

TAL Principles for Sustainable Insurance Disclosure

2022

Introduction

Sustainability is vital to all those we work with and care for. With our responsibility as a leading life insurer, an employer and part of the Australian community, we are committed to a sustainable future.

As a signatory to the United Nations' Principles for Sustainable Insurance, we make sure that social, governance and environment concerns are an equal part of every decision we make. We want our belief in the social good of what we do to have a positive impact on all the lives that we touch.

This document provides a brief update on TAL's ESG-related commitments, progress, and key actions during our 2022 financial year and should be read in conjunction with TAL's [Our Contribution Report](#).

Principle 1: We will embed in our decision-making environmental, social and governance issues relevant to our insurance business

TAL has a company-wide focus on sustainability, including the environment, social, and governance (ESG) issues that underpin our approach to looking after our customers, our suppliers, our employees, and the communities in which we operate. Our management of ESG issues is driven by our Environmental, Social and Governance Framework.

Major initiatives:

- We drafted a roadmap to determine TAL's sustainability objectives and incorporate them into our investment policies and investment strategies. The update to the investment policy is planned to be completed in FY23.
- We created a roadmap to implement APRA's recommendations in relation to CPG229 (Climate Change Financial Risks).
- A climate change risk scenario was introduced as part of TAL's Internal Capital Adequacy Assessment Process (ICAAP) capital stress scenarios.
- Our Risk Management Strategy was updated to reflect the management of climate change related risks.

Other initiatives:

Managing our Impact on the Environment

TAL acknowledges the importance of minimising its impact on the planet and contributing to reducing the impact of climate change for the benefit of all communities.

- We continue to be certified as carbon neutral for our operations, through investing in 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.
- We have made significant progress in reducing our carbon footprint through switching to 100% GreenPower. We have already made the switch in our two largest locations, with our other offices to follow soon.
- We continued our commitment to tobacco-free investments through the Tobacco-Free Finance Pledge.

Supporting Wellbeing and Mental Health

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

- We provided access to our mental wellbeing tool, Headlight, to more than a million Australians through our superannuation fund partners.
- We rewarded over 5,000 customers for taking a preventative health check through our TAL Health Sense program.
- We reached over 6.8 million Australians with our SpotChecker campaign to promote skin safety.

Our health support services, that are provided for claimants, were accessed by 1,961 TAL Income Protection claimants in 2022.

Supporting Diversity and Inclusion and Customers the Need Extra Help

TAL strives to contribute to social equality through helping customers to access the support they need, and by striving to ensure people at TAL are treated equally.

From a customer perspective:

- We sponsored the Victorian Pride Lobby's 'Worth the Risk' report, which examined the lived experiences of LGBTIQ+ customers with insurance companies in Australia.
- We have improved the experience of LGBTIQ+ customers by introducing Diversity and Inclusion training for all our people, removing irrelevant behaviour questions on application forms and updating guidelines to assess applications made by people living with HIV, allowing more people to access the insurance cover they want.
- We implemented our Domestic and Family Violence Policy and related life insurance specific content and delivered targeted domestic and family violence training to front-line leaders in partnership with our external referral provider.

From a business perspective:

- We extended our Female Sponsorship Program to support more female leaders
- We continued to improve our gender representation in leadership roles, reaching our overall women in leadership target of 40% in March 2023.

- We procured over \$5.5 million with First Nations suppliers in FY22.
- We strengthened sustainable supply chain management by launching a new Third-Party Risk Management and Vendor Management Support Model. Our current providers were audited against our Modern Slavery Statement.

Principle 2: We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.

TAL engages with business partners across a range of ESG topics, with mental health being a key priority. TAL's Mental Health team, established in 2016, leads our mental health strategy for our partners, customers and people.

Below are some of the highlights of our mental health partnerships this year;

Mental Health Action Group

Our Mental Health Action Group helps us drive positive change, bringing together leading mental health experts and those with lived experience of mental health conditions to test, challenge and validate our approach. Our partnerships with the University of Sydney, Orygen, SANE and Teladoc Health ensure that we're using evidence-informed solutions in managing the wellbeing of our customers and people.

We're focused on leading the way to help identify, prevent and treat mental health conditions. Our online preventative health tool, Headlight, is available to all fund members, adding new levels of engagement between members and their fund. In the 12-month period to October 2022: 14,500+ views of the Headlight survey among our superannuation fund partners. Over 94% of those who started the survey completed it and received personalised recommendations. 79% engagement rate achieved by one fund partner with their Headlight member campaign.

TAL also has a strong focus on partnering to help make a difference on key social issues through our 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.

Below are some of the highlights of our Community Foundation partnerships this year;

Community Foundation

The TAL Community Foundation is integral to our culture, helping create positive experiences for our people and contributing to the communities in which we operate. For seven years, the Foundation has been proud to work with valued community partners, providing our organisation and our people with opportunities to make a positive difference

in the Australian community. The Foundation provides an opportunity for our people to give, interact and connect with each other and the community. Through the Foundation, we aim to have a meaningful impact on social and community issues and support employee involvement in the community.

TAL is proud to be the National Community Partner of the Royal Flying Doctor Service (RFDS). Our partnership allows us to help Australians access life-improving medical services and expertise, as well as educate those in rural and regional areas about their health.

Our partnership with the Australian Business and Community Network (ABCN) helps students from low socio-economic backgrounds understand the personal, educational and vocational options they have through structured corporate mentoring programs. In 2022, we supported the development of a new mentoring program focused on diversity and inclusion. We were also humbled to accept our first invitation to participate in the First Nations mentoring program.

Our mental health community partner, Orygen, is dedicated to ensuring mental health care continually improves. In 2022, we were pleased to support the redevelopment of the Melton Headspace centre (owned by Orygen) as a result of TAL fundraising efforts, giving more young people access to support services.

Through our partnership with the National Aboriginal Sporting Chance Academy (NASCA), TAL people raised over \$43,000 in 2022 to support NASCA's three-day camp for young Aboriginal and Torres Strait Islander students, Dreamfest. Our fundraising efforts helping 53 additional students hone their leadership skills, participate in rich cultural activities and connect on country. NASCA also gives our people opportunities for powerful cultural immersion experiences and to enhance their cultural competency, with 12 TAL volunteers spending a week in the Northern Territory each year.

IN FY22:

- \$886,519 contributed to the community
- 3,149 hours volunteered
- \$91,364 fundraised by our people

Principle 3: We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.

TAL engages regularly with government, regulators, industry bodies, opinion leaders and consumer groups to ensure we understand multiple perspectives in our industry and can share our own. In FY22, this again included regular meetings with the Australian Government, the Australian Securities and Investments Commission (ASIC), the Australian Prudential Regulation Authority (APRA), the Financial Advice Association Australia (FAAA), the Life Code Compliance Committee (LCCC) and the Association of Superannuation Funds of Australia (ASFA). The past year has seen a major focus on the Treasury Quality of Advice

TAL Life Limited



Review, which TAL has engaged on directly through the written consultation processes and in meetings and workshops run by the Review team.

Principle 4: We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the principles.

This overview serves to communicate the progress we have made in implementing the Principles for Sustainable Insurance in 2022. An in-depth review of TAL's activities that support our compliance with the Principles can be found in Our Contribution Report <https://www.tal.com.au/about-us/our-commitments#our-contribution>

TAL Life Limited

ABN 70 050 109 450
AFSL 237848

GPO Box 5380 Sydney NSW 2001
Level 16, 363 George Street
Sydney NSW

P +61 2 9448 9000
F +61 2 9448 9100
W tal.com.au