

BSIB Climate-Related Disclosure



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Introduction

Climate Change and BSIB's role

As a forward-looking general insurance provider, Berjaya Sompo Insurance Berhad (**BSIB**) recognises the importance of addressing climate-related risks and opportunities.

BSIB's Support for TCFD

In 2023, Bank Negara Malaysia (**BNM**) advocated for Malaysian financial institutions to manage climate risk to ensure that their ability to provide financial services would not be significantly affected by the threat of climate change. If not dealt with effectively, climate change could affect the general economy, leading to potentially large economic losses. In alignment with the Task Force on Climate-related Financial Disclosures (**TCFD**) recommendations, we present our climate risk disclosure to provide transparency into how we manage climate-related risks and opportunities and their potential impact on our business. This disclosure reflects BSIB's commitment to managing climate-related risks and opportunities in line with TCFD recommendations. It provides a comprehensive overview of our governance, strategy, risk management, and performance metrics relating to climate change.

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Governance

At BSIB, strong governance is central to our approach in managing climate-related risks and opportunities. By integrating climate considerations into our governance framework, we ensure that these issues are addressed with the necessary oversight, accountability, and strategic focus. This governance structure supports our commitment to sustainability and helps us navigate the challenges and opportunities presented by climate change.

Board Oversight

The Board of Directors of BSIB (**Board**) has ultimate responsibility for overseeing climate-related risks and opportunities. The Board regularly reviews our climate risk management strategies and ensures that they are integrated into our overall business strategy. The Board is supported by the Sustainability Steering Committee (**SSC**), which is responsible for the day-to-day oversight and implementation of sustainability including climate risk policies and initiatives. The SSC reports to the senior management of BSIB (**EXCO**) on climate-related matters and provides updates on key risks, opportunities, and performance.

Board Responsibility

The Board is ultimately responsible for overseeing the management of climate-related risks and opportunities. The Board's role includes strategic oversight by reviewing and approving BSIB's climate-related strategies and ensuring that they align with our overall business objectives. From a risk management perspective, the Board is responsible for evaluating and monitoring the effectiveness of our climate risk management approach and ensuring that adequate resources are allocated for climate-related initiatives. In terms of performance review, the Board's role is to review and assess the performance of BSIB's climate-related goals and targets.

[The Board's roles and responsibilities are detailed in Pages 2 and 14 of the Director's Report and Audited Financial Statements, dated 31 December 2024](#)

Climate Risk Integration

The Board, through the Risk Management Committee (**RMC**), integrates climate-related considerations into BSIB's strategic planning and decision-making approach. This includes climate strategy by approving strategic initiatives that address climate risks and leverage opportunities, such as investments in green technologies and development of climate-resilient insurance products. The Board is also responsible for overseeing climate scenario analysis to understand the potential impacts of different climate scenarios on BSIB's business and ensuring that these insights are incorporated into its strategic planning.

Management Role

The SSC is chaired by the Chief Compliance & Sustainability Officer (**CCSO**), who is responsible for implementing sustainability, including climate-related strategies, and reports to EXCO. The members consist of the Chief Financial Officer (**CFO**), Chief Human Resources Officer (**CHRO**) and Chief Operating Officer (**COO**). The appointment was based on the relevance of subjects particularly related to sustainability matters. The Head of Risk Management (**HRM**) and a representative from the Risk Management Department are invited to observe any risk-related matters. The Chief Commercial Officer and Chief Consumer Officer are also invited to be involved in underwriting or product-related matters pertaining to sustainability. Invitations may also be extended to other relevant attendees depending on the agenda of the meeting.

The SSC collaborates with various departments within BSIB, including Risk Management, Underwriting, and Finance, to ensure that climate risks are identified, assessed, and managed effectively. The SSC also leads initiatives to integrate climate considerations into BSIB's business strategies, operations and investment decisions. The SSC meeting is being held on a quarterly basis, nevertheless if there is any urgent matter to be discussed, a meeting will be held.

