



AIA GROUP LIMITED SUSTAINABILITY REPORT 2025
SUBSECTION REPORT

SUSTAINABLE INVESTMENT



SUMMARY OF PROGRESS

Sustainable Investment



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We embed sustainability considerations in our investment mandates and compel analysts and portfolio managers to consider the sustainability credentials of issuers at the point of portfolio inclusion. This is supported by a disciplined and externally validated scoring approach, alongside transparent measurement and disclosure. In-scope investment professionals complete required sustainable investing training aligned to recognised industry standards.

Dr Mark Konyn

Group Chief Investment Officer

In 2025, AIA advanced its sustainable investment approach through strengthened governance, enhancements to stewardship, and continued integration of ESG considerations across in-scope portfolios. Our approach is guided by our objective to achieve net-zero greenhouse gas emissions by 2050 and is supported by near-term investment targets validated by the Science Based Targets initiative (SBTi) and our Climate Transition Plan.

Governance and oversight were enhanced through the establishment of a dedicated Investment ESG sub-committee under the Group Investment Committee. ESG capability was further embedded within investment decision-making teams through changes to the operating model for the Investment ESG Centre of Excellence and expanded ESG resources within AIA Investment Management.

ESG integration continued at scale. In 2025, AIA maintained 100% coverage of its directly managed general account portfolio using its internally developed ESG Rating Scorecard, which was externally revalidated following updates to incorporate climate risk. In addition, our Investment Governance Framework requires AIA asset owner entities to reflect relevant ESG factors and/or applicable ESG commitments in investment mandate setting, expressed through

mandate objectives, minimum ESG thresholds where appropriate, and the use of ESG or sustainability benchmarks in select portfolios.

Stewardship remains a core component of our approach. As at 31 December 2025, AIA's research and stewardship analysts had engaged over 300 investee companies, supported by an internal platform that tracks engagement progress and alignment with net-zero objectives and SBTi targets. We also participated in collaborative engagement, including through CA100+ company engagement groups, and engaged through investor collaboration initiatives coordinated by the Asia Investor Group on Climate Change.

We continued to enhance transparency and monitoring of portfolio climate performance through ongoing measurement and disclosure of financed emissions and carbon intensity metrics, and by tracking progress against SBTi-aligned targets for the in-scope general account portfolio. Progress against our near-term Investment SBTi targets remains on-track.

Capital allocation decisions continued to incorporate sustainability considerations through bottom-up investment processes. As of 31 December 2025, US\$7.6 billion was invested in ESG bonds as a result of our integration efforts.

Direction, Priorities and Oversight

This priority focuses on setting sustainable investment priorities and commitments, and overseeing ESG performance across asset classes and entities.

As the largest independent publicly listed pan-Asian life insurance group, AIA has a major influence on how investment is directed across markets at various stages of their economic development and net-zero ambitions.

We remain guided by our overarching objective of achieving net-zero greenhouse gas emissions by 2050, recognising both the opportunities and challenges in a region where energy systems and climate policies continue to evolve. We therefore take a balanced approach: we strengthen governance and internal capability, deepen engagement and stewardship, and explore opportunities to finance the transition — while continuing to measure, disclose and improve our methods and progress over time.

In 2025, we expanded our net-zero strategy to include a stronger ambition to finance the transition, directing capital towards activities and companies that can accelerate Asia's pathway to a low-carbon future.

SBTi targets

AIA's near-term targets were validated by the Science Based Targets initiative (SBTi) in 2023, grounding our

climate ambition in scientific consensus. Our transition planning integrates our climate vision, strategy, targets and execution roadmap into a cohesive approach that interacts closely with our annual sustainability reporting and broader disclosures.

To implement this approach, we utilise SBTi methodologies for baselining and target setting. Our Investment SBTi targets are comprised of:

- An emissions intensity target for our power generation general account portfolio, which includes listed equities, corporate bonds and project finance investments in the power generation sector.
- An emissions intensity target for our direct real estate general account portfolio, covering emissions from fuel and electricity consumption in properties owned but not occupied by AIA, including vacant areas.
- A portfolio coverage target, covering all other sectors within our listed equities and corporate bonds general account portfolio.

Our Climate Transition Plan details our targets and the specific strategic levers we intend to deploy to meet these targets. For listed equity and corporate bonds investments, we are engaging select investee companies and exploring new investment opportunities aligned with our commitments, while maintaining our coal exclusion policy. For our Direct Real Estate portfolio, we are exploring energy efficiency improvements and procurement of renewable energy.

Oversight and governance

Our Investment Governance Framework (IGF) sets Group-wide minimum standards for all investment activity aspects, including integrating ESG in pre-trade analytics and proxy voting. It also embeds our ESG engagement approach and defines the investment boundary for our investment SBTi targets, ensuring the consistent integration of sustainability across the Group.

In 2025, we further enhanced our sustainable investment oversight and governance. We established a dedicated Investment ESG sub-committee under the Group Investment Committee (Group IC) to oversee investment progress against our sustainability commitments and recommend actions. Chaired by the Group Chief Investment Officer, sub-committee members include our asset class heads (Fixed Income, Equities and Real Estate) and the Chief Investment Officer of our Group Asset Management Company, AIA Investment Management (AIAIM). Additional investment professionals (e.g., the Head of Sustainable Investment) attend as standing invitees.

To drive further ESG integration into portfolio decision-making, the Investment ESG Centre of Excellence, AIA's dedicated pool of investment ESG subject matter expertise, has moved into the investment front office under the expanded remit of the Regional Director of Investment Management — Equities and Investment ESG. The AIAIM ESG team has also been expanded to build capability closer to front-line investment professionals.



CASE STUDY

Transition Finance

At AIA, we have developed a transition finance strategy, led by our Head of Sustainable Investment, that targets themes and opportunities aimed at eliminating or reducing greenhouse gas emissions, or driving progress towards a net-zero transition. Through this strategy, we believe we can support the decarbonisation journeys of our investee companies and the broader economy, while actively capturing alpha from the transition to deliver additive investment outcomes.

Our business units have been actively seeking transition finance opportunities across various private asset classes, and continue to invest through public market instruments such as green bonds.

