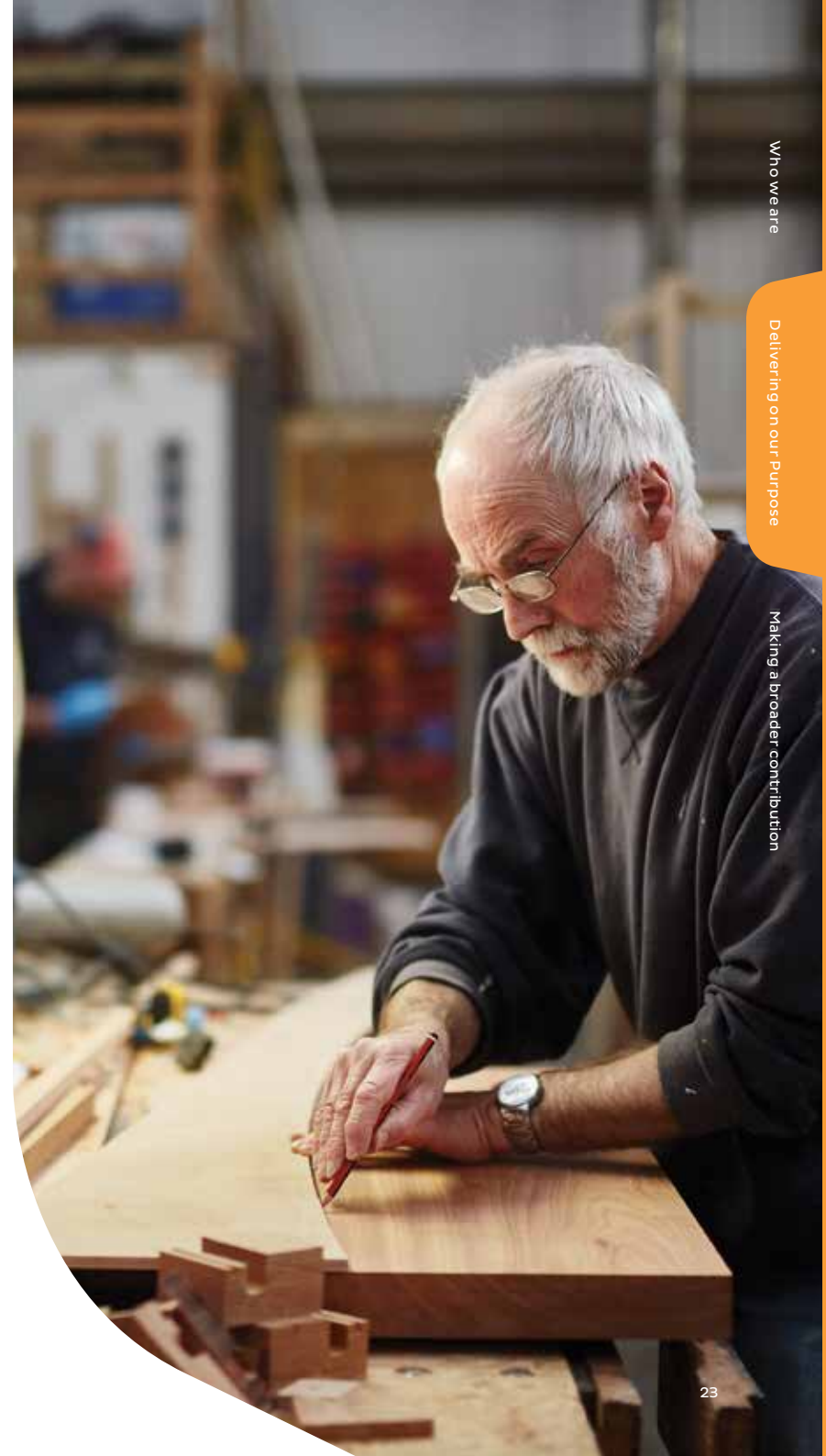
Be as simple as possible

and deliver benefits that customers value and understand

Review benefits regularly

to ensure they are current and evolve with market changes and consumer expectations

New income protection products continue to meet customer needs, offer stable pricing and long-term affordability





Leveraging our health expertise

Supporting customer health

We care about the health of our customers and look for new ways to help our customers live a healthy and full life. This focus continues through our customer's entire journey with us. It begins with our product and service design through to the health and wellbeing services we provide during recovery.

We take a holistic approach that considers the balance of physical, mental and financial health.

From partnering with health experts and developing innovative, practical support programs, to rewarding the actions taken to proactively manage an individual's health, we are by our customer's side, wherever they are on their health journey.



Physical health



Mental health



Financial health



Our Health Services Team

TAL's Health Services team partners with the external medical community to provide health expertise, including recovery and prevention, to support our customers.

We facilitate partnerships with leaders in the physical, mental and financial health community, and drive health thought leadership within TAL, the insurance sector and the wider community.

Prevention

We want all our customers to enjoy the very best of this Australian life, which is why we encourage them to be proactive about their health. We take an inclusive approach and have propositions that reward customers for taking steps to reduce health risks across the three key areas of preventative health:

- healthy living
- detecting conditions early
- managing chronic conditions.

Our health prevention initiatives include TAL Health Sense and TAL Health Sense Plus, TAL SpotChecker and Headlight, in addition to condition-specific support.

Personalised approach to recovery

We understand that assessing claims quickly and fairly is the most important thing we do. Our support during claim time goes beyond the claim itself. Our Claims and Health teams take a personalised approach to recovery, making sure they understand the customer’s situation and the support they need. They work with the customer’s treating teams, carers or employers to make things easier and connect customers to support services that reflect their health needs and return-to-work goals, where this is an option.

Some of our new and updated health tools in FY21 include:

TAL Carer Assist

In 2021, we launched TAL Carer Assist: a new offering to recognise the role of carers for superannuation fund members who make a claim. From engaging with our fund partners, we understand that informal carers can take on additional burden when a loved one is sick or injured. TAL Carer Assist offers a range of services and support to lighten the load, including:

- condition-specific information and access to community services through the TAL Health Connector directory
- mental wellbeing support for members and carers through our digital wellbeing tools, Headlight and Cora, and phone-based counselling services through Assure Programs
- vouchers to help with everyday services, such as cleaning and gardening for members and their carers.

TAL Health Connector

TAL Health Connector is a new online directory that enables customers to access free or low-cost health services in the community. Customers can view the support available in their local area and search by their condition type.

During the last six months, more than 700 people have participated in one or more health support service each month on average. Over the same period, an average 41% of people are working, volunteering or studying at completion of the program.





Our commitment to mental health

Our mental health capability

With claims for mental health continuing to grow – representing the leading reason for claim at TAL in FY21 for the first time – so does our understanding of mental health conditions. We see this as an opportunity to create innovative solutions informed by our growing understanding and supported with technology, so that we can promote positive mental health and emotional wellbeing services that support our customers and the broader community.