Executive Accountability

The SSC is responsible for implementing the Board's directives on sustainability, including climate-related matters. This includes leading the development, implementation and execution of sustainability initiatives, including climate-related strategies and initiatives. The SSC is also responsible for developing and recommending climate-related policies and strategies to the Board. In terms of monitoring and reporting, the SSC tracks the implementation of sustainability including climate-related initiatives and provides regular updates to the EXCO and RMC on sustainability, including climate-related performance, risks, and opportunities. From a risk management perspective, the Risk Management Working Committee (**RMWC**) coordinates with various departments to assess and manage climate-related risks and opportunities.

Sustainability and Climate-Related Board and Management's Credentials and Training

Continuous capacity building is essential to guarantee that members of the Board, CCSO, SSC, EXCO and RMWC have the necessary skills and expertise to supervise the identification, tracking, and handling of climate-related concerns. Members of the Board and EXCO are key players in generating long-term shareholder value.

In May 2023, members of the Board and a few representatives from BSIB, including the CEO attended "Sustainability: Sompo Initiatives for Climate Change" training held in Sompo's HQ, Japan, which was organised by Sompo's Sustainability and Risk Management Departments. The participants were exposed to topics such as climate change trends, TCFD requirements, initiatives, materiality matters, Sustainability Development Goals (**SDG**) and Sompo Holding's plans in supporting TCFD Disclosures.

Training Attended in 2023

Name of Board of Director	Training Attended in Year 2023
Tan Sri Dr Ong Hong Peng Independent Non-Executive Director/ Chairman	1. Sustainability Series - (Re)Building the Board for Innovation 2. Embracing ESG as a Corporate Objective in Malaysia 3. Sustainability: Sompo Initiatives for Climate Change
Datuk Yong Bun Fou Independent Non-Executive Director	1. 2nd Joint Committee on Climate Change (JC3) Outreach Session 2. Sustainability: Sompo Initiatives for Climate Change
Ahmad Subri Bin Abdullah Independent Non-Executive Director	1. Climate Change: Impact on Insurance Companies and Role of the Board 2. Supercharge ESG Ambitions with Technology 3. Sustainability: Sompo Initiatives for Climate Change
Tan Chuan Lye Independent Non-Executive Director	1. Managing Board Challenges, Governance and ESG Training 2. Board Oversight of Climate Risks and Opportunities 3. Sustainability: Sompo Initiatives for Climate Change
Tan Chong Liong Non-Independent Non-Executive Director	Sustainability: Sompo Initiatives for Climate Change
Dato' Loh Lye Ngok Non-Independent Non-Executive Director	Sustainability: Sompo Initiatives for Climate Change
Daniel Neo Non-Independent Executive Director	Sustainability: Sompo Initiatives for Climate Change

Training Attended in 2024

Name of Board of Director	Training Attended in Year 2024
Tan Sri Dr Ong Hong Peng Independent Non-Executive Director/ Chairman	1. Directors Masterclass: What Directors must know: Recent Development in Climate Science 2. Briefing by EY on ESG Reporting and Insurance Finance Today and Challenges Ahead
Datuk Yong Bun Fou Independent Non-Executive Director	Briefing by EY on ESG Reporting and Insurance Finance Today and Challenges Ahead
Ahmad Subri Bin Abdullah Independent Non-Executive Director	1. Embedding Sustainability Practices and Compliance with Listing Requirements 2. Briefing by EY on ESG Reporting and Insurance Finance Today and Challenges
Takashi Kurumisawa Non-Independent Executive Director	Briefing by EY on ESG Reporting and Insurance Finance Today and Challenges Ahead
Dato' Loh Lye Ngok Non-Independent Executive Director	Briefing by EY on ESG Reporting and Insurance Finance Today and Challenges Ahead
Tan Chuan Lye Independent Non-Executive Director	1. Sompo Insurance Singapore Board Training by EY: Lessons from FRS117, GenAI and Trends, and Sustainability 2. Briefing by EY on ESG Reporting; and Insurance Finance Today and Challenges Ahead 3. Extracting Real Value and Impact from ESG
Tan Nyat Chuan Non-Independent Non-Executive Director	Briefing by EY on ESG Reporting and Insurance Finance Today and Challenges Ahead

In September 2024, the EXCO and Board Members participated in training conducted by EY, covering updates on IFRS 17, industry developments, and climate risk, to strengthen climate governance and regulatory readiness.

