



HEALTHIER, LONGER,  
BETTER LIVES

# 2024 INTERIM RESULTS PRESENTATION

22 August 2024

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# Agenda



1

## **BUSINESS HIGHLIGHTS**

Lee Yuan Siong, Group Chief Executive and President

2

## **FINANCIAL RESULTS**

Garth Jones, Group Chief Financial Officer



# Business Highlights

**Lee Yuan Siong**

Group Chief Executive and President



# Excellent 1H24 Financial Performance



## Growth

VONB

**\$2,455m**

**+25%**

Operating ROEV

**16.5%**

vs **12.9%** in FY23

## Earnings

OPAT

**\$3,386m**

**+10%** per share

Operating ROE

**15.3%**

vs **13.5%** in FY23

## Capital & Cash

UFSG

**\$3,391m**

**+10%** per share

Free Surplus

**\$14.6b**

Shareholder Capital Ratio  
**242%** pro forma<sup>(1)</sup>

Interim Dividend

Per Share

**44.50** HK cents

**+5%**

Capital Returns

Dividend & share buy-backs

**\$3.4b**

**\$12.0b** share buy-back  
over 3 years<sup>(2)</sup>

Notes: Operating ROEV and Operating ROE are shown on an annualised basis for 1H24

(1) On a pro forma basis allowing for the completion of the remaining \$3.1b under the \$12.0b share buy-back programme

(2) Commenced in March 2022 and expected to complete by April 2025

# Significant Confidence in Our Outlook



## Enhanced Capital Management Policy

1

**Payout Ratio Target:**  
**75% of Annual  
Net Free Surplus Generation**



2

**Ongoing Regular Review and  
Return of Excess Capital**

## OPAT Per Share Growth Target

**9% to 11%**  
**CAGR from 2023 to 2026**

Note: Compound annual growth rate (CAGR) from 2023 to 2026 calculated on a constant exchange rate basis

# Clear Strategy Delivering Profitable New Business Growth



## Growing New Customers, Increasing Loyalty

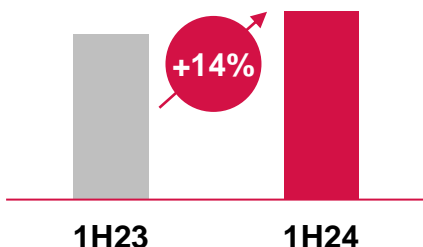
Customer Acquisition through Multiple Distribution Channels

**~1 million**

New Customers Acquired  
+13% YoY<sup>(1)</sup>

Building Long-Term Relationships

No. of Customers with Repeated Purchases<sup>(1)</sup>



**~95%**  
Persistency<sup>(2)</sup>

**#1 NPS**  
in 7 markets

## Compelling Propositions to Meet Customer Needs



At the core of our ecosystem

**AIA Vitality**

Powered by

**amplifyhealth**

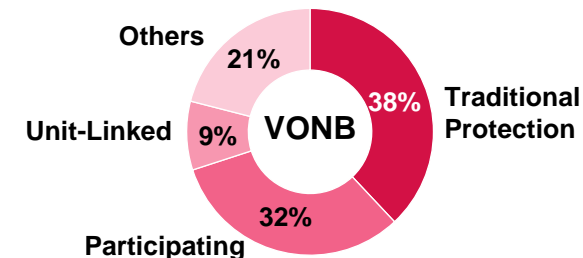
## High-Quality Profitable New Business

Growing Profitability and Sales

**+3.3 pps**  
VONB Margin to 53.9%

**+17%**  
ANP

Balanced Product Mix



Attractive Returns

**>20% IRR**  
New Business Investment

**3-year**  
Payback Period

## Structural Drivers of Sustained Growth



Unprecedented wealth creation



Growing populations, ageing society



Rising healthcare expenditure



High out-of-pocket expenses



Significant need for private protection

Notes: 1H24 figures, growth rates shown against 1H23, unless otherwise stated

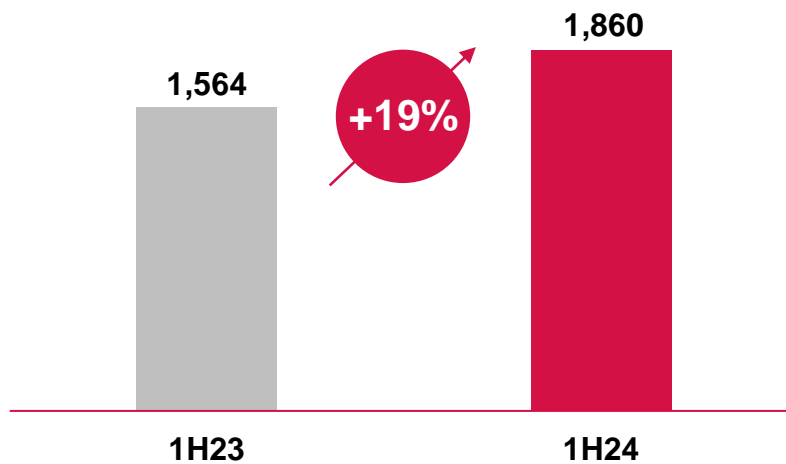
(1) Hong Kong, Mainland China, Thailand, Singapore, Malaysia and India

(2) The percentage of insurance policies remaining in force from month to month in the past 12 months, as measured by premiums

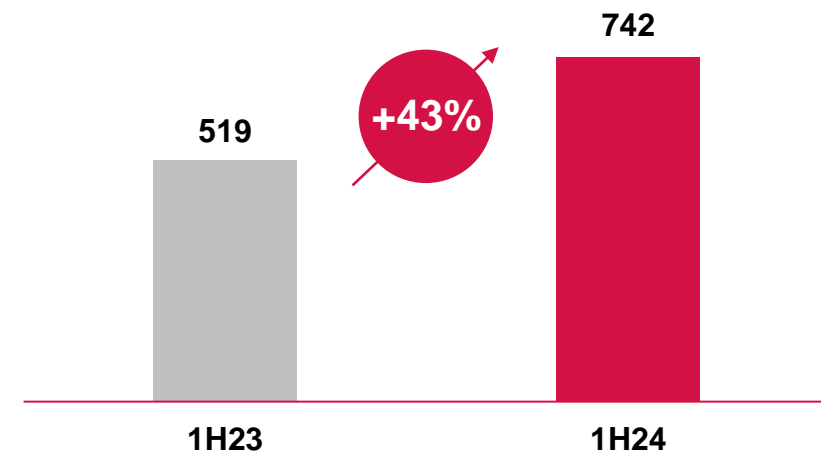
# Excellent New Business Growth Through Unrivalled Distribution



Agency VONB (\$m)



Partnership VONB (\$m)



**#1 MDRT Globally**

for 10 consecutive years

**+6%**  
Active Agents

**+22%**  
New Recruits

**+12%**  
Agent Productivity

**+4.5 pps**  
VONB Margin to 67.2%

**Bancassurance**

**+61% VONB**

- **+12% Active Sellers**
- **+10 pps VONB Margin to >40%**

**IFA & Broker**

**+30% VONB**

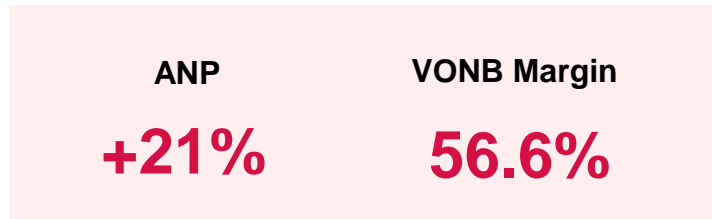
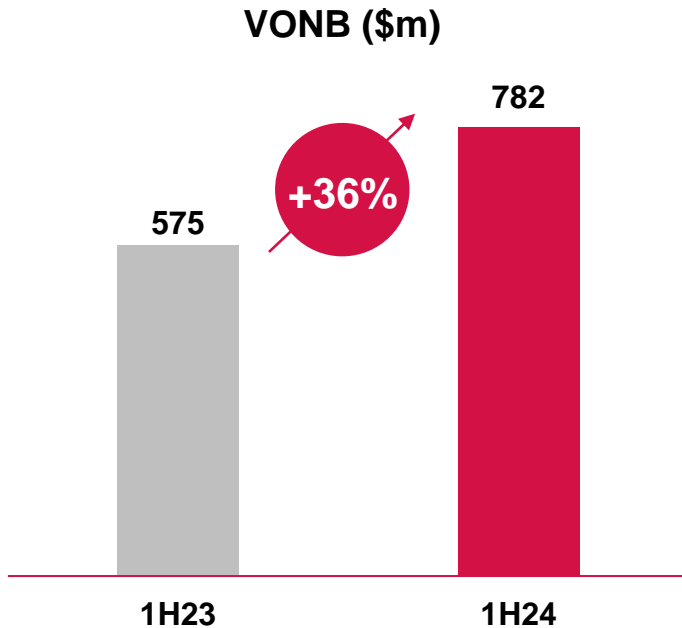
**Excellent Performance**  
in Hong Kong  
and Singapore

Note: 1H24 figures, growth rates shown against 1H23, unless otherwise stated; VONB comparatives are shown on a constant exchange rate basis