Specifically, we are focused on leading the way in supporting our customers to identify, prevent and treat mental health conditions. We know this is a complex area and we are committed to helping our customers access the best possible support.

Mental Health Action Group

One of the ways we do this is through our Mental Health Action Group, which brings together leading mental health experts, including those with lived mental health conditions, to help us drive positive change across our services.

Since 2017, TAL's Mental Health team has enabled us to deliver and embed our mental health strategy for our customers, partners and our people. In addition to delivering training for TAL's Claims Consultants, our Mental Health team also provides mental health training and support for TAL employees and our partners.

Our partnerships with the University of Sydney, Remedy, and SuperFriend, stimulate and challenge our thinking and allow us to explore ways we can better support the wellbeing of our customers.



Supporting the mental health of superannuation fund members

To support the mental health of our customers and communities, TAL launched Headlight, our online preventative health tool. Developed in partnership with the University of Sydney's Brain and Mind Centre, Headlight asks people simple lifestyle questions to provide a wellbeing score and then gives evidence-based resources that can help them take control of their mental wellbeing.

Headlight is available to all superannuation fund members and has reached almost one million members across our fund partners to date, adding new levels of engagement between members and their superannuation fund.

In 2021, TAL's Mental Health team continued to provide training for superannuation fund partners on topics such as suicide prevention, depression and anxiety disorders, to increase their capability to support members.



Supporting mentally healthy advisers and clients

Since 2019, TAL has conducted a series of continuing professional development earning workshops and developed a range of resources through the TAL Risk Academy to support financial advisers' mental wellbeing. Facilitated by TAL's Mental Health team, this ongoing support focuses on providing advisers with evidence-based tips to improve their personal wellbeing and support clients suffering from depression or anxiety. This year, we also launched a new mental health training module to help advisers support customers experiencing grief.

From dealer group sessions to roadshows and conferences, TAL's Mental Health team has conducted regular training sessions across the year. With particular significance given the period of extended uncertainty during COVID-19, this has also seen us connect advisers with external resources such as Lifeline to further protect the wellbeing of small business owners.





Supporting our customers through challenging times

There for our customers through COVID-19

In the early stages of the COVID-19 pandemic, we brought together a diverse group of TAL people from across the business to consider the different impacts of COVID-19 for those customers making claims and ways we could support. We developed and launched a range of measures to help customers at their time of claim, which included:

- establishing a dedicated team of experts across our Claims and Health Services functions to develop practical claims solutions for customers;
- being pragmatic and flexible in our approach to collecting certain information required to process or assess claims;
- scheduling benefit payments for income protection claims in advance for up to the next three months; and
- increasing our Grief Support benefit for any death benefits payable as a result of COVID-19.

Over the 2021 financial year, our specialist COVID-19 Claims Committee met to individually consider over 258 claims impacted directly or indirectly by COVID-19. In addition, we provided financial hardship support to 678 COVID-19-impacted customers.

Financial hardship support provided to 678 COVID-19-impacted customers.

Extending support to flood-impacted customers and volunteers

During the floods in early 2022, TAL activated an extension of our Financial Hardship policy to ensure customers affected by the floods in New South Wales and Queensland would be supported in their time of need.

This included premium waivers for impacted customers to help them financially during this difficult time and working flexibly with customers whose personal records or paperwork had possibly been destroyed to determine alternatives for claims documentation.

Recognising the efforts and personal sacrifice of volunteers who assisted with the emergency and recovery efforts, we also offered a premium waiver for up to two months to State Emergency Service (SES) volunteers, including TAL employees, and those in other emergency services organisations, who were taking unpaid leave from their regular employment, and with policies directly held with TAL or through a financial adviser.

Protecting more Australians and their families

Extending our support to more Australians

This year, we extended our superannuation fund partnerships with Mine Super and Russell Investments. We were also delighted to work with AustralianSuper, Aware Super and Cbus to welcome new members following mergers with other funds. It is our privilege to continue delivering on the insurance promise for these fund partners and to be there for their members when they need us most.

Extended partnerships with key superannuation fund partners including Russell Investments and Mine Super.



Over the year, TAL-owned Lifebroker also extended its partnership with iSelect, launching our service offering for existing iSelect life insurance customers. Along with our Compare the Market partnership, Lifebroker continues to partner with Australia's most trusted comparison brands to make life insurance accessible to more Australians.

We also introduced the option for Australians to purchase our Accelerated Protection product directly from TAL, previously only available via advisers.

Bringing TAL, Asteron Life and Westpac Life together

On 1 October 2021, we reached a significant milestone with the completion of our Asteron Life Integration program. This included simplifying our technology systems from 110 Asteron Life systems to 10 core systems. In 2021, we also signed a binding share sale agreement to acquire Westpac's life insurance business in Australia and entered into an exclusive 20-year strategic alliance to provide life insurance products to Westpac's Australian customers. These significant milestones in TAL's history will be instrumental in helping deliver on our strategy and continue to protect more Australians in more ways, throughout their lives. Completion of the Westpac transaction is scheduled for 1 August 2022.

Expanding our protection options to include retirement solutions

Building upon the protection we offer to superannuation fund members throughout their working lives, we also help support our superannuation fund partners to provide their members with confidence as they transition into retirement and beyond.

This year, TAL has continued to invest in developing insights and capability in the retirement sector to support our superannuation fund partners and their members with a range of solutions. In doing so, we have leveraged the strength and experience of our market-leading Group Life business and drawn on insights and expertise from our parent company Dai-ichi Life, an experienced global provider of retirement solutions.

As a key partner to superannuation funds, we are working with them to build a deeper understanding of the unique needs and circumstances of members to offer retirement solutions that provide members with the confidence to spend their super, knowing that they are protected with an income for life.

Designing and innovating for a better future

Investment in our digital capabilities is a key part of our commitment to improving the experience for our customers, whenever they interact with TAL.

Progressing our digital transformation

In 2021, TAL undertook one of its largest digital transformations to date, realising opportunities to improve the existing digital experience and provide a seamless digital self-service onboarding experience. The team moved to a new agile way of working, increasing speed to market, and progressed our journey to create personalised experiences across our websites, to provide customers with targeted content to help them make an informed purchase. Using segmentation-based data and developing webapp software, we have simplified the process and back-end, while allowing customers to have a seamless, front-end experience.

Investing in digital and member experience

Demand for digital self-service platforms from both our superannuation fund partners and their members continues and our work on improving our digital customer journey has led to some important changes to the way our customers experience TAL digitally. These include simplified language to help

improve awareness and understanding, as well as improvements to the way our customers change their cover or lodge a claim online. We continue to invest in these areas to ensure we meet these increasing needs.

Improving member engagement

Our Member Engagement Team has been working closely alongside our partners to develop propositions to help engage superannuation members in their insurance. Our Health Support proposition provides customers with a library of resources to assist them while on claim, such as recovery and rehabilitation services.