To ensure that all internal staff (including Management) and our agents are well-informed and equipped to fulfil their responsibilities regarding sustainability and climate awareness, two mandatory e-learning courses were organized: *“Introduction to ESG”* (conducted for staff in September 2023 and for agents in July 2024) and *“Climate Change: A Top ESG Concern”* (conducted for staff in March 2024).

In addition, members of the Internal Audit function participated in various training sessions and conferences aimed at deepening their understanding of internal audit roles, with a particular focus on assurance practices related to sustainability statements and reports. These events also addressed key areas such as Climate Change and ESG Risk Assessment. The training programs were organized by the Institute of Internal Auditors (IIA), legal counsel, and the Sompo International team.

The Joint Committee on Climate Change (**JC3**) is a regulatory-industry collaborative action platform that incorporates climate resilience into the financial systems in Malaysia. One of its mandates is building capacity through sharing knowledge, expertise and best practices in assessing and managing climate-related risks. Various learning and training programs providing practical exposures has been conducted by JC3 and attended by the Board and EXCO. Additionally, the Board members have attended various training courses organized by industry players relating to sustainability and climate change.

Sustainability and Climate-Related Discussions in Board Meetings

Board members are updated on sustainability and climate-related issues through quarterly updates provided by the EXCO during the RMC and Board meetings. The discussions primarily focus on the development of sustainability and climate-related issues, specifically addressing regulatory requirements and industry updates that contribute to long-term value creation. The company continues to enhance its climate-related governance, risk

management, and disclosure practices, led by the SSC and endorsed by the RMC and Board of Directors. Key developments discussed include: -

Governance

The Sustainability Framework and Implementation Plan were established in December 2022 to guide the integration of sustainability into business strategy and operations. Key policies published include the Climate-related Risk Policy (December 2021) and the Climate-related Disclosure Policy (2023), supporting transparent and consistent climate-related reporting.

Risk Management

A Climate Risk Management and Scenario Analysis (**CRMSA**) compliance gap assessment and corresponding Implementation Plan were completed in October and December 2023, identifying key enhancement areas in climate risk identification and analysis.

Disclosure

In March 2025, the company presented the draft CRMSA Climate Disclosure to the Board of Directors and updated the CRMSA Implementation Plan, ensuring alignment with evolving disclosure standards and stakeholder expectations.

These strategic initiatives underscore BSIB's commitment to building climate resilience, fostering transparency, and aligning with global sustainability standards.

Concerning business and investment transactional screening, BSIB imposes restrictions on new coal power plant projects, underscoring our commitment to climate conservation and our role as a responsible insurer.

Strategy

Climate Strategy and Sustainability Measures

The Sompo Group (**Group**) established “SOMPO Climate Action” in FY2021, which includes climate change adaptation and mitigation along with contributing to social transformation

as our commitment to implement a comprehensive approach to climate change risks and opportunities, under which we promote strategic initiatives throughout the Group.

In terms of climate opportunities and to support low-carbon mobility, BSIB, in collaboration with its Bancassurance partner, CIMB Bank Berhad, offer an EV add-on insurance benefit package with tailored coverage for electric vehicles, including towing to charging stations, EV charger protection, and personal accident benefits. The package is available for new and used EVs, with additional premium discounts and cash rebates provided to the bank's customers.