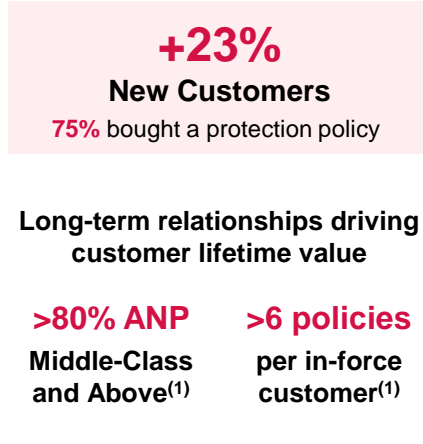
# AIA China: Excellent Performance Through Differentiated Strategy

## VONB Growth Driven by Higher Volumes and Profitability

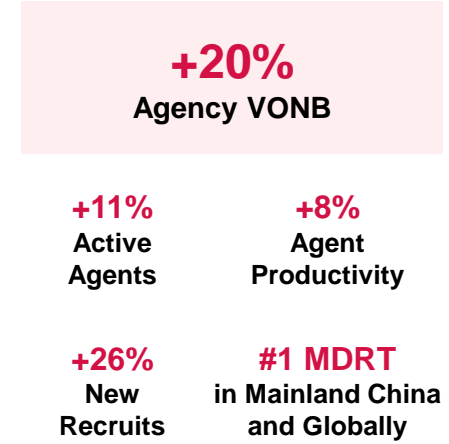


## Robust Demand from Resilient Middle-Class via Premier Agency

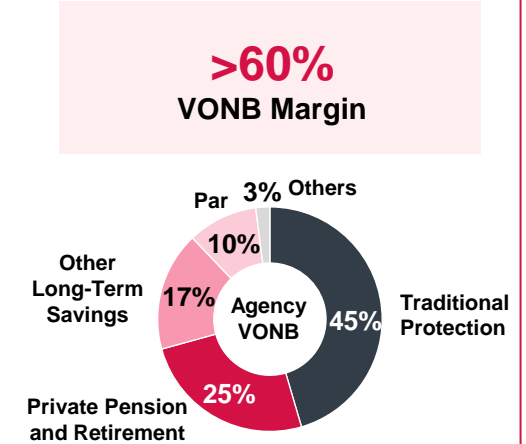
### Affluent Customers



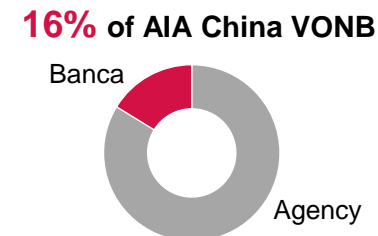
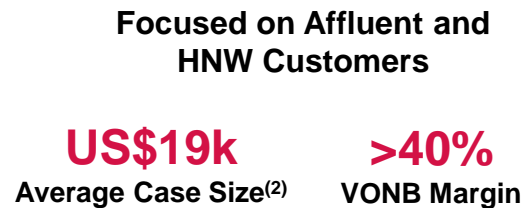
### Premier Agency



### Profitable New Business

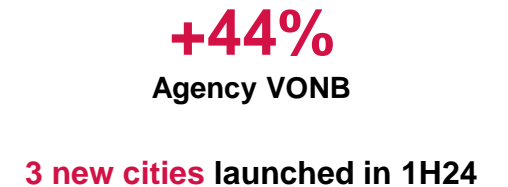


## High-Quality Selective Bancassurance



## New Geographies

Tianjin, Hebei, Sichuan, Hubei and Henan



Notes: 1H24 figures, growth rates shown against 1H23, unless otherwise stated; VONB comparative is shown on a constant exchange rate basis

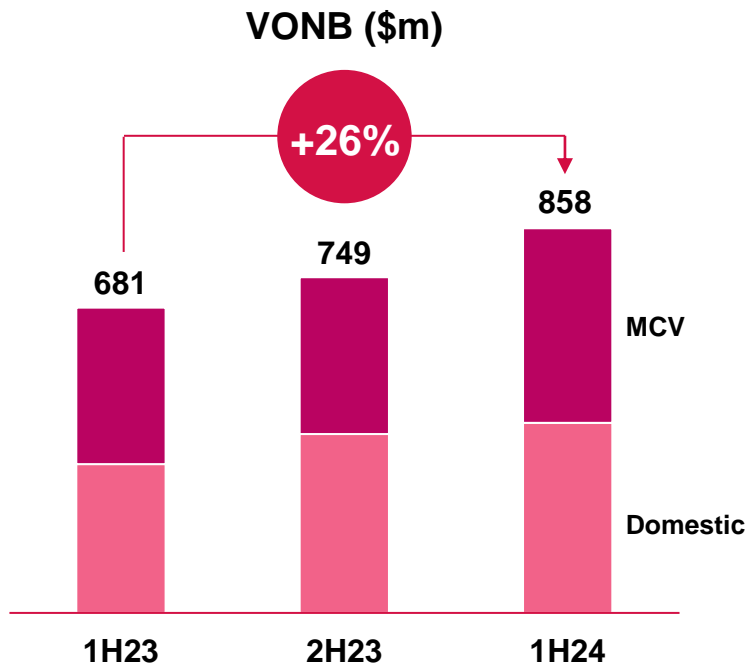
(1) Middle-class and above customers are based on annual premium data

(2) BEA, Bank of China and Shanghai Pudong Development Bank

# AIA Hong Kong: Strong Growth Across Segments and Channels



## Sustained Demand Across Customer Segments



MCV VONB  
**+24%**

Domestic VONB  
**+28%**

## Unrivalled Distribution Platform

### Leading Premier Agency

**+20%**  
Agency VONB

- Higher agent **activity** and **productivity**
- New recruits **up 19%**
- #1 MDRT** in Hong Kong and Macau

**Sustainable MCV Growth**

- >70%** VONB from customers new to AIA
- US\$19k** average case size<sup>(1)</sup>, **stable** on FY23
- Strong growth** in MCV-focused active agents

### High-Quality Partnerships

**+41%**  
Partnership VONB

Long-Term Strategic Bancassurance



Market-Leading IFA

- High-quality new business**
- Robust sales governance**

## Differentiated Propositions Driving Growth and Profitability

- Upgraded flagship product
- Medical product repricing
- HNW-targeted propositions

**+15%**  
Traditional Protection VONB

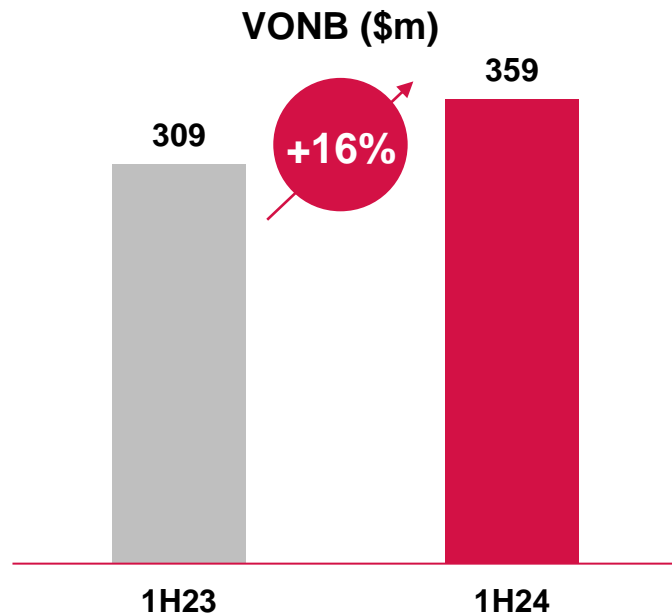
**+8.8 pps**  
VONB Margin to 65.7%

Notes: 1H24 figures, growth rates shown against 1H23, unless otherwise stated  
(1) Average case size of AIA Hong Kong

# AIA Thailand: Continued Execution and Market Leadership



## Clear Market Leader



**#1 Market Share**      **#1 Health Insurer**  
**#1 Unit-Linked**      **#1 Rider**

## Outstanding Professional Agency

**+18%**  
Agency VONB

**+6%**  
Active Agents

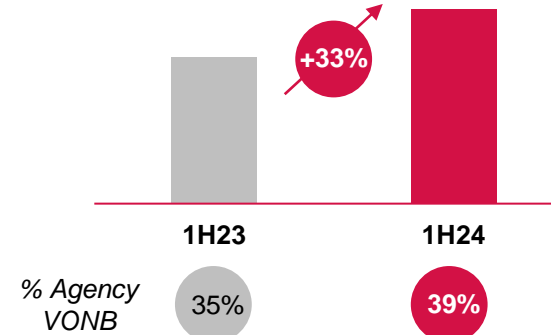
**+11%**  
Agent Productivity

**+20%**  
New Recruits

**#1 MDRT**  
in Thailand since IPO

## Financial Adviser (FA) Programme

VONB (\$m)



## Profitable Partnership



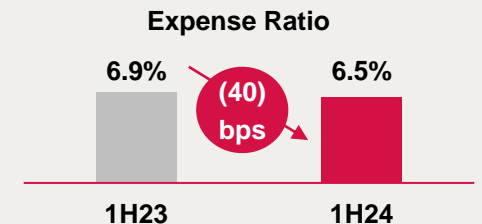
**+22% VONB**  
from higher productivity

**#1 Bank**  
in Thailand<sup>(1)</sup>

## Technology, Digital and Analytics (TDA) Driving Operational Efficiencies

**84%** End-to-End STP  
**+14 pps** YoY

**+13 pps**  
Auto-Underwriting<sup>(2)</sup>



Notes: 1H24 figures, growth rates shown against 1H23, unless otherwise stated, comparatives are shown on a constant exchange rate basis; Market rankings source: The Thai Life Assurance Association, as of June 2024 based on 1H24 ANP