We also delivered the first phase of our Insurance Academy, aimed at improving awareness and knowledge of life insurance for our superannuation funds and their employees.

Launched this year, TAL's online Discover tool enables members to choose the right level of cover for them and address the roadblocks that stop them engaging with their insurance. Discover begins by proactively engaging a specific member cohort, raising awareness about their current insurance levels and giving them an opportunity to learn more about their coverage options.

Investing in our digital capabilities for superannuation funds and members

Secure information sharing is key to our value proposition for partners and whilst we have a strong history of integration with partners and external platforms, we are working to grow our set of open application programming interfaces (APIs) on our new API Platform, which covers the underwriting and claims lifecycle.

This is part of our overall API strategy – opening access, receiving real-time data and supporting streaming event-based data across to our partner networks, to enable more simple, seamless and transparent experiences for superannuation fund members.

TAL received almost 75,000 applications from members to increase their insurance in the 12 months to February 2022, with around 86% of applications submitted electronically.

We are continuing to invest in our digital insurance solutions to deliver seamless experiences for member and forge digital partnerships with funds.

The introduction of advanced cloud technology and API integration has already cut almost one minute off the time it takes to provide a decision on an insurance application.

Enabling effective digital adviser interactions

To enable our adviser partners to more effectively engage with their customers and create operational efficiencies in their businesses, TAL has further invested in the TAL Adviser Centre, providing adviser partners with access to a digital platform where they can manage their customers' policies and ensure the best client experience.

In 2021, we launched a suite of self-service reporting options for advisers, providing access to a range of in-depth reporting tools in one place making it easier for them to do business and focus on providing client support and relationship building.

Leveraging Artificial Intelligence

TAL continues to leverage our in-house Data and Analytics team to build out specific scenarios for Artificial Intelligence (AI) capability. Specifically, we have focused on 'augmenting' the underwriting experience and in the last 12 months have made significant progress towards delivering this in an operational setting.

Our 'Augmented Underwriting' tool will help us scale our underwriting function and improve customer experience by improving the straight through processing of insurance applications and supporting our underwriting team through a triage process to better manage volumes and complexity.

TAL is also using AI to provide service improvements for frontline customer complaints. Since October 2021, we have utilised speech to text and text mining technology to help ensure that frontline complaints are captured accurately. Using this technology helps us scale our frontline complaints quality assurance process and quickly analyse thousands of contact centre calls each month, highlighting any that may be classified as a complaint for a more detailed review. Through this process, we have been able to maintain a high level of accuracy with correctly recording complaints and we are focused on rolling out this capability across other areas of the business. Since we began in 2019, there has been an average of 56,000 calls processed each month using this technology, and an average of 74,000 calls per month since January 2022.

We see AI as a key enabler to support both our customer experience and our operational scale and will continue to invest, test and learn in this space.



Making a broader contribution

Our Purpose, Ambition and Spirit help guide our business to act in a socially responsible and ethical manner. We are committed to governing ourselves well and contributing positively to social and environmental issues.

\$856,163

contributed to our community partners in TAL's 2021 financial year





Making a positive contribution

We understand that Environmental, Social and Governance (ESG) issues are increasingly important to our customers, partners, stakeholders, and people. During 2021, TAL formalised its approach to ESG to create an additional set of pillars and objectives that allow TAL to make a broader contribution and further align to the areas of importance for those we protect.

Our Environmental, Social and Governance strategy and framework

● COMPLETED ● ON TRACK



Climate change and environment

TAL will minimise our impact on the planet and contribute to reducing the impact of climate change for the benefit of all communities.

FY21 deliverables:

- Continue our carbon neutrality for TAL's operations, with carbon offsets accredited by the Carbon Reduction Institute and compliant to standards outlined by the World Business Councils for Sustainable Development's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, and the international standard ISO 14064.1*
- Green House Gas reduction project in progress, to cut emissions in flights and travel by 10% over the next 12 months
- Further advancing our National Australian Built Environment Rating System (NABERS) office ratings through building upgrades is allowing us to switch to 100% renewable energy for electricity by 2023.



ESG investing

TAL will invest for a sustainable future for the benefit of our customers, partners, and society.

FY21 deliverables:

- Complete a carbon audit of our investment portfolio
- Implement roadmap for TAL's sustainability objectives into our investment strategy by 2023
- Continue our commitment to tobacco-free investments through the Tobacco-Free Finance Pledge.

TAL is a signatory to the United Nations' Principles for Sustainable Insurance, a framework that encourages insurance companies worldwide to put ESG issues at the heart of their decision making.

* TAL's carbon neutrality is based on TAL's Scope 1, 2 and 3 emissions, excluding its investments portfolio.



Wellbeing and mental health

TAL is committed to improving the health and wellbeing of our customers and people.

FY21 deliverables:

- Launch of Health Support Indicator to help our Claims Consultants identify the most appropriate health support services based on customer needs, and TAL Health Connector, offering customers low cost or free support services in their community
- Scale our online mental health prevention tool, Headlight, to reach more customers to support mental wellbeing
- Continue engagement with stakeholders on TAL's Mental Health White Paper and recommendations.



Social equality

TAL will contribute to social equality through financial inclusion, helping all customers to access insurance and the support they need, and by ensuring that people at TAL are treated equally.

FY21 deliverables:

- Launch TAL's Reconciliation Action Plan and continuing to work towards our commitments
- Continue to improve TAL's gender representation in TAL's leadership roles so that it is reflective of our commitment to achieve 40:40:20 by 2025
- Publish family and domestic violence commitments on our website for all customers, and commence training to upskill our frontline employees to help impacted customers
- Launch Natural Disaster Policy as an extension of our Financial Hardship measures. During the 2022 floods, we were able to support 68 flood-affected customers with \$44,752 in premiums being waived. We also donated \$100,000 to the flood relief.