Climate-related Risks

Physical Risk

Physical risks refer to the direct impacts of climate change resulting from the increased frequency and severity of natural disasters. For BSIB, this includes heightened exposure to floods, storms, heat waves, and other extreme weather events. The most significant concern for BSIB is the increased occurrence of floods in Malaysia, which has led to substantial claims relating to property damage and business interruption. To mitigate these risks, BSIB has established reinsurance protection for a severe flood loss event, ensuring financial resilience during extreme weather occurrences. Additionally, BSIB continuously monitors underwriting exposure limits for flood-prone areas and adjusts its strategies accordingly.

Transition Risk

Transition risks arise from the broader societal shift towards a low-carbon economy. This includes evolving regulatory requirements, technological advancements, market shifts, and changes in societal preferences that may impact BSIB's business. Specific concerns include restrictions on investments related to high-carbon industries, such as new coal power plant projects. BSIB enforces underwriting and investment restrictions in these areas to minimize exposure to potential financial and reputational risks. BSIB also acknowledges that as climate regulations continue to develop, there may be increased operational costs and compliance requirements to address these transition risks effectively.

Liability Risk

Liability risks refer to the potential legal and reputational consequences arising from inadequate management of climate-related risks. As climate change awareness increases globally, BSIB recognizes the possibility of legal claims arising from perceived failure to disclose or manage climate risks appropriately. Potential legal risks could include litigation relating to inadequate disclosure of climate-related risks or alleged negligence in addressing these risks through insurance underwriting practices. BSIB aims to mitigate liability risks by maintaining transparency in its risk management processes and adhering to evolving regulatory requirements concerning climate-related disclosures.

Risk Management

BSIB has implemented targeted measures to address climate-related risk assessment and monitoring, focusing on key areas most relevant to its operations and regulatory requirements. In addition to reinsurance protection and investment restrictions, BSIB actively assesses climate-related risks associated with outsourced service providers since 2023. The assessment process evaluates potential financial losses and disruptions from climate-related events, as well as social and economic risks arising from inadequate ESG practices.

BSIB ensures capital adequacy through processes that maintain sufficient capital to absorb potential climate-related losses. Annual stress testing exercises are conducted to evaluate the impact of severe climate-related events, such as major floods, on underwriting performance and capital adequacy. The results are used to refine capital planning, establish risk limits, and enhance resilience. Furthermore, liquidity buffers are maintained to address unexpected claims arising from climate-related events.

Approach for Managing Climate-related Risks

BSIB applies a structured approach to assess and manage climate-related risks aimed at enhancing resilience and ensuring compliance with regulatory expectations. BSIB's

approach is broken down into assessments for Physical Risk, Transition Risk, and Liability Risk, as detailed in the table below.

Physical Risk		
Flood Exposure & Financial Loss	Risk Impact Severe flooding in recent years, exacerbated by the rising sea level and altered rainfall patterns may increase BSIB's exposure to flood-related losses due to higher payout for flood-related damages.	Key Mitigations <ul style="list-style-type: none"> Secured reinsurance coverage for a 1-in-250-year flood loss event to enhance financial resilience during extreme weather occurrences
Operational Disruption Due to Climate Events	Risk Impact Heightened climate changes and other external threats may impact BSIB's operations, impacting service availability, financial reporting, and customer experience.	Key Mitigations <ul style="list-style-type: none"> BSIB has established robust business continuity plans designed to ensure minimal disruption to critical operations and maintain essential functions during floods or other extreme weather events, thereby supporting the company's ability to sustain operations effectively.
3 rd Party Climate Risk Exposure	Risk Impact Disruptions caused by climate-related hazards such as floods could compromise the continuity of critical services provided by third-party vendors, leading to potential financial losses, reputational damage, and operational inefficiencies.	Key Mitigations <ul style="list-style-type: none"> Assessing climate-related risks of outsourced service providers, including their resilience to physical risks and adherence to ESG practices, helps BSIB minimize risks and enhance operational continuity while protecting its reputation and reducing disruptions from climate-related events.
Technology Infrastructure Resilience	Risk Impact Potential damage or disruption to the Data Centre due to extreme weather events could result in significant downtime, data loss, or compromised operational continuity.	Key Mitigations <ul style="list-style-type: none"> Ensuring the primary data center meets the required risk rating qualifications for resilience against natural catastrophes, particularly floods, and is located in a secure area with a low likelihood of natural disasters to minimize potential disruptions.
Transition Risk		
High-Carbon Industry Exposure	Risk Impact High-carbon industry exposures could lead to reputational risks, reduced investor confidence, and challenges in meeting evolving regulatory requirements focused on decarbonization.	Key Mitigations <ul style="list-style-type: none"> BSIB enforces underwriting and investment restrictions on new coal power plant projects.
3 rd -Party Compliance with ESG & Climate	Risk Impact Failure of third-party providers to meet ESG and climate-related expectations could expose BSIB to reputational and operational risks, as well as potential non-compliance with regulatory standards.	Key Mitigations <ul style="list-style-type: none"> Evaluating outsourced services for alignment with sustainability objectives and adherence to climate-related regulatory expectations.