ESG Integration

This priority focusses on embedding sustainability factors and priorities into investment strategies, individual investment decisions and risk management processes.

ESG in investment strategy and objective setting

To support ESG as an integral part of our investment processes and decision-making, our IGF mandates that AIA's asset-owner legal entities consider either ESG factors and/or ESG commitments (dependent on the asset owner's materiality vis-à-vis AIA's ESG commitments) when setting their investment mandates. Examples of our asset owners' implementation approaches include:

- Amending investment objectives to explicitly require the assessment of ESG risks and factors in the decision-making process;
- Establishing minimum ESG rating thresholds for corporate bond issuers; and
- Transitioning select equity portfolios to track ESG and/or sustainability benchmarks rather than traditional indices.

ESG in investment management

Pre-trade analytics and due diligence

AIA's research analysts integrate sustainability considerations into their fundamental analysis using our internally developed ESG Rating Scorecard, which was externally revalidated following its recent update to incorporate climate risk. In 2025, we continued to achieve full coverage (100%) of our directly managed general account portfolio, assessing thousands of investee companies. Each investee company subject to direct coverage by AIA research analysts is assigned an ESG rating, and this rating must be reviewed at least once every 12 months.

For new discretionary mandates and investments in third-party managed funds, we conduct a mandatory Third-Party Investment Manager ESG Assessment. This evaluation considers the manager's sustainability practices, engagement approach and integration of ESG factors into investment decisions. Like the ESG Rating Scorecard, this methodology is externally validated and embedded within the IGF. After awarding a mandate, we continue to monitor the ESG practices of these external parties throughout the relationship.



Portfolio construction and management

To advance our net-zero and sustainability goals, we prioritise proactive engagement with investee companies over outright exclusion or divestment.

However, if engagement proves unsuccessful or remains inconsistent with the objectives of our Climate Transition Plan, we may consider divestment and reallocation of capital to companies with lower emissions or SBTi-aligned targets.

Exclusions are not permanent: companies that demonstrate progress can be reintroduced. For example, in previous years several companies excluded due to coal exposure were welcomed back into our investible universe after divesting coal assets, reflecting our commitment to supporting decarbonisation efforts.

We maintain a defined exclusion list which applies across AIA-managed assets and externally managed portfolios. This list, along with our broader approach to engagement and divestment, is regularly reviewed to ensure alignment with regulatory developments, long-term investment objectives, and our commitment to sustainable financial outcomes.

Exclusions



TOBACCO

Tobacco products are inconsistent with our Purpose. So, we took the significant step of excluding tobacco manufacturing from our general account investment portfolio in 2018, divesting US\$500 million in corporate equities and bonds.



CLUSTER MUNITIONS

The Oslo Convention on Cluster Munitions outlines commitments to prohibit the use and manufacture of cluster munitions. Cluster munitions are a controversial weapon that causes significant civilian casualties, with some of our markets signing treaties to ban their manufacture. As such, we do not invest in such businesses.



COAL MINING AND COAL-FIRED POWER GENERATION

Following our complete divestment from coal in our general account investment portfolio, we remain committed to making no new investments in businesses involved directly in either mining coal or generating electricity from coal, although we retain the ability to invest in green or social bonds issued by such companies if they meet our requirements, including the use of proceeds and objectives.

ESG in performance and risk analysis

Where relevant, we use SBTi-aligned metrics to inform the implementation of investment management decisions and support progress towards our ESG commitments. These metrics provide a clear, science-aligned view of how we can achieve our net-zero and sustainability objectives.

Looking ahead, we are exploring how to leverage enhanced data, analytics capabilities and risk management tools, such as those offered by BlackRock Aladdin, to deepen sustainability-related analysis across our portfolios. By integrating advanced analytics, we aim to improve the identification and management of risks and opportunities, strengthen alignment with climate and sustainability targets, and enhance decision-making across investment teams.

These steps will help us to maintain a robust framework for monitoring and mitigating ESG-related portfolio exposures.



ESG in staff development and rewards

AIA is committed to ensuring our investment professionals complete formal training to integrate climate, nature, health and wellbeing into their investment processes. We support both structured and unstructured learning opportunities to ensure investment professionals are well equipped to consider integrating emerging guidance on climate, nature, health and social wellbeing into investment processes. In addition, a variety of sustainability resources are made readily available to support ongoing informal learning for our colleagues. Building internal capability is essential to high-quality sustainable investment decision-making.

AIA mandates that in-scope research analysts and portfolio managers complete CFA Institute's Sustainable Investing Certificate (previously known as the Certificate in ESG Investing). This internationally recognised qualification supports consistent knowledge across ESG factors, engagement and stewardship, ESG analysis and integration, portfolio construction and investment reporting. In 2025, employees attended refresher training, hosted by CFA Institute. The sessions provided updates on the Sustainable Investing Certificate syllabus and covered key developments in ESG investing. The discussion revisited fundamental theories and concepts underpinning sustainable investment, highlighting recent trends and emerging topics in the field.

The aim of the sessions was to:

- refresh knowledge for current certificate holders
- offer insights for those considering the certification
- ensure participants stay informed on advancements in sustainable investing practices.

We also partnered with CFA Institute to enhance our senior leaders' capacity for environmental oversight through a dedicated workshop on climate science fundamentals, scenario analysis, and strategic integration of sustainability into investment decision-making for our Group AMC Board and Executive Committee.

Our research analysts participated in specialised teach-in sessions delivered in collaboration with MSCI. These sessions provided comprehensive insights into sustainability themes across key sectors and markets, addressing topics such as corporate governance in Korea, climate and social risks within the travel and technology hardware industries, and ESG considerations for Japanese trading firms, healthcare organisations, and Taiwanese enterprises.

As part of our performance management framework, relevant individuals with oversight of AIA's ESG commitments have continuously evaluated accountability for sustainability-related objectives aligned to such commitments. We will continue to explore opportunities to ensure that sustainability considerations are reflected in individual accountability and incentives across the investment function, consistent with internal frameworks and evolving best practices.

Stewardship

This priority focusses on actively using our influence as an investor to encourage investee companies to adopt sustainable business practices.

Engagement

Commitment-linked engagement

We actively engage with investee companies to encourage them to align with the objectives of our sustainability commitments to support progress towards our own climate ambitions.