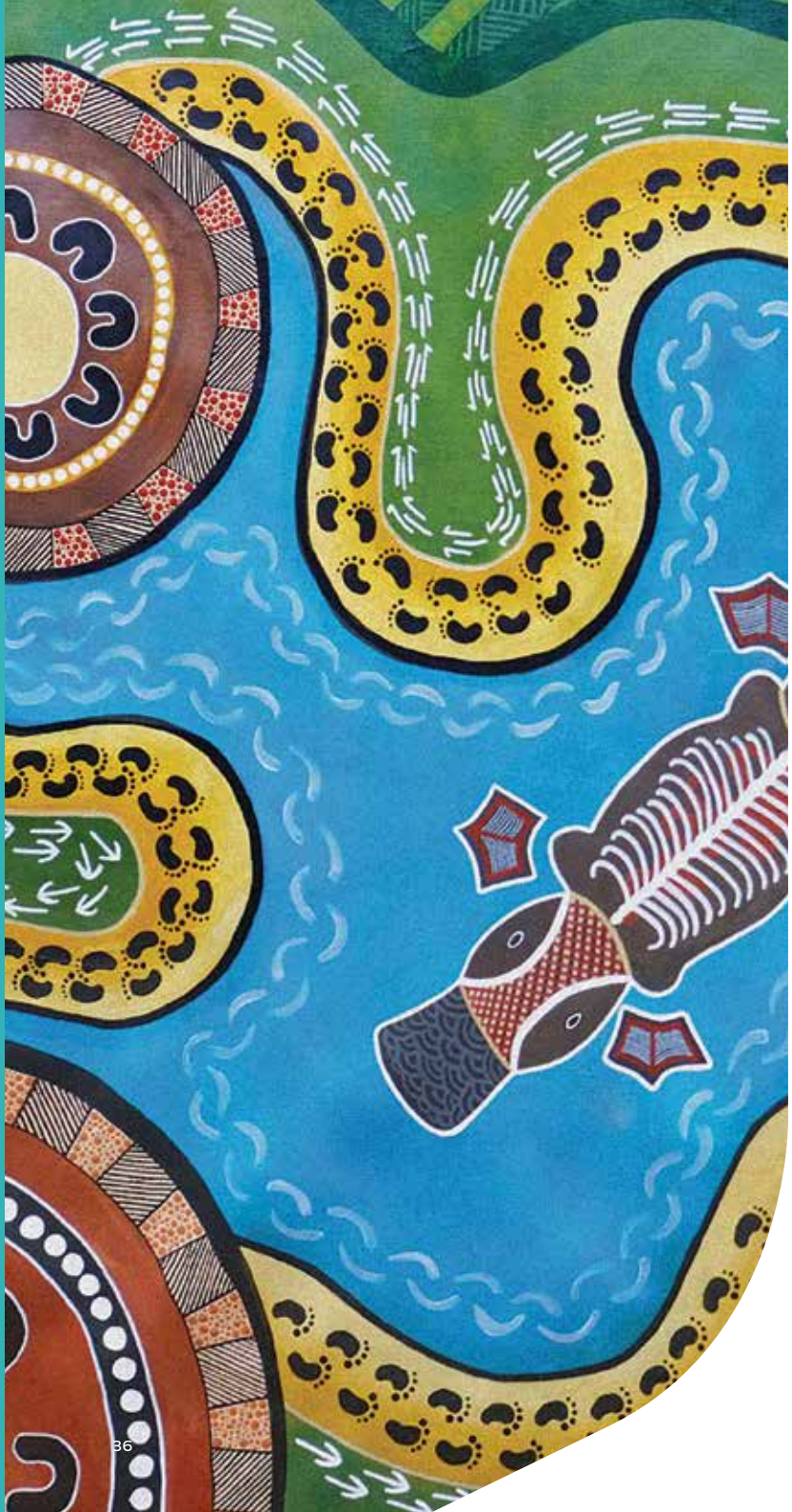
Governance and reporting

TAL is committed to effective ESG risk management and holding ourselves to account to be a more sustainable business.

FY21 deliverables:

- Establish governance process to manage our ESG framework
- Modern Slavery Statement in place and current providers have been audited
- Climate Self Risk Assessment – initiated by APRA using CPG 229 as a benchmark
- Introduce climate change risk scenarios into TAL's suite of Internal Capital Adequacy Assessment Process (ICAAP) capital stress scenarios.





Our reconciliation journey

We are focused on supporting Aboriginal and Torres Strait Islander peoples and communities through our Reconciliation Action Plan, our Community Foundation and our Diversity and Inclusion partnerships.

We are proud that our country is home to the world's oldest continuous living culture and since 2015 we have been on a journey towards building relationships with Aboriginal and Torres Strait Islander communities. Some of these include:



2015

TAL's **CareerTrackers** partnership offers internship opportunities to help prepare Aboriginal and Torres Strait Islander students for joining the workforce. Since 2015, TAL has facilitated 10 student placements across the organisation.

We embrace and encourage diversity to create a workplace that reflects the communities we serve.

Artwork created by Casey Atkinson
(Bangerang/Wiradjuri) for the TAL Innovate RAP.

2016

2016–18 TAL's partnership with **Jawun** saw 12 TAL employees each undertake a six-week secondment to share their skills and knowledge to create real change for Indigenous communities.

Since 2016, we have celebrated Indigenous culture and highlighted the importance of significant events, including our annual celebrations during **NAIDOC Week** with educational and immersive experiences for our people.

2018

We introduced **Acknowledgement plaques** at the entries of our Sydney, Melbourne, Adelaide, Perth and Brisbane offices to recognise the valuable and unique status of Aboriginal and Torres Strait Islander peoples as the original owners and custodians of the land and waters of this nation.

Since early 2018, we have been a member of **Supply Nation**, an Indigenous supplier diversity organisation ensuring that our approach to strategic sourcing and procurement encourages a more inclusive economy for Aboriginal and Torres Strait Islander peoples.

2019

Since 2019 we have celebrated **National Reconciliation Week** with events and education to start conversations of how we can all contribute to achieving reconciliation in Australia.

Since 2019 we have partnered with **National Aboriginal Sporting Chance Academy** (NASCA) to provide a range of volunteering opportunities for our people to share their expertise and skills to help Indigenous communities. Since the commencement of this partnership, nine TAL staff have participated in NASCA volunteering opportunities.

2020

In 2020, we collaborated with RMIT on the **Bundyi Girri for Business program**, to explore how we might build our practice of reconciliation.

In 2020, we created our first Aboriginal and Torres Strait Islander **cultural protocols** document to provide TAL people with an understanding of some of the important protocols that we can observe on our path to reconciliation.

2021

In 2021, we launched the TAL Innovate **Reconciliation Action Plan** (RAP).



Our Reconciliation Action Plan

TAL launched its first Innovate Reconciliation Action Plan (RAP) this financial year, which provides the framework for how we will support reconciliation in our community over the next two years. Our RAP provides us with clear, meaningful actions to help further reconciliation. It sets out our commitments in the areas of Relationships, Respect, Opportunities and Governance.



Relationships

Focus area: Customer & Industry Leadership

- We will work towards a reconciled and protected future, by collaborating to build respect, understanding and pride within our networks.
- Through our partnerships, we will support education, employment and health outcomes, while helping create an inclusive and safe workplace.



Opportunities

Focus area: Strengthening the business

- We will work towards a reconciled and protected future, by delivering improved economic outcomes with Aboriginal and Torres Strait Islander peoples and communities.



Respect

Focus area: People

- Respect for Aboriginal and Torres Strait Islander peoples, cultures, histories, knowledge and rights is important to us as an organisation.
- A shared understanding and appreciation among our people is key to ensuring that we provide products and services for our diverse customer base, and that we are able to contribute more broadly as a large organisation to reconciliation.



Governance

Focus area: Strengthening the business

- We will develop a governance framework that supports the implementation of our RAP commitments.
- We will report our RAP achievements, challenges and learnings to Reconciliation Australia for inclusion in the RAP Impact Measurement Report.