Regulatory Compliance	Risk Impact Evolving regulatory requirements from BNM and other authorities may require substantial changes to BSIB's operations, processes, and reporting, leading to potential compliance risks and resource allocation challenges.	Key Mitigations <ul style="list-style-type: none"> Regularly assessing potential gaps and readiness for compliance with future BNM regulations related to climate risk management.
Liability Risk		
Potential Liability & Reputational Damage	Risk Impact Non-compliance with climate-related disclosure requirements or failure to manage climate risks effectively could result in legal claims, financial penalties, and reputational damage.	Key Mitigations <ul style="list-style-type: none"> Ensuring transparency in climate-related disclosures and adhering to regulatory requirements to mitigate potential legal claims and reputational risk.

These assessments demonstrate BSIB's commitment to ensuring resilience against climate-related risks through reinsurance protection, investment restrictions, business continuity planning, and compliance with regulatory requirements.

BSIB continues to enhance its climate risk management framework by reviewing its reinsurance arrangements, updating climate-related risk assessments, monitoring operational readiness, and regularly assessing compliance with evolving regulations. BSIB remains committed to strengthening its resilience towards climate-related risks and will continue to monitor developments in this area to ensure long-term sustainability.

Integration in Risk Management Framework and Policy

To support sustainable growth, climate-related risks are fully integrated into BSIB's existing risk management framework, where climate risk assessments are incorporated into various aspects of the company's risk management process. These include capital planning, where capital requirements are evaluated to address climate risks, and stress testing, which ensures resilience by assessing potential loss scenarios. Risk monitoring and reporting are carried out regularly, with updates provided to the Board, RMC, and RMWC to ensure ongoing oversight and responsiveness to climate-related risks. The following provides an overview of the measures implemented by BSIB across key risk domains in support of our ongoing commitment to responsible risk governance and regulatory compliance.

i) Credit Risk Assessment

BSIB has integrated climate-related considerations into its credit risk assessment framework through a restricted risk appetite for coal-related sectors across both underwriting and investment activities. This strategic exclusion is aimed at mitigating potential credit losses arising from transition risks, including policy shifts and sectoral decline. Furthermore, BSIB maintains a cautious stance in its reinsurance arrangements by engaging only with counterparties possessing a minimum credit rating of A- by A.M. Best or Standard & Poor's. Based on the current portfolio composition and credit exposure review, BSIB assesses that climate-related risks do not materially impact its credit risk profile at this juncture.

ii) Market Risk Assessment

BSIB has aligned its investment policy with the Group's long-term objective of achieving net-zero greenhouse gas (**GHG**) emissions by 2050. The Investment Policy strictly prohibits new investments in coal-fired power generation and oil and gas extraction. Investment activities are monitored for compliance, with quarterly reporting to the Management and the Board. This structured governance approach has contributed to a disciplined portfolio composition, and the assessment indicates that climate-related market risk is currently minimal.