In 2024, we implemented a platform to track the progress of investee engagement and alignment with our net-zero objectives, SBTi targets and other ESG metrics. As of 31 December 2025, AIA research and stewardship analysts had engaged over 300 companies, aiming to open a dialogue with investee sustainability and investor relations teams.

To track their progress, we have devised an internal categorisation scale across five categories that allows us to monitor their stage of decarbonisation.

In 2025 we opened the platform to our portfolio managers. This enables them to read the engagement notes, milestones and scores written by our research analysts on all the investee companies that they have engaged so far, and track the companies' progress towards achieving SBTi targets and net-zero.

Collaborative engagement

We pursue collaborative engagement opportunities as part of our commitment-linked engagement approach, by working in coordination with other investors to amplify influence and accelerate progress on priority sustainability issues. This approach enables alignment of expectations, sharing of insights, and fostering stronger ambition and disclosure among high-impact companies and sectors.

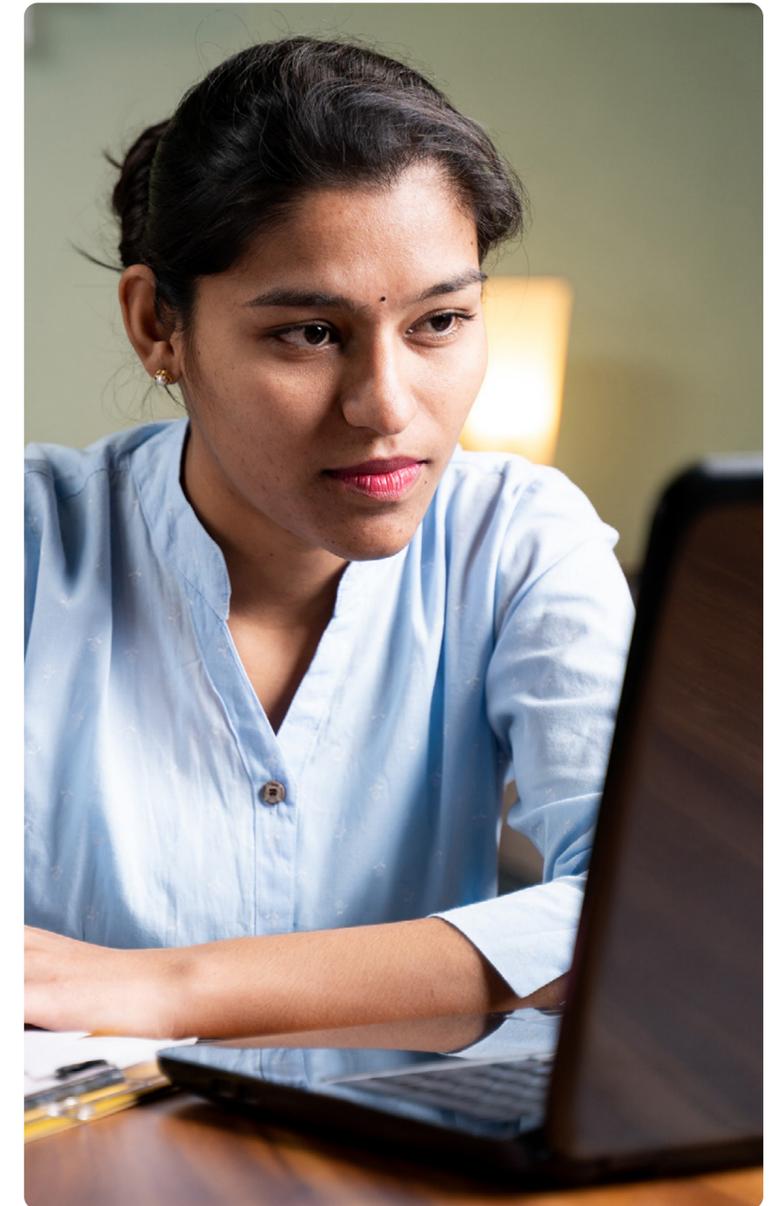
In 2025, AIA joined the Asia Investor Group on Climate Change's Asian Utilities Engagement Programme as an investor participant. This initiative is designed to drive awareness about the risks and opportunities associated with climate change and low-carbon investing.

Climate Action 100+ (CA100+) is an investor-led initiative aimed at ensuring the world's largest corporate greenhouse gas emitters take decisive action on climate change to mitigate financial risks and protect long-term asset value.

Having joined CA100+ in 2019, we strengthened our commitment in 2024 by assuming a more active role in collaborative investment engagements coordinated under the initiative. As of 31 December 2025, AIA contributes to 8 company CA100+ engagement groups, providing an additional avenue to advance our sustainability commitment-linked engagement objectives and play a leadership role in the markets in which we operate.

Thematic engagement

Thematic engagement is a structured exercise led by AIA's Regional Head of Equities Research & Stewardship which seeks to understand how investee companies have considered, embedded, addressed, and mitigated ESG factors and risks in relation to a specific theme approved by the Group Chief Investment Officer. This engagement enables us to assess investees' maturity against the prioritised theme quantitatively and derive insights across geographies and industries.





CASE STUDY

Thematic Engagement: From Commitment to Action

Objective and methodology

In 2025, our research and stewardship analysts engaged 50 investee companies which are either non-SBTi signatories or perceived to be at risk of not achieving net-zero to better understand their transition readiness and environmental risk management practices. These engagements span across 17 sectors globally, with 56% of companies based in APAC, 38% in the US, and 6% in other regions. The thematic engagement questionnaire was designed by AIA Group's Stewardship team, with inputs from the Group Investment ESG Centre of Excellence and Group Sustainability teams. The questionnaire assessed six sub-themes: greenhouse gas (GHG) emissions reduction targets, ESG governance, risk management, supplier decarbonisation, carbon credits utilisation, and green technology. We applied an internally-designed scoring methodology mapped to a final A to E grading.

Engagement performance

Overall, 48% of engaged companies demonstrated a strong commitment to decarbonisation and climate resilience, setting concrete targets and actions. Specifically, 18% were graded "A" and 30% were graded "B", supported by their robust targets and progress. However, there remains a segment with limited commitment, with 8% scored "E", indicating minimal or no targets, actions, or disclosures, while 12%

received a "D" grade. The remaining 32% were graded "C", indicating moderate commitment and progress.