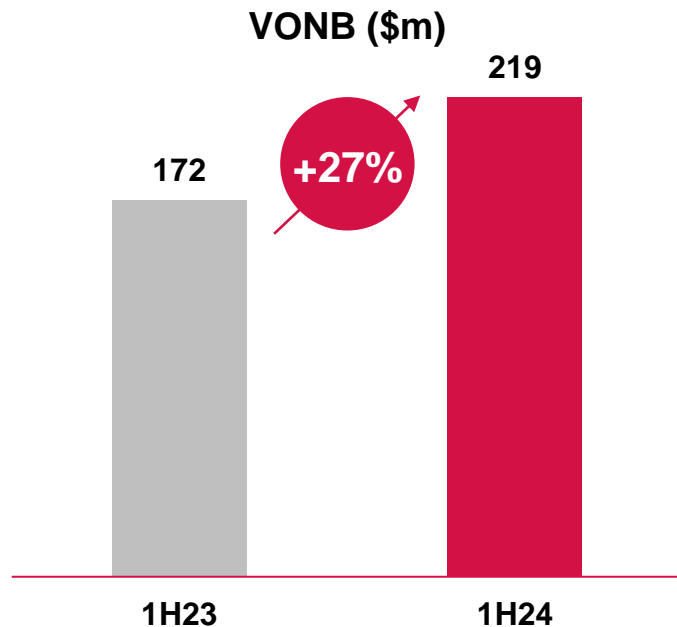
(1) By assets in 2023

(2) By no. of policies

# AIA Singapore: Excellent Growth in Affluent and HNW Segments



## Growing Multi-Channel Distribution



Agency VONB

**+31%**

IFA & Broker VONB

**+24%**

## Enhancing and Scaling High-Quality Premier Agency

**#1 MDRT**  
in Singapore

**+13%**  
New Recruits

**+24%**  
Agent Productivity

**+6%**  
Active Agents

## Differentiated Customer Propositions



Affluent & HNW Customer Loyalty Programme

**>160k**  
individual  
customers

**>4x**  
average  
case size<sup>(1)</sup>

**>2x**  
repurchase  
rate<sup>(1)</sup>

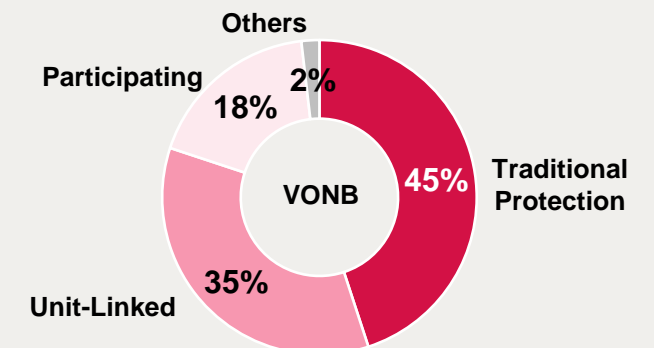
### AIA International Wealth

- New Financial Adviser firm launched in April 2024
- Targeting affluent & HNW customers across the region
- Professional wealth management advice and services

## Profitable New Business

**+35%** VONB  
Unit-Linked and Par

**+18%** VONB  
Traditional Protection



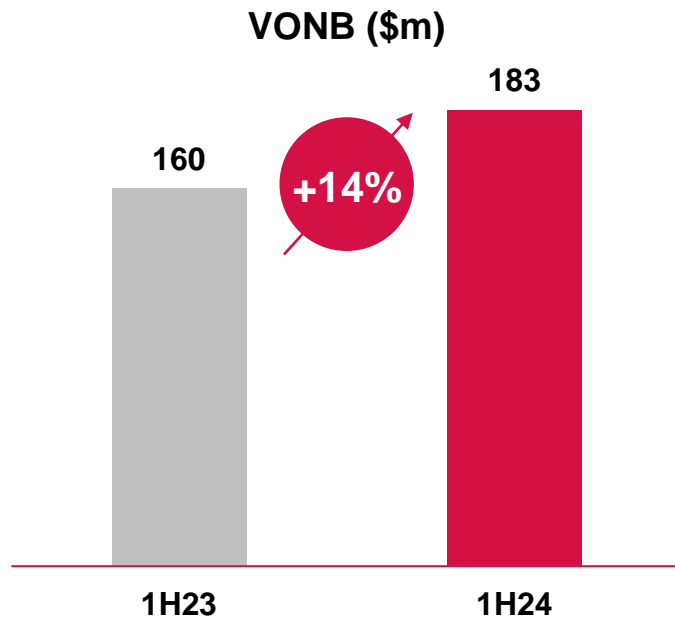
Notes: 1H24 figures, growth rates shown against 1H23, unless otherwise stated, VONB comparative is shown on a constant exchange rate basis

(1) Compared to non-members

# AIA Malaysia: Strong New Business Growth, Improving Claims



## Strong and Stable Margin Driven by Protection-Focused Product Mix



38% VONB Traditional Protection

50% VONB Unit-Linked with Protection



**64.2%**  
VONB Margin

### High-Quality Multi-Channel Distribution

**Premier Agency**

- +7% VONB Total Agency
- +14% VONB Conventional Segment
- #1 MDRT** for 8 years in Malaysia

**VONB**

**Strategic Partnerships**

**+18% VONB** increased insurance specialists and higher activity levels

**Excellent Growth** in Corporate Solutions

### Medical Business Initiatives Supporting Improved Loss Ratios

Powered by amplifyhealth

- AI claims assessment
- Provider network management
- Product design and repricing

**75% Claims STP**  
+6 pps YoY

**8 pps Loss Ratio**  
improvement 1H24 vs 2H23

Note: 1H24 figures, growth rates shown against 1H23, unless otherwise stated; VONB comparative is shown on a constant exchange rate basis

# Higher Operating Profit Driven by VONB & In-Force Management



## Compounding New Business Growth

**+25%**  
VONB

**+9.1%**  
Underlying CSM  
Annualised Growth<sup>(1)</sup>

## Effective In-Force Management

- World-class TDA, including Amplify Health
- Expense efficiencies
- High persistency
- Proactive medical business management

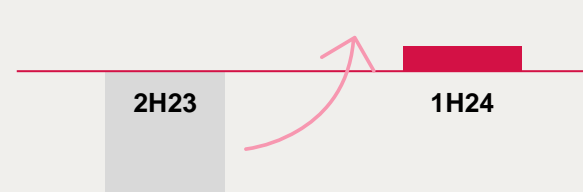
### EV Operating Experience Variances

**+\$0.4b**



### OPAT Operating Experience Variances

**+\$0.4b**



## Higher Earnings

**+29%**  
EV Operating Profit  
per share

**+10%**  
OPAT per share

Notes: 1H24 figures unless otherwise stated; growth rates and comparatives are shown on a constant exchange rate basis

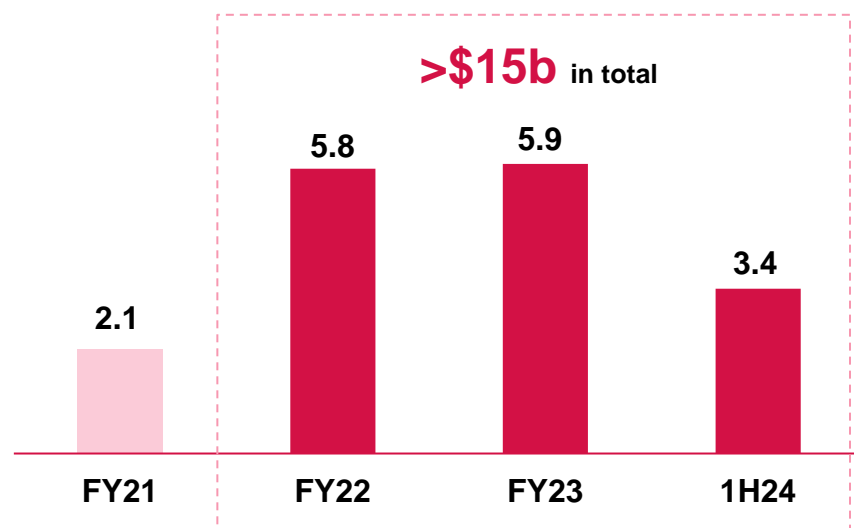
(1) Underlying CSM growth refers to the growth in CSM after the CSM release and before variances and others and the effect of exchange rate movements, expressed as a percentage of the opening CSM on an annualised basis

# Increased Shareholder Returns and Return on Equity



## Strong Cash Returns to Shareholders

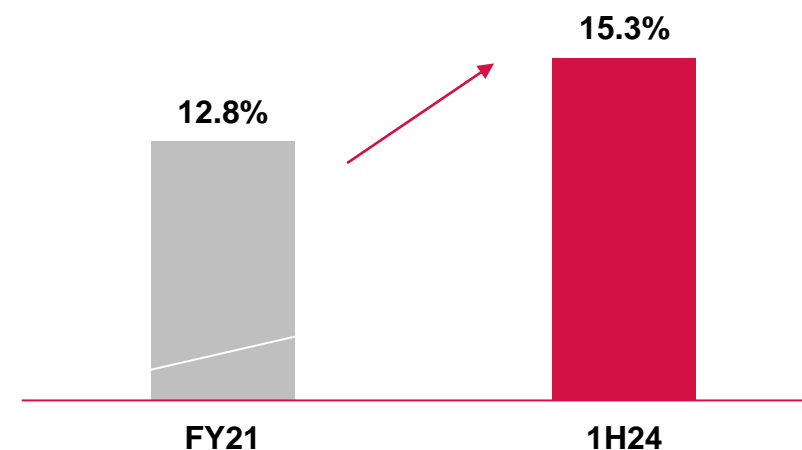
Dividends Paid and Share Buy-Backs (\$b)