Investing in professional development

Investing in professional development for financial advisers

TAL remains dedicated to the ongoing professional development and life insurance education of financial advisers and our superannuation fund partners. We offer an industry-leading education program through **TAL Risk Academy**, which offers financial advisers access to a range of virtual, on-demand and face-to-face courses accredited by the **Association of Financial Advisers (AFA)** and the **Financial Planning Association of Australia (FPA)**. Now in its eighth year, the TAL Risk Academy supports advisers' education goals by offering flexible learning pathways that suit advisers at every stage of their career.

In particular, this year TAL Risk Academy has launched a Professional Year program to support new entrants into the industry with tailored, structured learning and professional development events.

The majority of TAL Risk Academy courses are free of charge, aside from the Risk Academy Masterclasses, which incur a \$55 fee that TAL donates fully to the **Australian Business Community Network (ABCN)** to help students from lower socio-economic backgrounds access quality education and reach their full potential.

During TAL's 2021 financial year, we supported over 3,791 advisers and their support staff through TAL Risk Academy programs, providing more than 18,000 Continuing Professional Development hours in accreditation to support their learning.

Supporting insurance professional development amongst superannuation funds

For our superannuation fund partners, TAL delivered regular partner forums that brought together insurance industry leaders to discuss key aspects of insurance in super, regulatory changes, and the holistic health and wellbeing of superannuation fund members.

In 2021, we launched TAL Insurance Academy: a new digital learning offering for superannuation fund teams. TAL Insurance Academy seamlessly integrates with our GroupHQ partner portal. It provides an advanced learning management system for fund members to search and access targeted learning across the life insurance and superannuation regulatory landscape to help them grow their insurance knowledge.



TAL Risk Academy achievements since its inception in 2015:



65,000
course enrolments



13,500+
attendees



\$750k
raised for charity



4.7/5
satisfaction rating



Contributing to a sustainable industry

Committed to a sustainable future

For the benefit of our partners and customers, we are focused on leading by example when working with, and making active contributions to, raising industry standards. This includes ensuring our customers, partners and stakeholders are confident that our organisation and our industry will be here to deliver on our commitments now and far into the future. Central to this is ensuring we deliver long-term sustainable performance in the products and services we provide.

Working with industry for better outcomes

TAL is a signatory to the Financial Services Council (FSC) Life Insurance Code of Practice (the Code). The Code sets out higher standards for our industry, reduces complexity for customers, and makes it easier to engage with our industry. As a key part of the architecture of the life insurance industry, TAL continues to invest in meeting our obligations, with Code responsibilities embedded into our day-to-day business operations and management structures. We recognise that in order for consumers to continue to place their trust in life insurance and be confident they can rely on their policy to support them whenever they need it, the Code needs to evolve alongside customer expectations.

TAL has actively supported the FSC's development of a new version of the Code that further strengthens commitments by Australian life insurers in order to meet these expectations.

In FY21, TAL collaborated with other life insurers and the Australian and New Zealand Institute of Insurance & Finance (ANZIIF) to develop the new Professional Standards Framework for the life insurance industry. The Professional Standards outline a consistent minimum standard of skills and competencies for key customer facing roles in the industry. Given our commitment to our customers and our people, we have invested in developing our own TAL Capability and Development Framework and learning programs, designed to supplement the industry standards and provide industry leading learning and development opportunities for our people. We are committing to supporting our Claims and Underwriting teams to achieve a Certificate IV in Life Insurance by the end of 2023 and 2024, respectively.

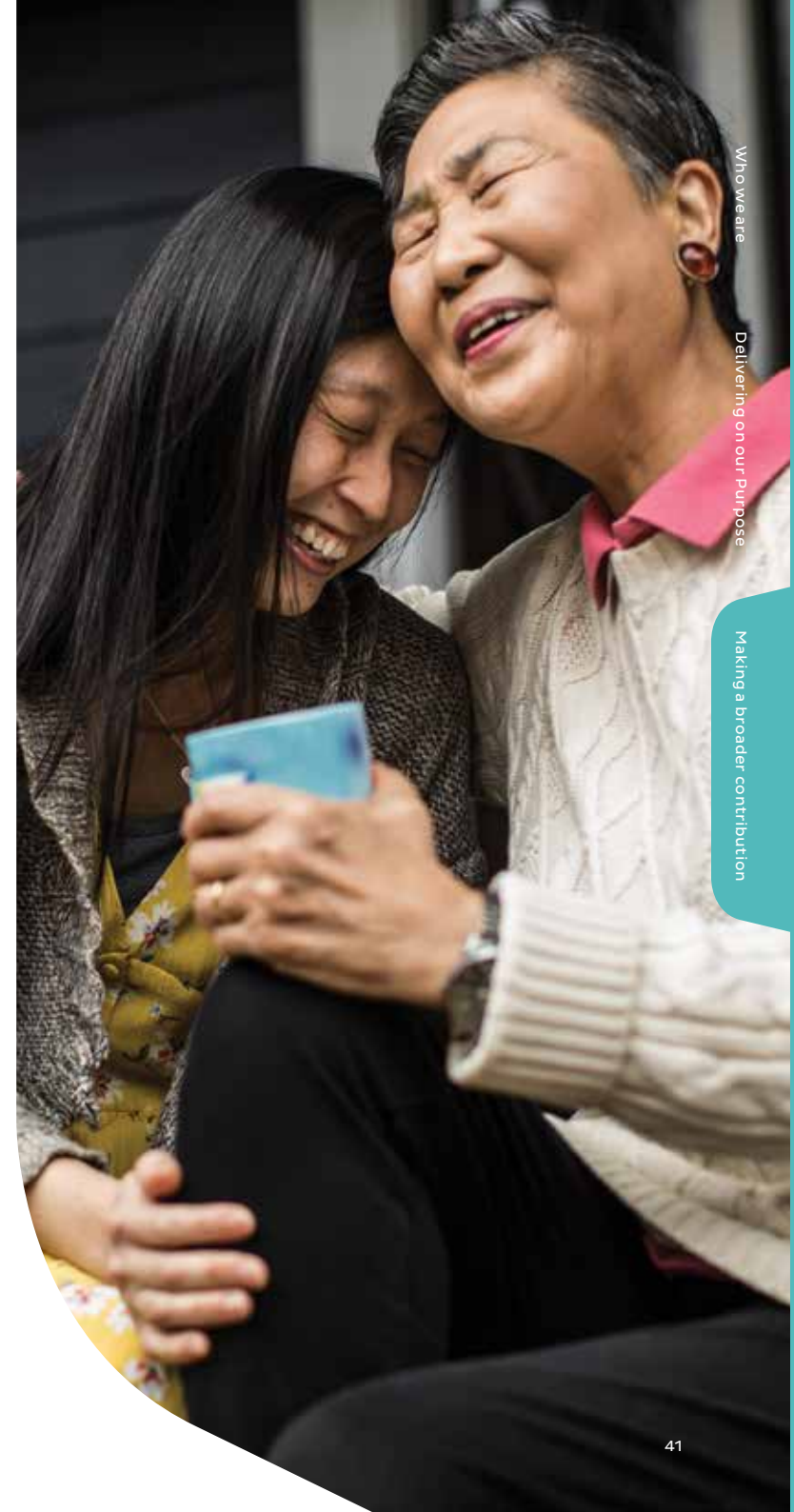
The future of insurance through superannuation

We also supported the development of the Association of Superannuation Funds of Australia (ASFA) and Deloitte Access Economics, 'The future of insurance through superannuation' report on the value insurance in superannuation provides to members, the economy and the broader community.