84% of engaged companies have established near-term GHG emissions reduction targets (most commonly for 2030), and 2% plan to set such targets within the next 12 months. The remaining 14% have no plans to do so. Confidence in achieving these goals is relatively high, with 68% of companies on track to meet or beat their targets. 58% have committed to long-term net-zero goals, most commonly for 2050.

Most investee companies rely on internally developed approaches to target setting. Some have adopted recognised standards such as SBTi, TCFD, ISSB, Business Ambition to 1.5°C, Race to Zero, NZBA, the Australian Climate Change Authority's Sector Pathway, and PAII NZIF. Reported barriers to adopting SBTi include the complexity of Scope 3 emissions, stringent requirements, and resource constraints, particularly for smaller companies.

Emissions reduction strategies include energy efficiency, renewable energy adoption, direct GHG abatement, supplier and value chain initiatives, and portfolio strategies. Efforts in climate mitigation and adaptation include physical risk assessments, infrastructure adaptation, water management, employee awareness and safety programmes, and the deployment of climate risk mitigation technologies.

Most companies' governance structures include Board and executive oversight of climate-related matters. Specifically, 92% reported Board-level oversight and 18% reported linking Board remuneration to climate-related targets. At the executive level, 84% reported oversight of climate-related issues and 42% reported linking executive pay to climate-related performance. The most commonly overseen subjects at both Board and executive levels include carbon emissions, energy efficiency, and physical and transition risks, with additional focus on waste and water management at the executive level.

Risk management practices are commonly in place — 84% reported processes to identify, assess, and respond to environmental risks, including consideration of both financial impacts and impacts on the environment and communities. The most frequently cited risks were climate change and extreme weather, regulatory compliance and governance, and community relations. Supply chain engagement was also a focus, with 64% requiring suppliers to meet climate-related specifications. Supplier segmentation is typically based on spend or strategic importance, emissions contribution, maturity, and relationship flexibility.

Finally, 40% of companies reported that they currently use, or plan to use, carbon credits, referencing standards such as Verra, Gold Standard,

and ACCUs. Renewable energy adoption was also commonly reported, with 82% consuming or investing in renewables. On average, renewables accounted for 26% of total energy consumption.

Overall, the findings indicate uneven maturity across issuers: while many have established targets and governance arrangements, gaps remain in implementation credibility, value chain decarbonisation, and the transparency of transition plans.

We will use our engagement findings to prioritise engagement escalation, inform issuer risk assessments within our ESG Rating Scorecard, and support investment decisions by differentiating leaders with credible execution pathways from laggards with unmitigated transition and physical risks.

AIA remains committed to integrating climate considerations into investment decision-making and fostering long-term sustainable outcomes through responsible stewardship. AIA will continue to:

- 01 Engage on material ESG issues, prioritising companies with significant transition risks.
- 02 Advocate for enhanced climate disclosures, particularly in markets where transparency remains limited.

Proxy voting

Proxy voting allows us to strengthen our engagement with investee companies, align our strategies and promote sustainable outcomes. Our approach is governed by the Proxy Voting Standard within the IGF, which outlines how voting decisions are analysed and highlights mandatory considerations based on sound corporate governance principles aimed at safeguarding shareholders' long-term interests.

In reviewing proxy voting events, portfolio managers consider issuer responsiveness to ESG commitment-linked engagement, supporting alignment between engagement expectations and voting decisions.





Transparency and Reporting

This priority focusses on monitoring, assurance and auditing, and being open and accountable for our sustainability policies, practices and performance.

SBTi target progress

Power generation Sectoral Decarbonisation Approach (SDA) target

In line with recognised guidance, AIA has set an emissions intensity target for its power generation general account portfolio, which includes listed equities, corporate bonds, and project finance investments in the power generation sector. The GHG emissions intensity of this portfolio has decreased from 474 kgCO₂e/MWh in 2019 to 263 kgCO₂e/MWh as of 31 December 2025, a 45% reduction since our base year.

The increase in Power Generation SDA compared with our results as at 31 December 2024 primarily reflects enhancements in our portfolio scoping methodology to better align with the definition of our scope boundary, specifically the exclusion of non-publicly listed issuers of corporate bonds, following enhancements to internal data management capabilities.

AIA's power generation portfolio remains on track to meet its 2030 targets, supported by our ongoing engagement with investees and continued investments into clean energy generation companies. External exogenous factors have also contributed, including improvements in our investees' GHG accounting practices, as well as increased availability of third-party financial, operational and emissions data for our issuers, enabling more accurate attribution of financed emissions and financed generation within our portfolio.

Looking ahead, year-on-year movements in Power Generation SDA may continue to reflect a combination of portfolio actions, portfolio composition changes and financial attribution effects. As such, while AIA's Power Generation portfolio has demonstrated significant progress since the base year, we continue to expect a non-linear trajectory in future progress.

Direct real estate SDA target

In line with recognised guidance, AIA has set an emissions intensity target for its direct real estate assets within the general account portfolio, covering fuel and electricity consumption in properties owned but not occupied by AIA (including vacant areas). The greenhouse gas (GHG) emissions intensity of this portfolio has decreased from 115 kgCO₂e/m² in 2019 to 77 kgCO₂e/m² as of 31 December 2025, a 33% reduction since our base year.

Several factors have contributed to AIA's progress to date. Since the 2019 base year, the overall reduction in emissions intensity has been supported by AIA's continued efforts to enhance the energy performance of our portfolio, including additions of energy-efficient buildings and continued efforts to improve energy efficiency within existing properties. On a comparable occupancy basis, emissions intensity continued to decline, reflecting underlying efficiency improvements rather than changes in occupancy levels. The slight improvement observed in the latest reporting period also reflects enhancements to our calculation approach, which have improved the consistency of emissions measurement across the portfolio.

Moving forward, we expect slight year-on-year fluctuations as the portfolio evolves and occupancies mature. AIA also continues to explore options for sourcing more renewable energy across countries where our properties are located (subject to market conditions such as availability and price).