- **Step up** in total returns to shareholders
- **\$12.0b** share buy-back over 3 years since March 2022
  - **\$2.0b** added to the programme in 1H24
  - **\$3.1b** remaining under the current programme<sup>(1)</sup>

## Higher Operating Return on Equity

Operating ROE



- **Clear strategy** driving profitable new business growth
- **Improved capital efficiency** and cash generation
- **Capital management** helping to optimise Operating ROE

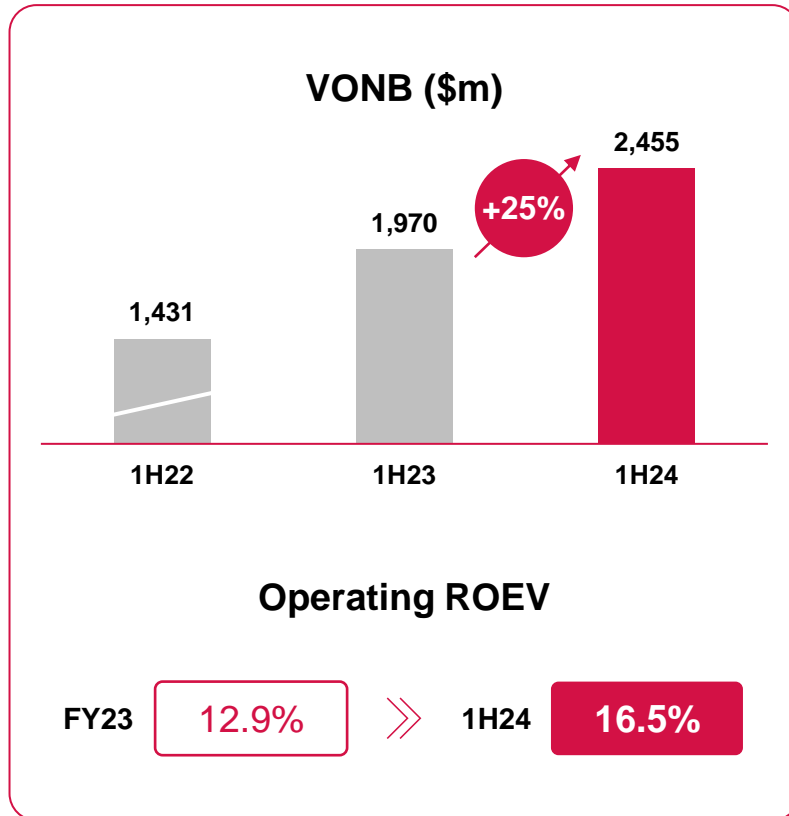
Notes: Operating ROE on an annualised basis for 1H24

(1) As at 30 June 2024

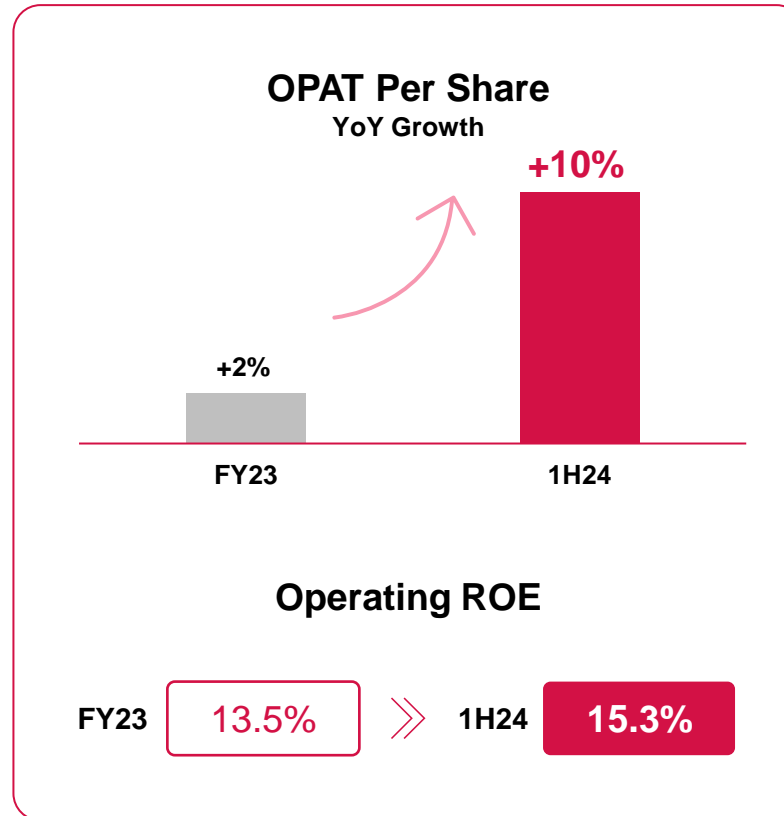
# Profitable New Business Growth Drives Earnings and Cash



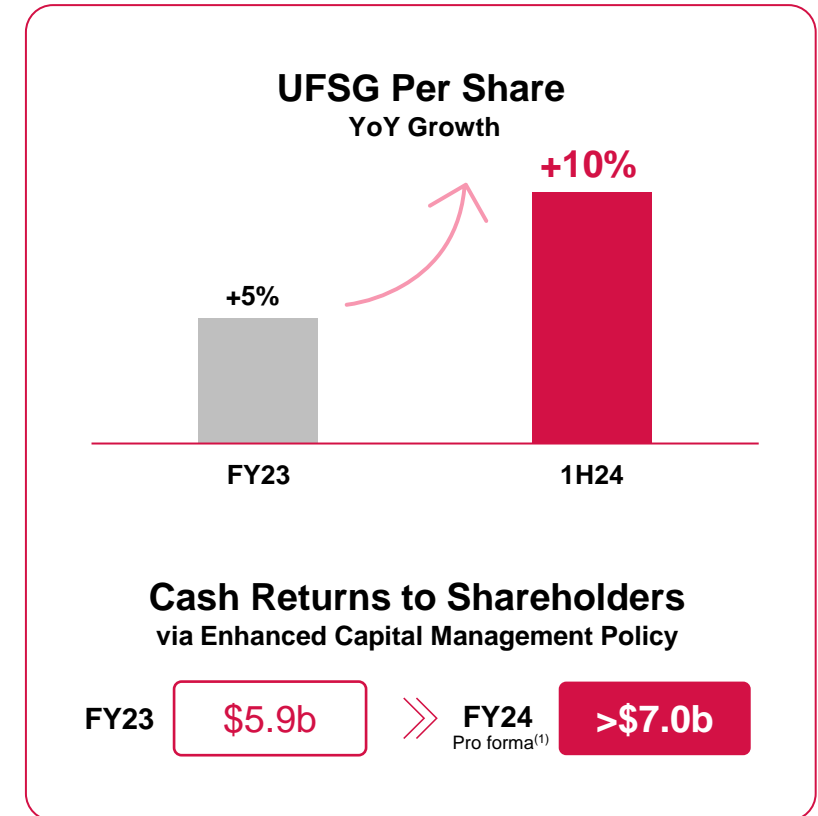
## Sustained New Business Growth



## Higher Earnings and ROE



## Increased Shareholder Returns



## Generating Sustainable Shareholder Value

Notes: Growth rates and comparatives are shown on a constant exchange rate basis, except for Operating ROEV and Operating ROE; Operating ROEV and Operating ROE are shown on an annualised basis for 1H24

(1) FY24 pro forma shareholder returns include 2023 final and 2024 interim dividend payments, \$1.7b share buy-backs completed in 1H24 and \$3.1b remaining from \$12.0b share buy-back programme expected to complete by no later than April 2025





# Financial Results

**Garth Jones**

Group Chief Financial Officer





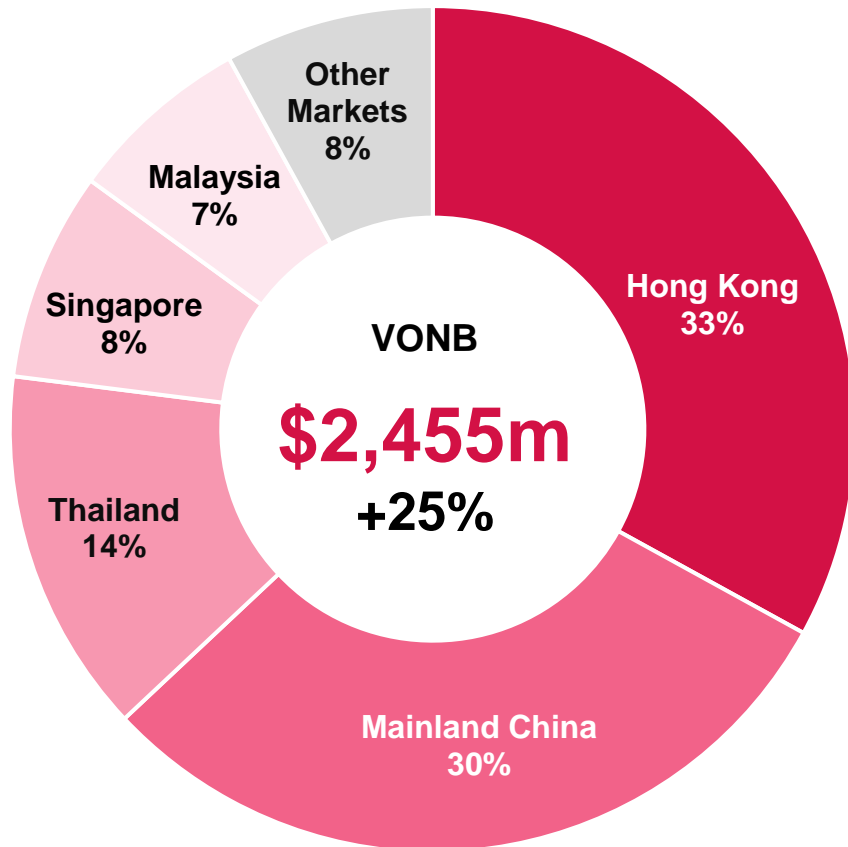
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**Growth**