iii) Liquidity Risk Assessment

BSIB has considered climate-related risks as part of its liquidity risk management and stress testing framework. A scenario simulating a 1-in-250-year flood event was applied, assuming a gross loss of RM750 million to be paid immediately, without recoveries available to support liquidity. Despite the severe nature of this stressful event, BSIB maintains sufficient liquidity buffers in the form of fixed deposits, money market instruments, and unit trust holdings. Liquidity ratios are monitored on a quarterly basis and maintained within approved risk tolerance thresholds. The conclusion of this assessment is that climate-related risk does not pose a significant threat to the company's liquidity position.

iv) Operational Risk Assessment

BSIB has addressed the operational impacts of climate-related events through its Business Continuity Management (**BCM**) Policy. The BCM framework includes a Business Continuity Plan (**BCP**) and Crisis Management Plan (**CMP**), both of which have been enhanced to incorporate natural disaster scenarios linked to climate change. In addition, sustainability-related considerations are embedded into BSIB's Outsourcing Risk Assessment, enabling the identification of service providers that support the Group's climate transition goals. As a result, the company considers the impact of climate risk on operational continuity to be minimal.

v) Insurance Risk Assessment

BSIB has evaluated the implications of climate risk on its underwriting and reserving processes. Given the short-term duration of general insurance and reinsurance contracts, long-term climate change impacts are inherently limited. Nonetheless, a comprehensive stress testing exercise has been conducted, incorporating a 1-in-250-year flood event with a 15% loading to account for potential climate-induced amplification of losses. The outcome from this assessment conclude that climate risk is currently immaterial to BSIB's overall insurance risk exposure. Ongoing reviews of underwriting criteria and reinsurance arrangements serve to further mitigate this risk.

vi) Climate Risk Scenario Analysis

In 2024, BSIB conducted a high-level short-term physical risk scenario analysis to assess potential climate-related financial impacts. The analysis adopted a 1-in-250-year flood event scenario, with losses increased by 15% to reflect climate change factors. The projected impact from this scenario equated to an approximate 2% decline in the company's Capital Adequacy Ratio (**CAR**) on an annual basis. Given the magnitude and likelihood of this scenario, BSIB has concluded that the short-term physical risk from climate change is not materially significant to its solvency position.

BSIB affirms its commitment to integrating climate-related risks into all relevant aspects of its risk management framework. The measures outlined above demonstrate a clear and proactive response to climate risk, incorporating policy development, stress testing, and oversight governance. Current assessments indicate that climate-related risks are not materially significant to the company’s financial soundness. Nevertheless, BSIB remains vigilant in monitoring climate-related developments and will continue to enhance its risk management practices in alignment with regulatory expectations and industry’s best practices.

Metrics and Target

Preparing for the challenges posed by climate change demands a multifaceted approach that necessitates the mobilization of the entire organization. This includes setting targets and developing plans across BSIB’s Operations and Investment Functions. These targets establish a system of accountability, ensuring that we are consistently adopting new practices and evolving new methodologies that work towards a more sustainable future.

Operations Metrics and Target

Our operations: Setting targets for our own emissions and driving actions across our business

Operations	Long-Term Commitment (2050)
Our Climate Commitments	2050: Net Zero in Scope 1,2 and 3 Emissions*

*Details of the definition can be found in Metrics Data section

Investment Metrics and Target

Our investment: Setting targets for investment activities and driving climate-related actions. The ESG Principles practiced by BSIB is aligned with the Group’s objective, which is dictated by Sompo International Holdings. A fossil fuel policy was established in 2021 and guidance as per below: -

Operations	Long-Term Commitment (2050)
Our Climate Commitments	2050: Net Zero in Greenhouse gas (GHG) Emissions.
Levers for near-term targets	Restriction in new investments: - 1. Will not invest in new or existing coal power plants or thermal coal mining projects. 2. Will not invest in oil and gas extraction projects in the oil sands or the Arctic Refuge. 3. Will not invest in companies that: i. Rely on coal for >30% of their income; ii. Use coal to generate >30% of their energy; and iii. Are involved in oil and gas extraction projects in the Arctic Refuge. The restriction does not apply to existing investment, of which around 2.5% existing funds have been invested in Coal Related projects. BSIB will gradually reduce the portion to 0% in 2035.