Portfolio Coverage Approach (PCA)

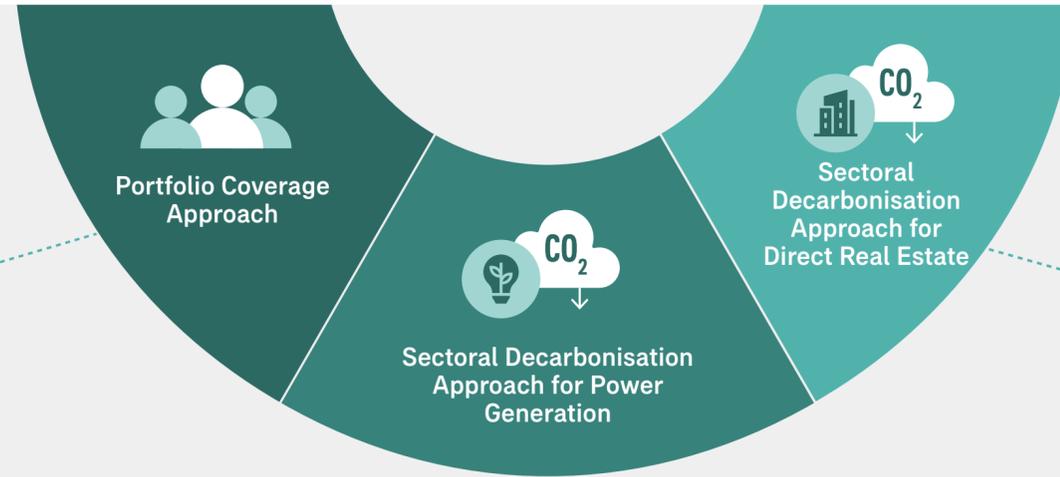
All other sectors within our listed equities and corporate bonds general account portfolio are covered by our portfolio coverage target. As of 31 December 2025, 36% of our portfolio has successfully set and validated SBTi targets, exceeding our target of 31% by the end of 2025.

This reflects both progress made through ongoing engagement with investees, including issuers that have committed to SBTi targets but are yet to receive validation, as well as continued monitoring of developments that may inform investment opportunities aligned with this objective. In addition, we established weekly tracking of changes to the SBTi target dashboard to enable the timely identification of investment opportunities aligned with these targets.

The increase in portfolio coverage also reflects enhancements to our portfolio scoping methodology to better align with the definition of our scope boundary, specifically the exclusion of non-publicly listed issuers of corporate bonds, following enhancements to internal data management capabilities.

While the 2025 portfolio coverage target has been met, AIA will continue to track and report on our portfolio-level progress. As climate-related target-setting standards and market practices continue to evolve, AIA will assess the implications of these developments for our portfolio coverage approach.

Quantitative Progress Towards our SBTi Targets

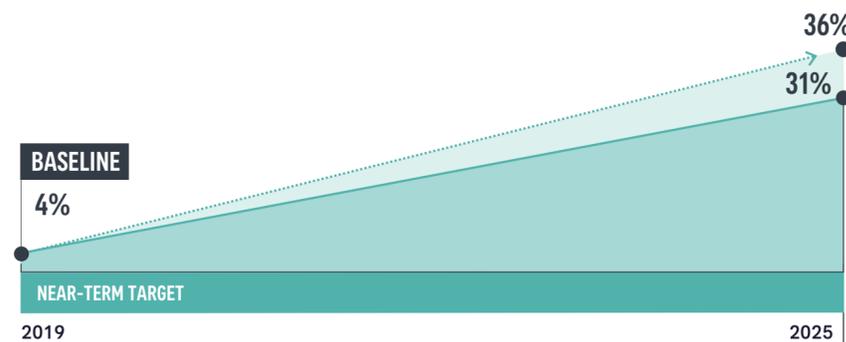


ASSET CLASS

Listed equities and corporate bonds within in-scope general account portfolio

METRIC

Share of in-scope portfolio with validated SBTi targets (% of AuM)



2025

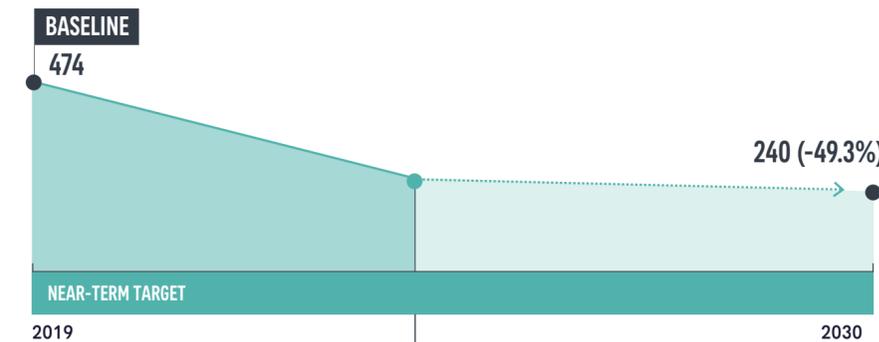
36%

Exceeded our 2025 portfolio coverage target through ongoing investee engagement, including issuers committed to SBTi but not yet validated, supported by regular tracking of SBTi target data updates.

2025 PROGRESS

Listed equities, corporate bond and project finance within in-scope general account portfolio

Power generation portfolio GHG emissions intensity (kgCO₂e/MWh)



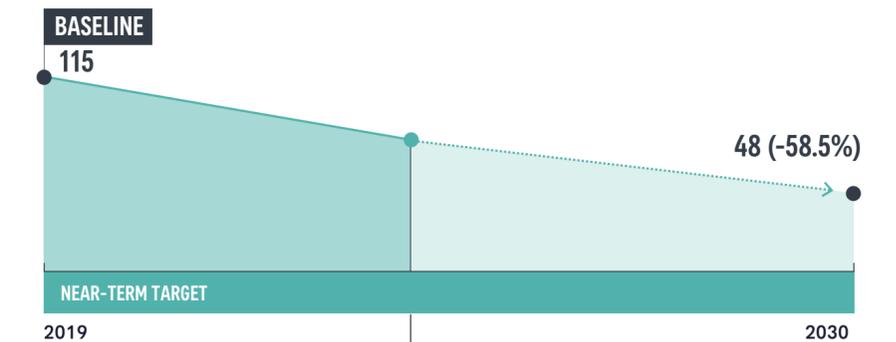
2025

263 kgCO₂e/MWh

Delivered a reduction in power generation emissions intensity since the base year and remain on track for 2030, supported by investee engagement and increased relative exposure to clean energy generation.