Earnings

Capital & Cash

# Excellent VONB Growth of 25% to \$2.5b in 1H24



**Broad-Based Performance, Double-Digit Growth in 11 Markets**

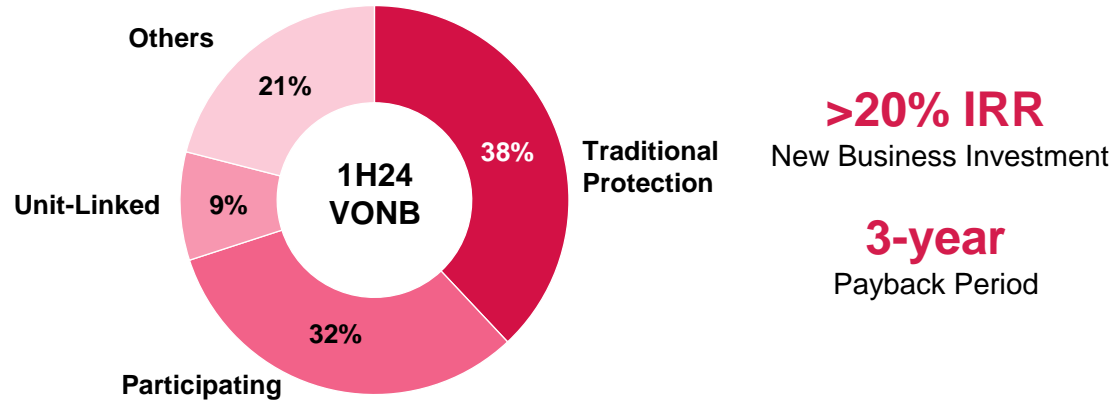
<p><b>Hong Kong</b></p> <p><b>\$858m</b></p> <p><b>+26%</b></p>	<p><b>Mainland China</b></p> <p><b>\$782m</b></p> <p><b>+36%</b></p>	<p><b>Thailand</b></p> <p><b>\$359m</b></p> <p><b>+16%</b></p>
<p><b>Singapore</b></p> <p><b>\$219m</b></p> <p><b>+27%</b></p>	<p><b>Malaysia</b></p> <p><b>\$183m</b></p> <p><b>+14%</b></p>	<p><b>Other Markets</b></p> <p><b>\$224m</b></p> <p><b>+9%</b></p>

Note: 1H24 figures, VONB growth rates are shown on a constant exchange rate basis. VONB by geographical market is based on local statutory reserving and capital requirements, before the deduction of unallocated Group Office expenses, Group Corporate Centre tax and non-controlling interests

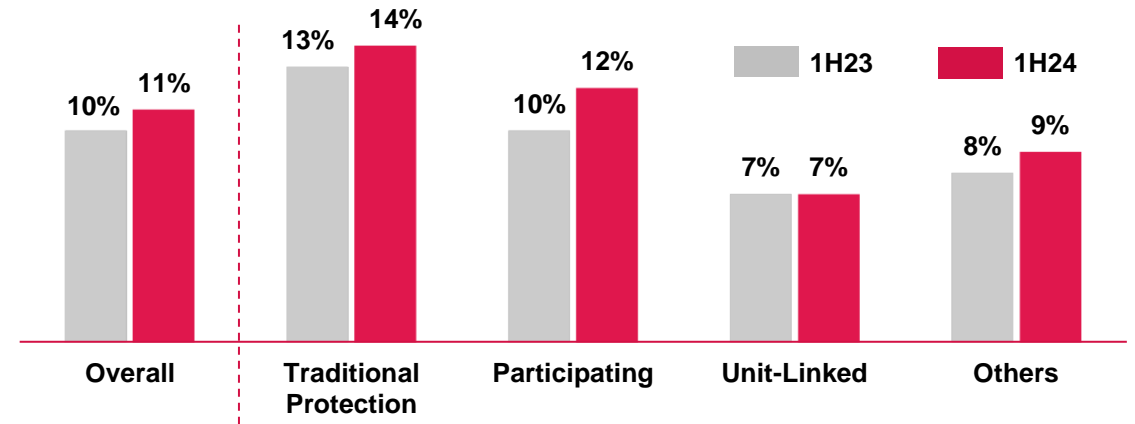
# High-Quality Profitable New Business, Higher Margins



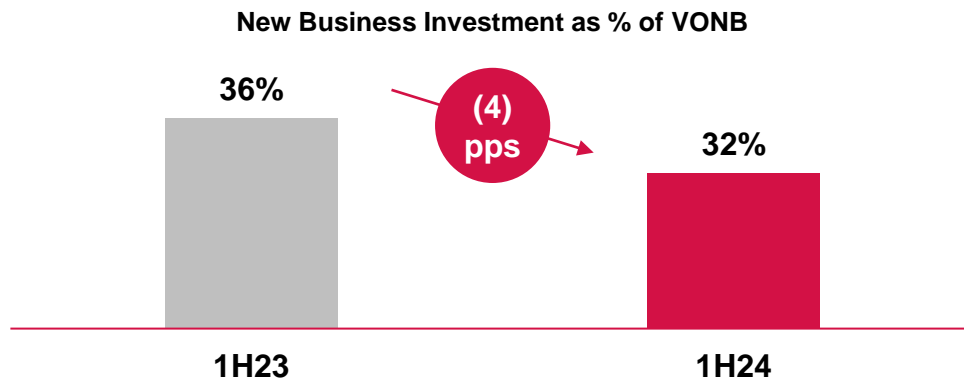
## Balanced Product Mix with Attractive Returns



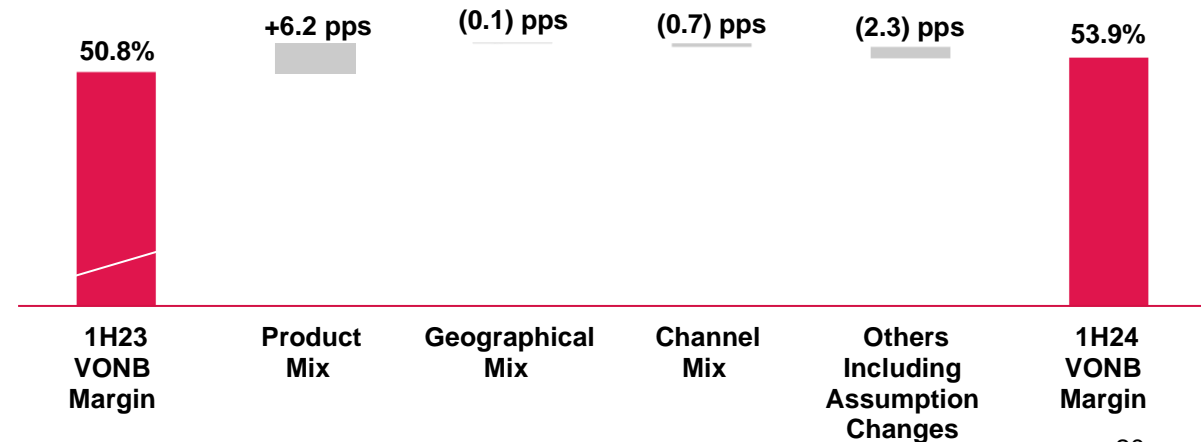
## Improved PVNBP Margins Across Product Types