Working in partnership with ASFA and Deloitte, TAL provided input into the recommendations. These highlight opportunities to further strengthen the insurance in superannuation system through better use of data and a greater focus on wellness and return to work.

A sustainable financial advice model

TAL believes in the important role of a healthy and vibrant financial advice sector in contributing to the financial wellbeing of many Australian families. The sustainability and accessibility of life insurance go hand in hand. TAL's business model reflects the principle that Australians should have choice in how they access life insurance, which is why we believe it is vital to preserve access to life insurance advice for as many Australians as possible. The Australian Government's Quality of Advice review is examining issues of advice quality, affordability and access, including commission funded advice. We look forward to engaging with Government, regulators and industry on this important review.



Who we are

Delivering on our Purpose

Making a broader contribution

Supporting customers experiencing vulnerability

Tailoring customer support

In TAL's 2021 financial year, our focus on supporting customers experiencing vulnerability continued through the range of additional support services we provide on the ongoing development of our frontline people. We are continually developing our understanding and identification of customers experiencing vulnerability, which includes engaging with community leaders and customer groups to collaborate and leverage best practice.

TAL has published our Family Violence Commitments and partnered with Uniting Care to deliver training for frontline teams

Supporting customers experiencing vulnerability at claim time

We recognise that customers experiencing vulnerability may need additional support from us. We focus on tailoring our claims support to ensure we are doing the very best we can to help them. This includes ensuring the customer has a single point of contact throughout the claims journey and equipping our Claims teams with tools to support each customer in a personal, genuine manner that is unique to their circumstances and condition.

Increasing our support of customers in situations of family violence

TAL recognises that family violence is a key vulnerability in the community, and its prevalence increased in 2021, particularly due to changed working arrangements and financial situations during COVID-19. We have added family violence to our financial hardship policy, allowing customers to access financial support when challenging circumstances may mean they need support to pay their policy premiums. In response, TAL has also published our Family Violence Commitments and partnered with Uniting Care to roll out training for frontline teams to engage with and better understand the needs of customers experiencing family and domestic violence.



Using data to improve our understanding and support

We are harnessing data to identify potentially vulnerable customers through the life insurance application process, using voice analytics technology to identify potential indicators of risk in consumer interactions and to prioritise these customers for additional support.

Governance and reporting

Effective risk management

Our Risk Management Strategy continues to evolve in-line with changing customer needs and expectations, regulatory expectations, organisational changes, business strategies and industry developments.

Risk Management Framework

TAL's Risk Management Framework (RMF) provides the necessary foundations and organisational arrangements to manage risk across the business. The RMF comprises the totality of systems, structures, policies, processes and people within TAL that identify, measure, evaluate, monitor, report and control internal and external sources of material risks.

TAL adopts a 'Three Lines of Accountability' (3LOA) model, providing clarity on roles and responsibilities in the management of risk. Typically, this is described as a Three Lines of Defence model, however, TAL describes this as a 3LOA model to reflect the expectation that our people are accountable for managing risks, not just defending against them. The three lines are:

- First Line of Accountability: Business, all employees;
- Second Line of Accountability: Risk Office (and Appointed Actuary); and
- Third Line of Accountability: Internal Audit.

In TAL's 2021 financial year, management's continued investment in risk professionals across the 3LOA has advanced improvements in the RMF, including improved risk monitoring and reporting and risk awareness across the business.

Non-Financial Condition Report

In FY21, we continued to uplift our Risk Management Framework (RMF) and capabilities and developed our second Non-Financial Condition Report (NFCR) for our Board and regulators.

TAL's NFCR aims to inform the Board on the condition of key elements of the RMF as they relate to the management of non-financial risks.

The NFCR provides the TAL Board with an end-to-end view of risk and demonstrates our intent to take a leading industry position by setting high standards in managing non-financial risk across Operations, Technology and Cyber Security, Strategy, and Conduct and Culture.

Modern slavery

TAL is also committed to ensuring we have effective policies and procedures in place to minimise the risk of modern slavery occurring within our business operations and supply chain. We respect the human rights of our people, our partners, our customers, our suppliers and of the community in which we operate.

Our intention is to identify and manage any risks related to human rights across our business and through our supply chain management.





Risk culture

TAL operates in an increasingly complex business and regulatory environment with important obligations to our customers, partners, regulators and the community, as well as each other. It's important that everyone at TAL understands their role in ensuring they manage risk effectively.

A strong risk culture underpins our license to operate as a business and supports TAL's long-term sustainability. As a leading life insurer, we continue to strive to better understand, measure and act to support a strong and healthy risk culture at TAL.

In FY21, we continued to uplift our Risk Management Framework and capabilities and developed our second Non-Financial Condition Report for our Board and regulators. As part of our focus on maintaining a strong risk culture, we also introduced a new claims quality assurance (QA) framework, utilising technology in our QA assessments to support monitoring and provide real-time feedback to our Claims Consultants.

Code of Conduct

TAL's Code of Conduct and associated training also sets out expectations for how we act, solve problems and make decisions. These are important principles and commitments we make when we interact with colleagues, customers, partners, stakeholders, regulators and the community.

See it. Report it. Sort it.

Our 'See it. Report it. Sort it.' framework continues to provide employees with a clear pathway to identify any risks they see within the business, guidance on reporting the risks and how they can manage the risk raised. This initiative has helped to increase risk awareness across the business and drive a risk culture that is accountable and proactive across all employees and the broader business.



Our community contribution

TAL Community Foundation

The TAL Community Foundation supports activities in the Australian community through long-term partnerships that give our people opportunities to make a difference and help people to have choices, options and freedoms in their lives.

The Foundation coordinates and amplifies the ways that TAL helps the community through monetary donations and volunteering.