Direct real estate within in-scope general account portfolio

Real estate portfolio GHG emissions intensity (kgCO₂e/m²)



2025

77 kgCO₂e/m²

Reduced emissions intensity in our direct real estate portfolio since the base year, supported by improved energy performance through the addition of more energy-efficient buildings and efficiency upgrades across existing properties.

Financed emissions and Weighted Averaged Carbon Intensity

In addition to tracking progress against our targets, we report portfolio climate metrics to enhance transparency and comparability. For financed emissions, we measure and disclose emissions associated with our listed equity and corporate bond holdings, direct real estate assets, and power generation project finance investments. This approach is aligned with our investment boundary for the general account portfolio which underpins our net-zero commitments and SBTi targets.

Our total financed emissions as at 31 December 2025 were 6.20MtCO₂e, representing a 16% decrease compared with the prior year ending 31 December 2024¹.

The year-on-year decrease was primarily driven by enhancements in our portfolio scoping methodology to better align with the definition of our scope boundary, specifically the exclusion of non-publicly listed issuers of corporate bonds, following enhancements to internal data management capabilities. When compared on a consistent in-scope asset class basis, a slight underlying reduction in portfolio emissions per US\$1 million was observed, contributing to the overall reduction.

The weighted average carbon intensity (WACI) of our listed equity portfolio within our in-scope general account investment was 229 tonnes of CO₂e per US\$1 million revenue as of 31 December 2025. When compared with the position as of 31 December 2024 (based on corrected figures²), there was a marginal rise year-on-year. This was primarily driven by changes in our listed equity portfolio composition, reflecting sector rotation influenced by our capital markets outlook, including higher exposure to carbon-intensive sectors such as Basic Materials, alongside increases in emissions for a small number of issuers due to improvements in data quality³.

Total Financed Emissions as at 31 December 2025



Whilst AIA measures and discloses total financed emissions and WACI as part of our climate disclosures in line with the HKEX ESG Code and ISSB recommendations, we do not currently manage our in-scope general investment portfolio towards any stated target with respect to total financed emissions or WACI. Such metrics do not relate to our approach towards currently achieving our net-zero targets.

AIA continues to refine our approach towards financing the transition journey of companies with credible transition plans, as well as sectors where transition technologies such as natural gas play a crucial role. However, continued growth in total investment assets and such transition investments may lead to short-term increases in our total financed emissions or WACI despite being congruent with our strategies to meet our validated near-term SBTi targets, which are the targets we actively manage towards.

1. The breakdown across asset classes for WACI has been updated following enhancements to our methodology for the classification of our listed equities and corporate bonds portfolio. Under the updated classification, 2024 financed emissions amounted to 0.7MtCO₂e for listed equities (corrected from 0.87MtCO₂e) and 6.60MtCO₂e for corporate bonds (corrected from 6.44MtCO₂e). Nevertheless, the overall total financed emissions reported for the year ending 31 December 2024 remain unchanged.
2. The 2024 WACI has been updated following enhancements to our methodology for the classification of our listed equities and corporate bonds portfolio. Under the updated classification, 2024 WACI amounted to 211 tonnes of CO₂e per US\$1 million revenue for listed equities (corrected from 228 tonnes of CO₂e per US\$1 million revenue).
3. Emissions data for a small number of issuers this year reflect improvements in third-party data coverage and estimation methodologies. This results in higher reported emissions compared with prior-year figures, where such data were partially understated.

Addressing climate risk with enhanced analytics

We continue to improve our approach to assessing and managing climate risks across our investment portfolios. Understanding both transition and physical risks, such as extreme weather and long-term climate impacts, is increasingly important for safeguarding long-term investment performance.

To support this, we are exploring how enhanced data, analytics capabilities and risk management tools within BlackRock Aladdin can be leveraged to strengthen our sustainability and climate-related analytics.

These tools offer the potential for more sophisticated scenario modelling, improved measurement of portfolio-level climate exposures and deeper insights into sector-specific vulnerabilities. By integrating these capabilities into our existing risk management processes, we aim to build a more resilient portfolio and ensure that climate considerations are embedded in investment decision-making.

This work aligns with our broader sustainability commitments and reinforces our focus on proactive risk identification, mitigation and long-term value creation.

Internal management reporting mechanisms

We continue to strengthen internal reporting mechanisms to improve oversight of sustainability metrics across our investment governance structures. This supports consistent progress tracking, timely escalation, and evidence-based decision-making.

We track and assess investment data relevant to our sustainability commitments, engagement outcomes linked to these commitments, and other climate-related metrics and ESG-related ratings. This information is presented to key governance bodies on a regular basis, including the Group Investment Committee, Business Unit Investment Committees, and Asset Management Company Boards.

This reporting framework informs decision-making, allowing for alignment of investment portfolios with the achievement of our sustainability commitments, including our PCA, Power Generation SDA, and Real Estate SDA SBTi targets. It also indirectly supports identification of transition risk exposure by highlighting in-scope companies most unaligned with our portfolio decarbonisation targets.

Through this governance mechanism, we facilitate evidence-based, top-down investment decisions, where appropriate, aligned with our sustainability objectives. We remain committed to continuously refining the framework to improve data availability, reliability, and transparency. By enabling reporting to flow through the Group Investment Committee and Business Unit Investment Committees, information may be escalated to their respective Boards, Financial Risk Committees, and Operational Risk Committees where applicable, supporting the integration of sustainability metrics into broader risk and governance processes.



Data integrity and enhancement

We are committed to continuously improving the coverage, robustness and comparability of our sustainability data. To achieve this, we employ mechanisms that combine external datasets with insights gathered by AIA research analysts. This hybrid approach allows us to validate vendor outputs, bridge data gaps, and deepen our understanding of climate and sustainability risks within investment decision-making.