## New Business More Capital Efficient



## VONB Margin up in 1H24 Driven by Product Mix

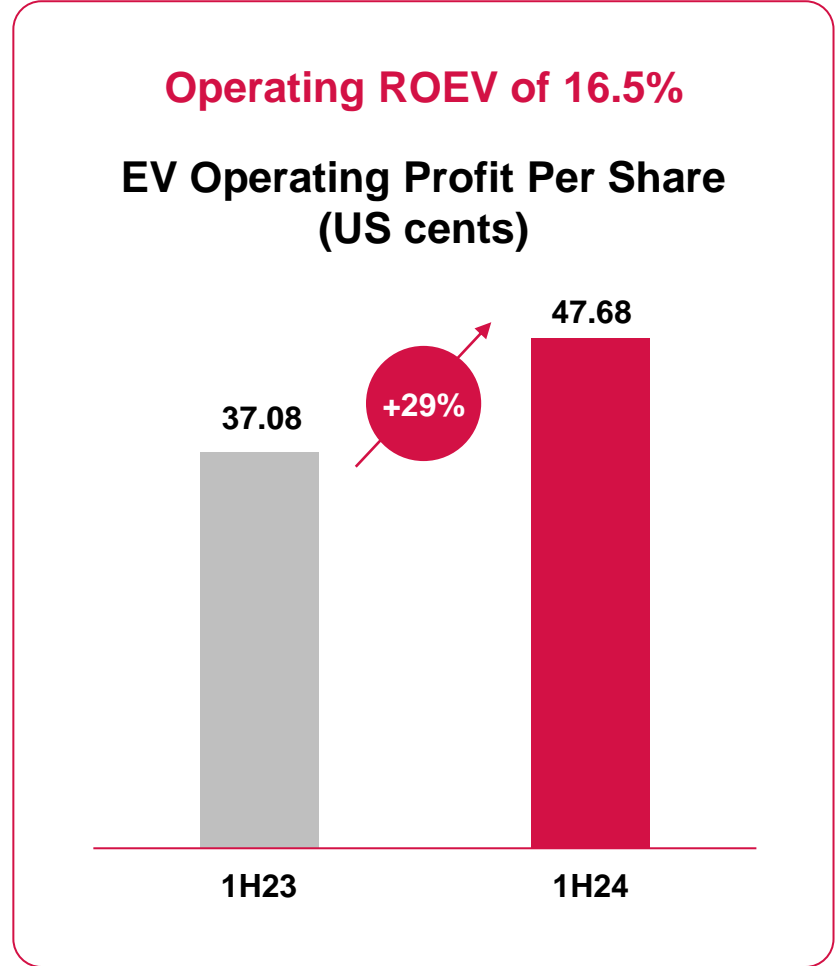
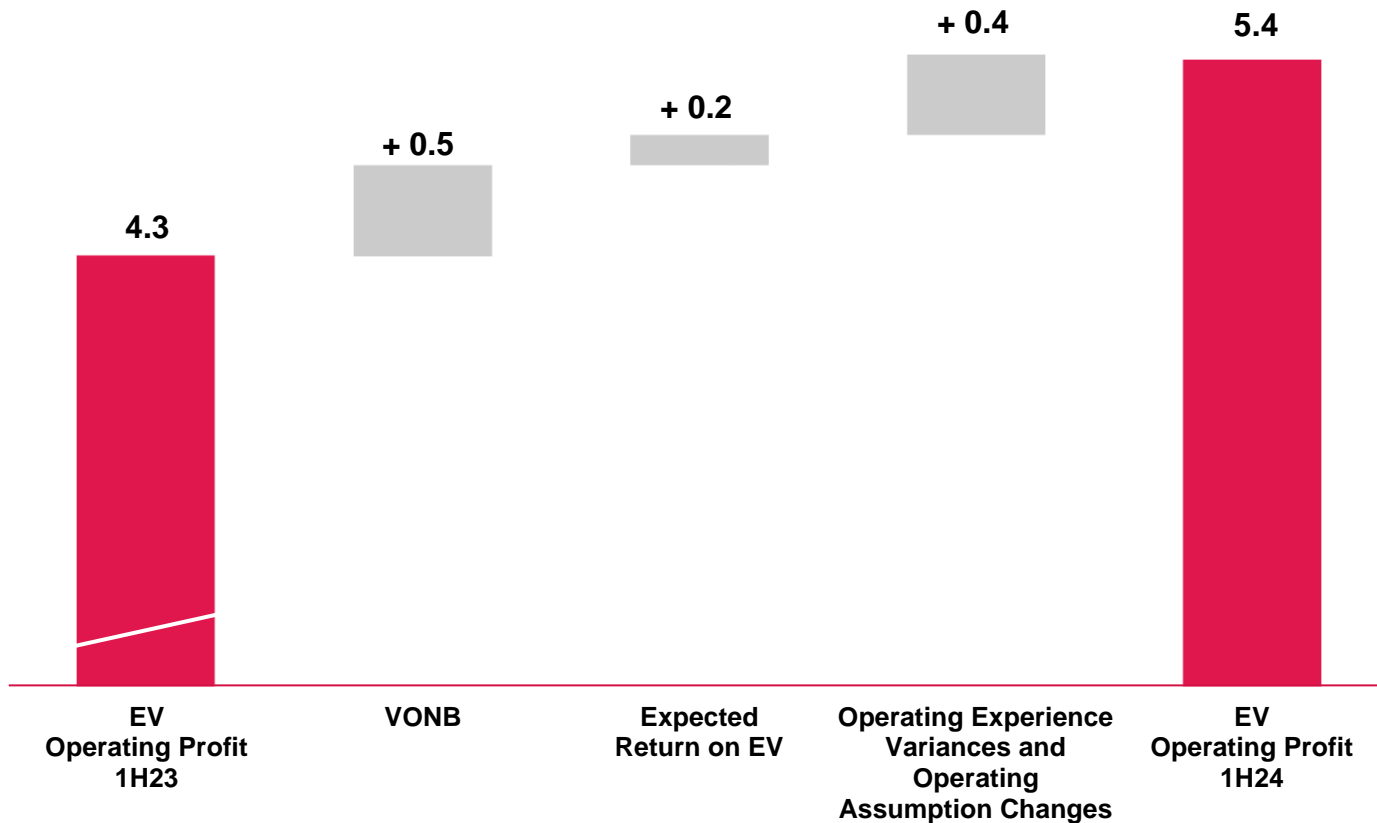


Note: Comparative for new business investment as % of VONB and its growth rate is shown on a constant exchange rate basis

# EV Operating Profit Up 29% Per Share; Operating ROEV of 16.5%



## YoY Increase in EV Operating Profit Components (\$b)

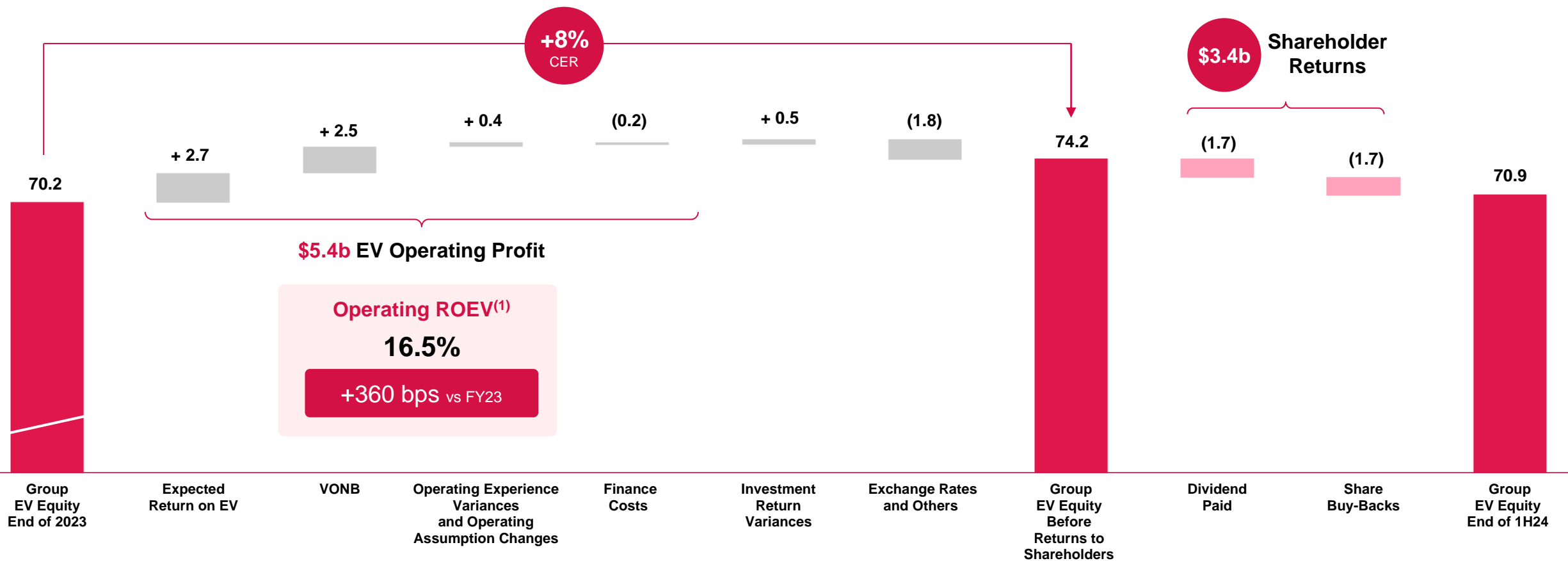


Note: Comparatives, year-on-year increase and growth rates are shown on a constant exchange rate basis; Operating ROEV on an annualised basis for 1H24