Performance Monitoring

We regularly monitor our progress toward achieving climate-related targets and report on our performance in the ESG Survey to the Group's reporting on a yearly basis. The survey is conducted by Sampo Holdings and its consolidated companies in and outside Japan. Performance is evaluated against established metrics, and adjustments are made as required to ensure that we meet our climate-related goals.

Metrics Data – Operational Data

Reporting on Greenhouse Gas (GHG)

Scope definitions are based on Sampo Holdings: -

- Scope 1 emissions, as appearing in the data below, are direct GHG emissions from sources owned or controlled by the Company, such as emissions from the use of gas and gasoline.
- Scope 2 emissions are indirect GHG emissions resulting from the generation at power stations and other external sites of electricity and heat that are purchased by the Company.
- Scope 3 emissions are indirect GHG emissions other than Scope 2 emissions that are generated in any part of the value chain of the Company.

Item	Unit	2019	2020	2021	2022	2023	2024
Scope 1	tCO ₂ e	76	50	35	37	45	46
Scope 2	tCO ₂ e	1,121	886	890	683	616	536
Scope 3	tCO ₂ e	2,489	1,233	1,137	1,996	2,197	2,349
Total Scope 1-3	tCO ₂ e	3,686	2,169	2,063	2,717	2,858	2,931
Total Reduction (from 2019-baseline)			-41.2%	-44.0%	-26.3%	-22.5%	-20.5%
Petrol usage ¹	KLtr	33	22	15	16	20	20
GHG Scope 1	tCO ₂ e	76	50	35	37	45	46
Electricity usage ²	kWh	1,670,468	1,320,361	1,254,458	979,879	930,226	796,240
GHG Scope 2	tCO ₂ e	1,121	886	890	683	616	536
Business Travel	tCO ₂ e	0.31	0.04	0.02	0.16	0.20	0.15

<i>Employee Commuting³</i>	tCO2e	2,489	1,233	1,137	1,996	2,197	2,349
GHG Scope 3	tCO2e	2,489	1,233	1,137	1,996	2,197	2,349
<i>Electricity Consumption/ Employee</i>	kWh/staff	2,610	2,083	2,144	1,710	1,646	1,318

Note:

2019 used as base-year (pre-covid)

Emission calculation based on factors used by Sampo Holdings. All data reported are aligned with Sustainability Report by Japan.

¹ Petrol consumption from 2019 to 2021 unable to validate due to unavailability of complete data source. 2022 & 2023 calculation explained

² Electricity usage kWh average rate of 1.95 obtain from Finance historical calculation (Electricity usage = Electricity consumption * 1.95). Overall factors of lower usage from 2021 onwards due to closure of branches and workforce attendance on rotation basis during pandemic

³ Total no of employees making use of the telecommuting system (follow definition from Sampo Holdings). Data for employee commuting started in 2024, employee commuting data prior years was estimated using the 2024 methodology to ensure consistency and comparability across the reporting period. Data for 2020 to 2022 is estimated based on staff's attendance post covid on rotation basis.

Conclusion

BSIB is dedicated to managing climate-related risks and leveraging opportunities to enhance our sustainability performance. Based on our metrics data, our total Scope 1 to 3 reduction rate for 2024 is at a reducing rate, using 2019 as the baseline point. BSIB will develop a Climate Transition Plan from 2025 onwards to materialize the targets set. On the business side, we are expecting business growth, hence an increase in workforce. Our commitment to transparency, governance, and strategic integration ensures that we are well-positioned to navigate the evolving climate landscape and create long-term value for our business partners, customers, and stakeholders.

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