In 2025 we intensified our engagement with external data vendors to refine SBTi-related metrics. Through this collaboration, we identified and remediated data discrepancies, contributing to higher-quality datasets. These enhancements support greater transparency, enabling stakeholders to make assessments based on more reliable and comparable climate information.

Where relevant, we engage external methodological advisors to strengthen calculation approaches. For our 2025 ESG Report, Boston Consulting Group (BCG) supported the calculation of Investment SBTi target progress, WACI and total financed emissions. Readers are responsible for assessing the relevance and accuracy of the content of this report as well as for seeking independent advice on such matters.

Supporting Sustainable Investment

INVESTMENTS IN INFRASTRUCTURE

US \$1.2 BILLION

in water utilities

US \$2.8 BILLION

in ground transportation

US \$4.9 BILLION

in transportation infrastructure

US \$1.3 BILLION

in renewable energy

INVESTMENTS IN THE HEALTHCARE SECTOR

US \$5.7 BILLION

in the healthcare sector

INVESTMENTS IN ESG BONDS

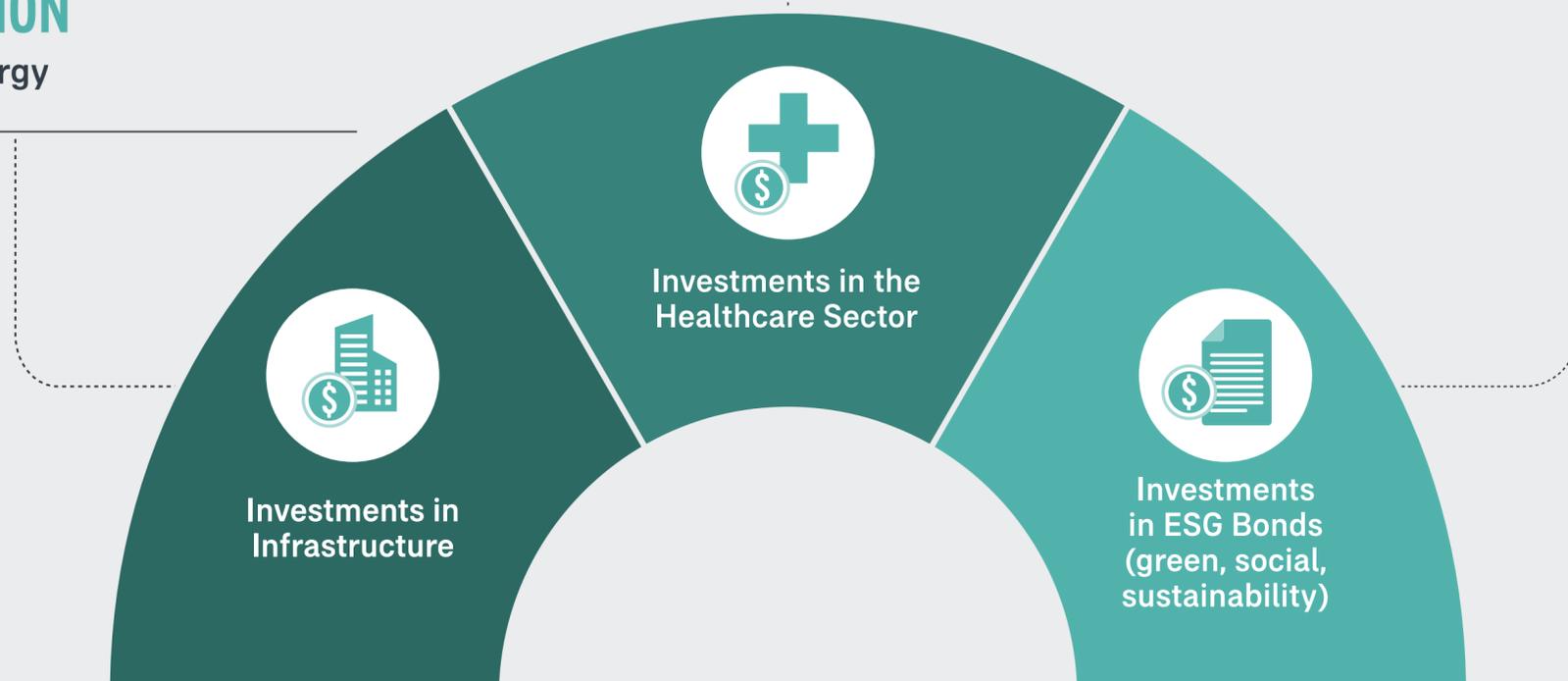
(green, social, sustainability)

US \$7.6 BILLION

in ESG bonds (green, social, sustainability)

US \$5.8 BILLION

in green bonds



Collaboration and Advocacy

This priority focusses on collaborating with other investors, industry groups, policymakers and stakeholders to promote sustainable investment practices and policies.

Policymaker engagement

Governments and regulators play a fundamental role in shaping the financial ecosystem through policies that drive transparency, standardisation, and market stability. We engage with policymakers and industry bodies across our markets to support the development of consistent sustainable finance frameworks and incentives.

Regarding specific asset classes, we view improvements to prudential treatment of infrastructure as an important catalyst for scaling energy transition finance. We welcome continued regulatory progress towards refining risk-based capital approaches for infrastructure, particularly steps that align capital requirements more closely with underlying risks. In 2025, we supported policy development through regulator consultations and direct collaboration, including sharing our strategic views on the asset class, our exposures, and our rationale for more risk-sensitive, differentiated capital treatment. We believe these reforms will help unlock long-term institutional capital

for transition-related projects, and we encourage further collaboration within and across jurisdictions to accelerate their deployment.

Industry collaboration

Collaborating with peers and industry bodies supports the development of good practices across markets. We participate in relevant investor initiatives and working groups focused on various sustainability themes, supporting shared learning and coordinated engagement where it can accelerate progress.

The Asia Investor Group on Climate Change (AIGCC) working group is Asia's leading network for institutional investors' response to climate risks and opportunities. It brings organisations together to collaborate on specific climate-related topics.

We are involved in several AIGCC working groups, including those focussed on Paris-aligned investment, engagement and policy, energy transition, physical risk and resilience, and a 'just transition'.

AIA hosted the Hong Kong AIGCC Investor Climate Transition Roundtable in September 2025, bringing together more than 70 industry participants to explore and discuss climate transition strategies for the investment sector.