# EV Equity Up 8% Over 1H Before Shareholder Returns



## EV Equity Movement (\$b)



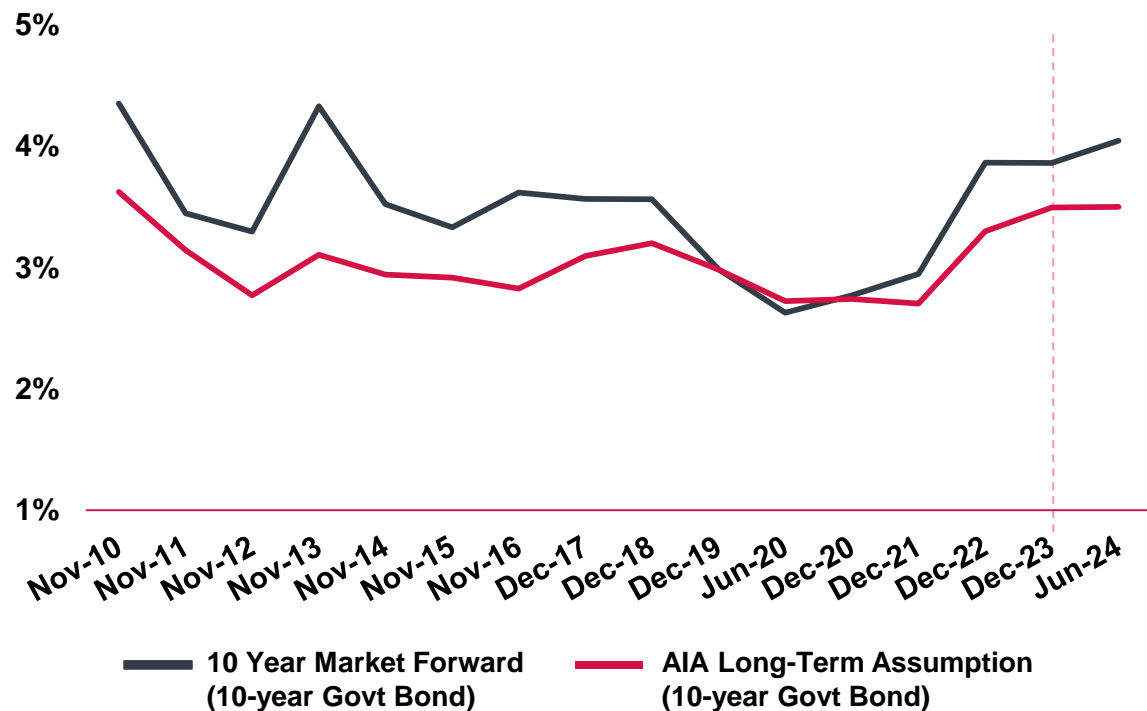
Notes: Due to rounding, numbers presented in the chart may not add up precisely  
 (1) On an annualised basis for 1H24, increase shown on an actual exchange rate basis

# EV Sensitivity to Market Movements Remains Small



## AIA Long-Term Investment Return Assumptions vs Market Rates

Weighted Average by Geography<sup>(1)</sup>



## Small EV Sensitivities to Interest Rates

-50 bps Interest Rates

+50 bps Interest Rates

1H24 Impact of Group EV

+0.8%

(0.7)%

### AIA China EV

- (1)% using Chinese spot bond yields as at 30 June 2024 throughout
- (4)% with a further 50 bps drop in Chinese bond yields

### AIA Hong Kong EV

- +3% with a 50 bps decrease in US bond yields

Notes: EV sensitivities include the corresponding LTIRA / RDR impacts and consolidation adjustments

(1) Weighted average interest rates by VIF of Mainland China, Hong Kong, Thailand, Singapore and Malaysia



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Growth

**Earnings**

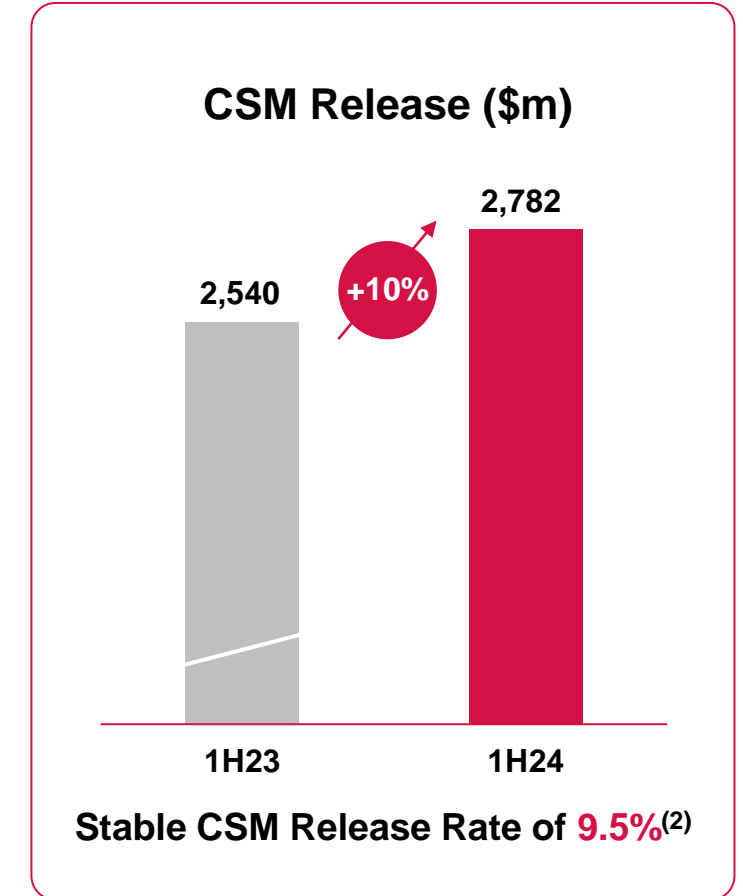
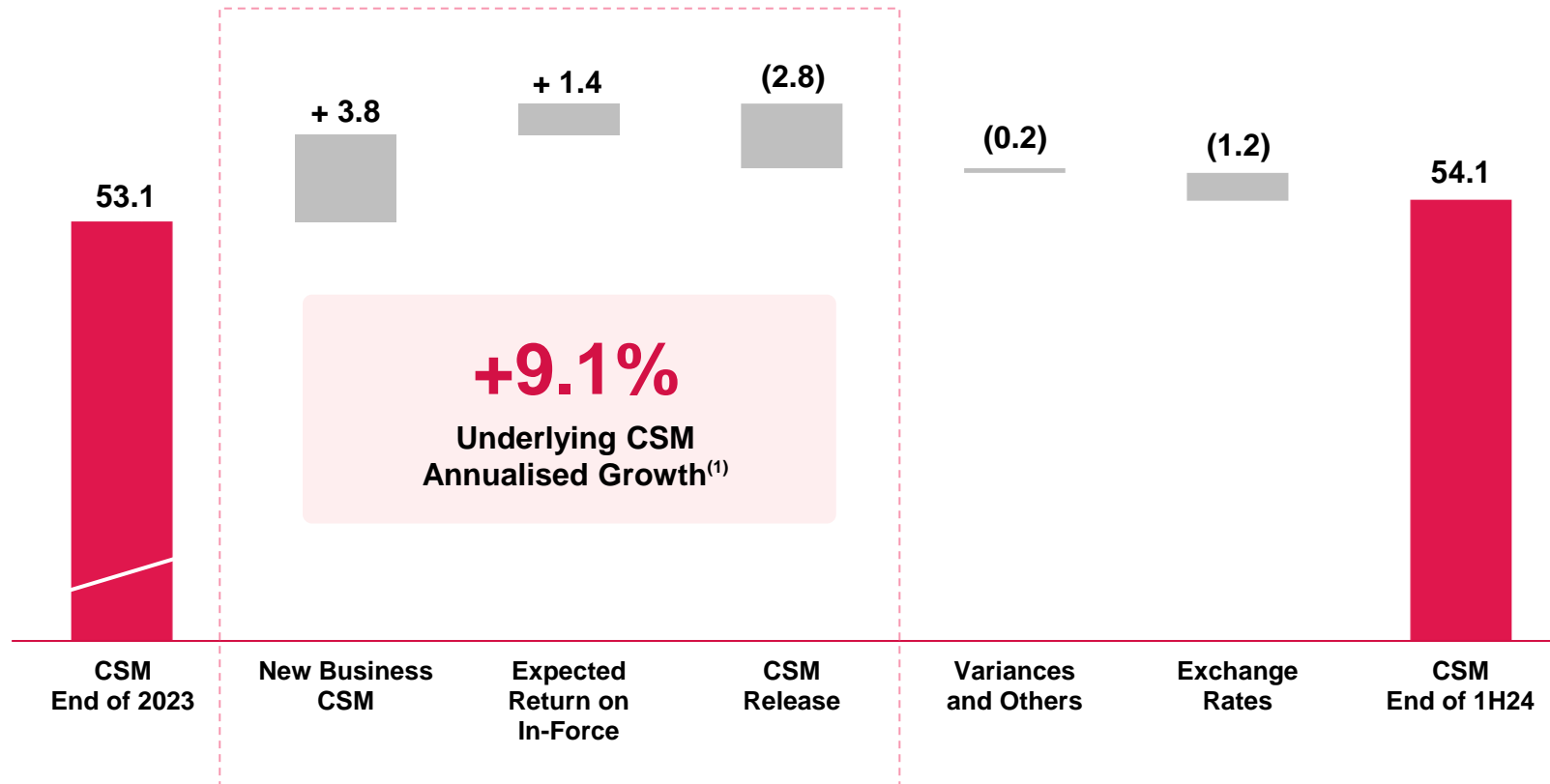
Capital & Cash