The Foundation focuses on three key areas:



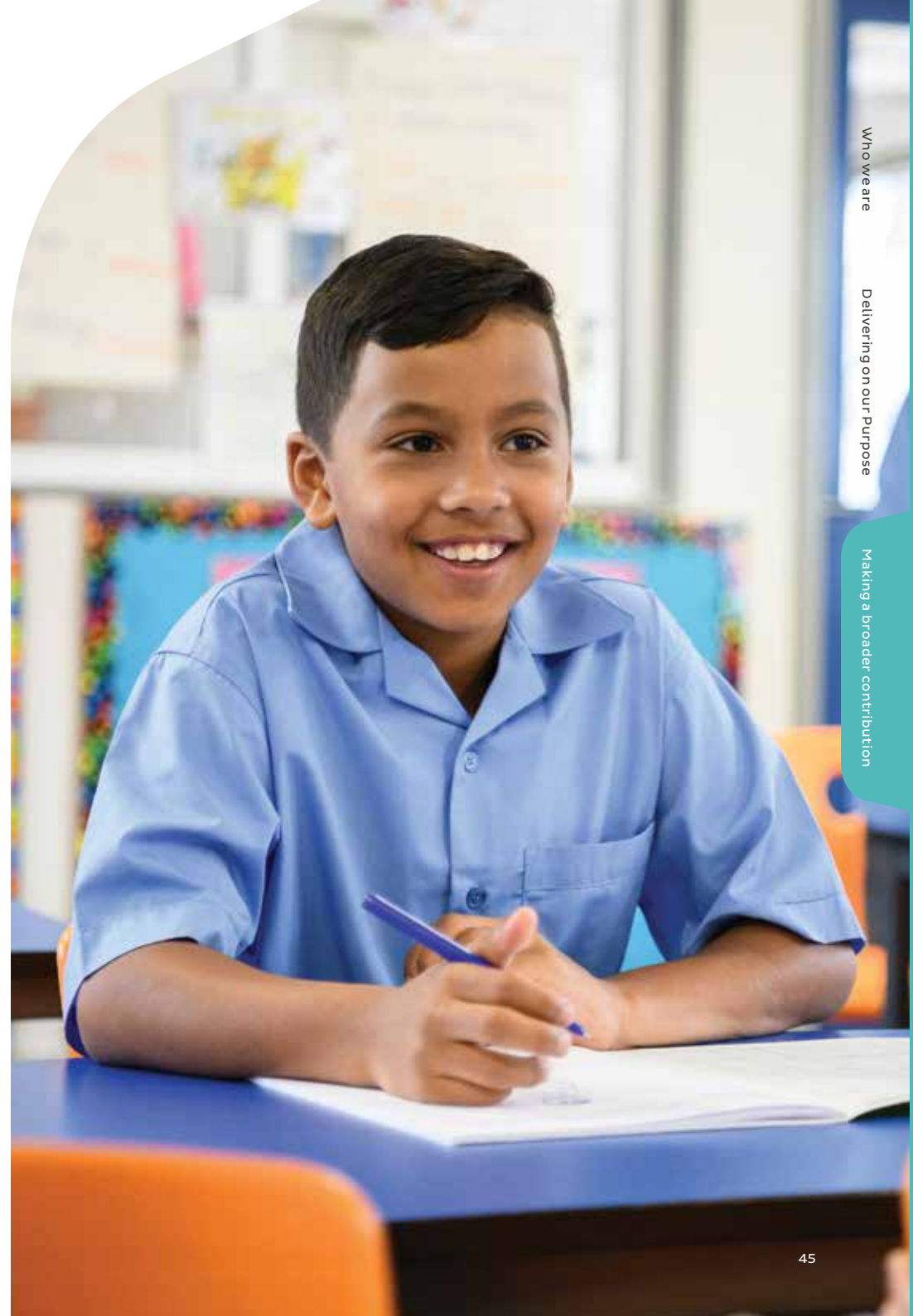
Helping youth to overcome disadvantage



Supporting Aboriginal & Torres Strait Islander communities



Promoting positive mental health



TAL Community Foundation partners



TAL is proud to work with the Royal Flying Doctor Service (RFDS) to help them deliver vital health services to rural and remote communities across Australia.

In 2018, TAL people came together to raise \$112,185 to fund 80 defibrillators to help people in rural and remote communities through the RFDS.

In December 2021, we were pleased to learn that one of these defibrillators helped save the life of grandmother, Karryn Dolan, who lives on a remote cattle station in Cape York, and suffered a heart attack.



Orygen is dedicated to ensuring mental health treatments and care are continually improving and is focused on the needs of young people. TAL is pleased to partner with Orygen to support and raise awareness of mental health within the Australian community.



The Australian Business and Community Network (ABCN) helps students from low socio-economic backgrounds understand the personal, educational and vocational options they have, so they can make sound decisions to support their future. Over the last year, 82 of our people donated 415 hours to mentor students. Together with our partners, we raised \$120,677 for ABCN Foundation scholarships from fees charged for our TAL Risk Academy Masterclasses.



The National Aboriginal Sporting Chance Academy (NASCA) empowers young people from Aboriginal and Torres Strait Islander communities to reach their potential through structured education, sporting and culture-based activities and training. Over the last 12 months, we have worked with NASCA to support capacity building through education, employment and health outcomes while helping us create a culturally safe and inclusive workplace. The partnership has provided our people with opportunities to deepen their cultural competency and awareness through volunteering and engagement events.

\$856,163

contributed to the community

1,269

hours volunteered

\$53,466

fundraised by our people

Supporting Australian skin safety with TAL SpotChecker

Now in its sixth year, TAL SpotChecker has been educating Australians about the importance of skin safety by encouraging conversations about the benefits of early detection, and the importance of both regular self-checking and receiving professional skin checks.

At TAL, we are committed to supporting preventative health and TAL SpotChecker is one of the ways we do this. The incidence of skin cancer in Australia remains alarmingly high, with two in three Australians diagnosed with some form of skin cancer by the age of 70¹. Since 2016, we have been running our TAL SpotChecker initiative to encourage Australians to think more about their skin safety, educate them on the importance of a preventative approach to health, and encourage more proactivity when it comes to skin checks.



For the 2021 TAL SpotChecker program, TAL developed its second TAL SpotChecker Australian Skin Safety Report, which explored Australians' attitudes and actions around skin safety and skin cancer and analysed the trends from prior years. We also refreshed our hub of free online resources to educate more Australians on how to self-check and reduce, or in some cases help prevent, skin cancer spread with options to help them get their skin checked. The online campaign saw 3 million Australians reached via paid media and 200,000 visitors to the website, including customers, partners and the wider community.

1. Staples MP, Elwood M, Burton RC, Williams JL, Marks R, Giles GG. Non-Melanoma Skin Cancer in Australia: The 2002 National Survey and Trends Since 1985. *Med J Aust.* 2006; 184 (1): 6-10.



An inclusive workplace

Encouraging and supporting diversity and belonging

TAL embraces and encourages diversity to create a workplace which reflects the communities that we serve. This commitment is externally recognised by the Workplace Gender Equality Agency (WGEA), with TAL receiving an Employer of Choice for Gender Equality Citation from WGEA for the eighth year in a row.

Our Employee Insights survey found that 8.7/10 is the average score from our employees in terms of sentiment around diversity of our workforce being a priority at TAL.