AIA became a new member of the Asian Corporate Governance Association (ACGA) in 2025, to strengthen

capacity-building and amplify our influence on governance practices across Asia. Our membership provides us with access to collaborative engagements with regional working groups, bespoke guidance on governance rules and best practices, dialogue with financial regulators, and research and webinars to enhance our investment team's capabilities. At COP29, we signed a Statement of Intent with BlackRock, MAS, and other partners to explore a blended finance debt initiative supporting large-scale corporate decarbonisation projects in Asia, with a focus on Southeast Asia. The initiative, part of the Monetary Authority of Singapore's Financing Asia's Transition Partnership (FAST-P), aims to mobilise up to US\$5 billion from public, private, and philanthropic partners for transition financing.

Other collaborative initiatives include:

- We contributed to the International Energy Agency's (IEA) Scaling Up Transition Finance report, which maps the current landscape, explains its importance, and outlines next steps for accelerating progress.
- AIA contributed to 'The investor effect, What's really driving sustainability reporting?' — an article in the Hong Kong Institute of Certified Public Accountants' A-Plus Magazine, highlighting our approach to assessing companies' sustainability reporting through ESG scorecards and disclosure analysis, as well as views on disclosure quality and climate risk.

External advocacy activities

We continue to share our approach and insights through relevant public forums, industry events and academic engagement, supporting knowledge building and contributing to the broader dialogue on sustainable investment and the transition to a low-carbon economy.

In 2025, we broadened the scope of our external advocacy and showcased our role as industry thought-leaders by joining panel discussions at the Green Finance Exchange Conference for the Guangdong-Hong Kong-Macao Greater Bay Area, the Responsible Investor Asia 2025 conference, the Eco-Business: Unlocking Capital for Sustainability event in Singapore and the Unlocking Capital for Sustainability 2025 event in Hong Kong. We also shared our ESG approach with university students at HKU Business School.

AIA CHINA: STRENGTHENING SUSTAINABLE INVESTMENT THROUGH REGULATORY ENGAGEMENT

AIA China: Strengthening Sustainable Investment through Regulatory Engagement



Regulatory engagement serves as one of the key navigators for building our long-term, sustainable investment strategy in the domestic market.

Franklin Au Yeung

Chief Investment Officer, AIA China

Franklin Au Yeung is embedding sustainability and national priorities into AIA China's investment approach.

As AIA China becomes an increasingly significant part of AIA's overall investment portfolio, engagement with regulators has become central to the company's long-term investment strategy. For Franklin Au Yeung, Chief Investment Officer of AIA China, this engagement is essential for understanding how national priorities inform future investment opportunities.

"Regulatory engagement serves as one of the key navigators for building our long-term, sustainable investment strategy in the domestic market," Franklin explains. Guidance set by the National Financial Regulatory Administration (NFRA), including its sustainability priorities and the Five Key Areas of Finance, helps AIA interpret the substance of China's high-quality development agenda. Franklin notes that these priorities go beyond compliance and offer a strategic blueprint for long-term value creation.

The NFRA's introduction of frameworks encouraging financial institutions to allocate capital towards sustainability themes represents a meaningful development for long-term investors. Through transparent and forward-looking regulatory dialogue, AIA China aims to understand how national priorities, such as the Dual Carbon goals, technological self-reliance and common prosperity, are reflected in this guidance. These frameworks provide clearer pathways for insurance funds to support the Five Key Areas of Finance, enabling AIA to integrate regulatory direction into its long-term strategy.

In practice, this helps direct capital towards sectors aligned with China's future competitiveness, including green finance, elderly care, technological innovation, and the digital and green transformation economy.

Franklin views these frameworks as empowering. They encourage innovation in investment strategies, extending beyond traditional bonds and equities into areas such as green bonds, transition financing, carbon-neutral bonds and climate-tech and digital-transition ventures supported by private equity. This evolution reinforces AIA's belief that sustainability considerations are essential to long-term risk management and value creation.

Franklin acknowledges that aligning with evolving regulatory expectations brings both challenges and opportunities. China's sustainability data ecosystem continues to develop, with room for improvement in the depth, breadth and comparability of disclosures. At the same time, national strategic priority projects identified in the Five Key Areas of Finance and the 15th Five-Year Plan may still be in their early stages. This requires AIA to balance supporting these priorities with its fiduciary responsibility to ensure consistent and sustainable returns for policyholders.

Yet Franklin sees these challenges as an opportunity to strengthen internal capabilities. With robust local insight, strong credit analysis and disciplined risk management, AIA is building expertise to identify authentic green assets and evaluate transition risks and opportunities. This positions AIA to participate in new asset classes while shaping industry benchmarks within China's transition finance landscape, reinforcing trust.

AIA China draws on the Group's sustainability methodologies, such as science-based emissions pathways, scenario analysis and climate risk frameworks, while ensuring they are adapted to China's regulatory environment. We align investment targets with China's 15th Five-Year Plan, the NFRA's green finance catalogues and the requirements of the Five Key Areas of Finance. When reviewing opportunities within China's Dual Carbon transition, the team assesses both the technology itself and its practical application and commercial viability within China's energy and industrial context.

Partnership also plays an important role. AIA China collaborates with local institutions, enterprises and think tanks to explore practical approaches to transition finance. This includes platforms such as the Sustainable Investment: Practice, Exploration and Challenges Forum hosted by AIA and co-organised with committees of the Shanghai Financial Industry Association in May 2025.

For Franklin, this work carries personal meaning. He is committed to advancing climate-conscious investing in a way that delivers long-term value for society, the environment, shareholders and clients. Franklin sees AIA China as a bridge connecting global sustainable investment experience with China's high-quality development goals. He is passionate about embedding sustainability into every investment decision, ensuring that AIA China's portfolio contributes to long-term stability and supports China's transition.



AIA GROUP LIMITED SUSTAINABILITY REPORT 2025

Feedback from our diverse set of stakeholders is crucial for us to continue improving our sustainability performance and disclosure practices.

If you have any questions, comments or feedback, please contact Group Sustainability at groupsustainability@aia.com or write us at the address below:

Group Sustainability Team

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