Aligned to TAL's ESG strategy and framework, we are committed to contributing to social equality by ensuring that we maintain a safe workplace for all of our people, where each individual is supported fairly and equally as part of TAL regardless of their gender, sexuality, ethnicity or seniority.

Our Diversity and Inclusion Council is chaired by our Group CEO and ensures we continue to foster a culture that is inclusive of all people, enabling our people to work in a way that allows them to reach their full potential.

Four key areas of focus at TAL

Gender equality

TAL has a long-standing commitment to gender equality in the workplace.

- Commonwealth WGEA Employer of Choice for eight consecutive years
- Target of maintaining gender pay equity within a 1% variance
- Equal parental leave benefits for all of our people, regardless of gender, including continuity of paid superannuation and group insurance coverage for 12 months
- Target of 40:40:20 gender diversity in senior leadership roles.

In 2021, we have been focussed on building senior leader sponsorship. We piloted a program designed for our senior female leaders (Heads of Functions), with sponsorship by our Executive Team and General Managers. Following a successful pilot, we are continuing this program and launching a second program designed for a broader group of female people leaders.

LGBTI+ inclusion

We are proud to have a visibly inclusive environment that encourages our people to be themselves at work.

Our Employee Action Group, TAL Pride, works to continue to increase workplace inclusion for our LGBTI+ employees to enable them to work and perform at their best.

We continue to support the wider LGBTI+ community through partnerships with organisations such as Out for Australia, who are supporting the next generation of LGBTI+ leaders.



Aboriginal and Torres Strait Islanders

We are committed to building cultural awareness and respect for Aboriginal and Torres Strait Islander peoples across the organisation, supporting their employment and economic opportunities through:

- Launch of TAL's Innovate Reconciliation Action Plan
- Ongoing partnership with CareerTrackers to provide internship opportunities and prepare First Nation's students for the workforce
- Partnership with the National Aboriginal Sporting Chance Academy (NSACA).

87%

of our people believe a diverse workforce is a priority at TAL

82%

of our people feel a sense of belonging at TAL

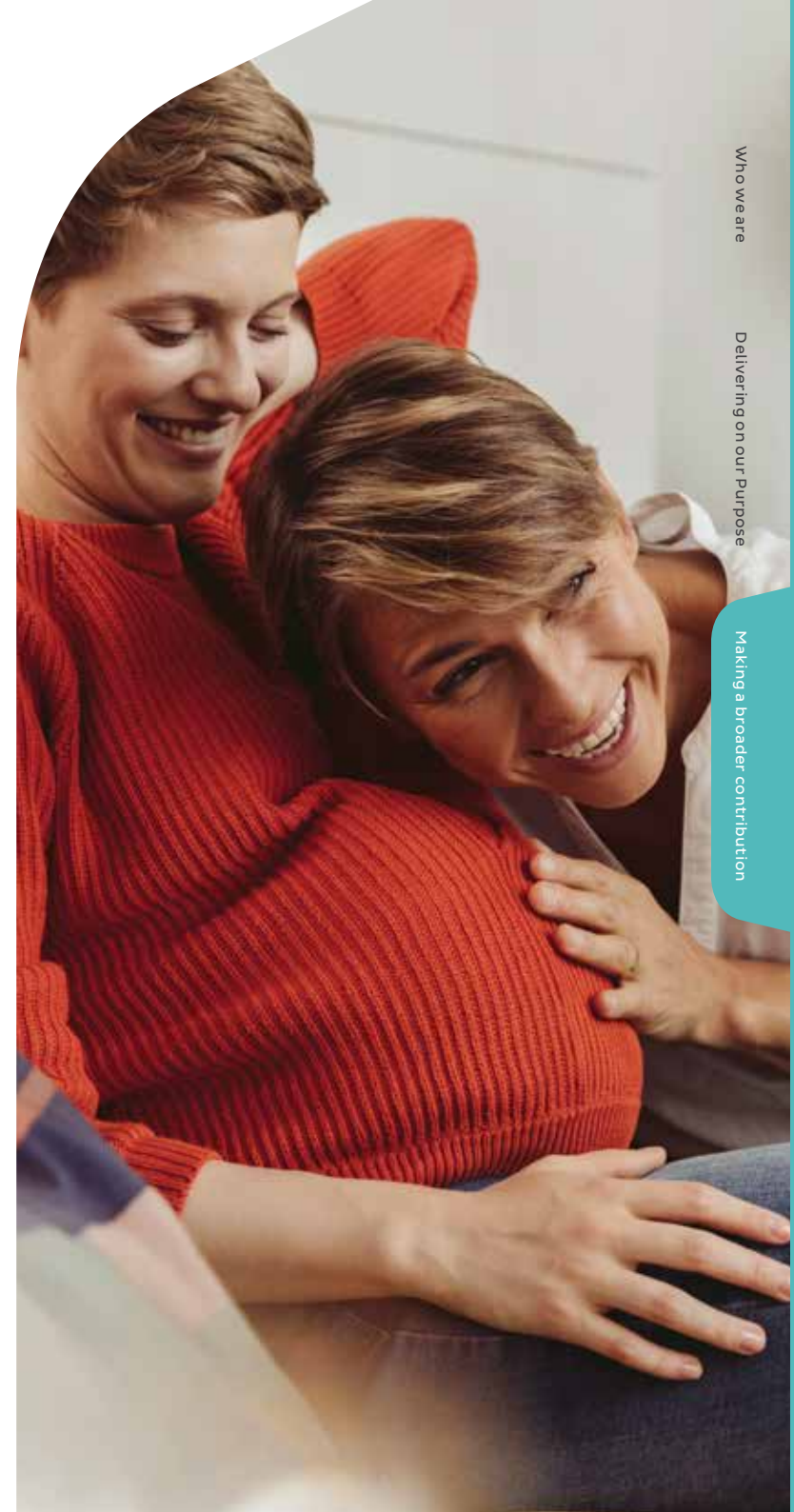
Inclusive culture and flexibility

We know that our people are a reflection of the community we serve and that we come from all walks of life, with commitments and pursuits outside of work.

94.9% of respondents in our Employee Insights Surveys this year strongly agreed/agreed with the statement, "My work schedule is flexible enough to deal with family and/or personal life".

Our leaders are committed to the inclusivity of their teams and enabled to deliver a great employee experience, including flexible working opportunities.

TAL is within the top 25% of global financial services organisations in the Peakon benchmark comparison, regarding our commitment to Diversity and Inclusion



Contact



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Important information: Our contribution 2021/22 has been prepared by TAL Life Limited ABN 70 050 109 450 based on information current at 31 March 2022. Our contribution 2021/22 does not take into account your objectives, financial situation or needs and is not financial, legal, or tax advice. We recommend that you read the relevant Product Disclosure Statement and obtain independent advice specific to your circumstances before making a financial decision.

TAL