# Strong Underlying CSM Growth of 9.1% Annualised



## CSM Movement, Net of Reinsurance (\$b)



Notes: CSM release comparative is shown on a constant exchange rate basis

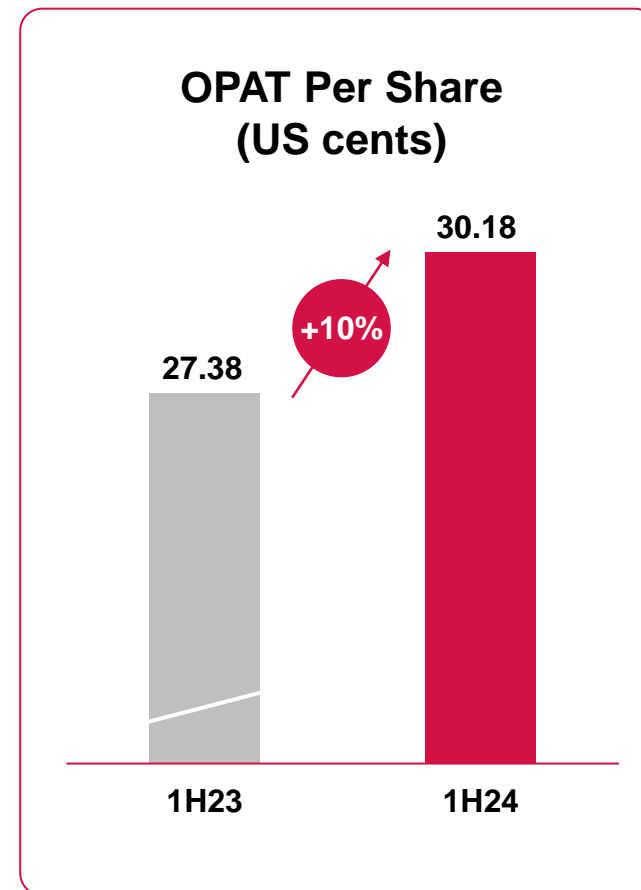
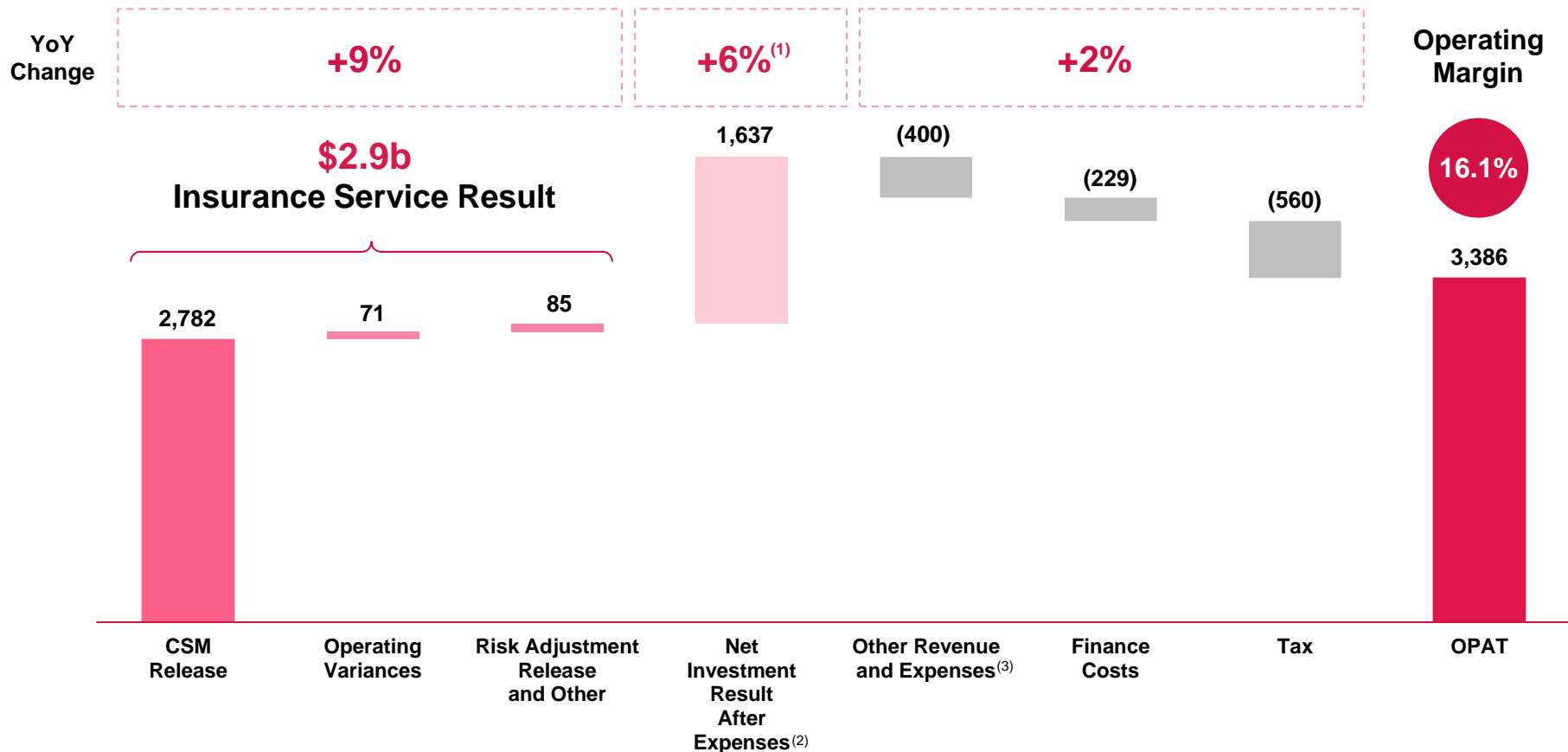
(1) Underlying CSM growth refers to the growth in CSM after the CSM release and before variances and others and the effect of exchange rate movements, expressed as a percentage of the opening CSM on an annualised basis

(2) CSM release is calculated after variances and others; CSM release rate shown on an annualised basis

# Operating Profit After Tax Up 10% Per Share



## 1H24 OPAT Composition (\$m)



Notes: OPAT per share comparative is shown on a constant exchange rate basis

(1) On an underlying basis, growth rate shown after adding back the investment returns on the reduced surplus assets as a result of share buy-backs and the one-off impact from the sale of our Savings and Investments business in Australia, which was completed in 2H23

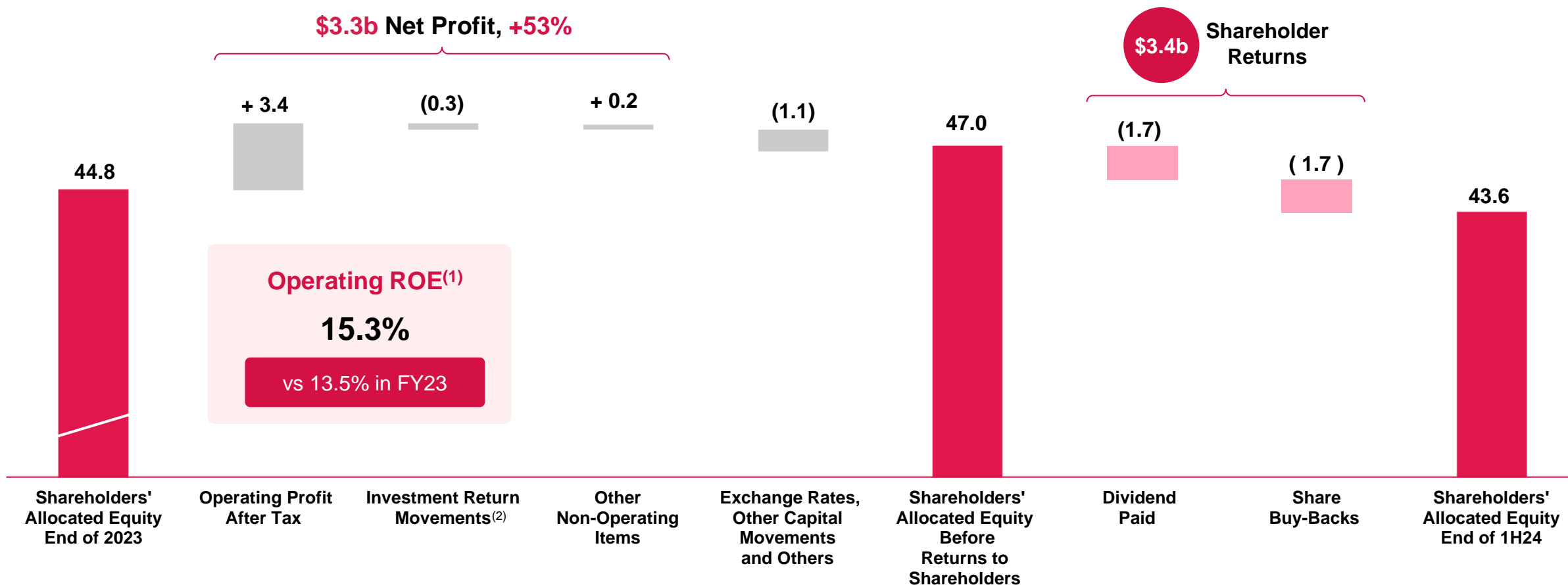
(2) Net of investment management expenses of \$107m

(3) Net of non-attributable expenses under IFRS 17 of \$433m and non-insurance expenses of \$170m

# Operating ROE Increased to 15.3%



## Shareholders' Allocated Equity Movement (\$b)



Notes:

(1) On an annualised basis for 1H24

(2) Short-term investment and discount rate variances, net of tax

# OPAT Per Share Growth Target; Confidence in Our Outlook

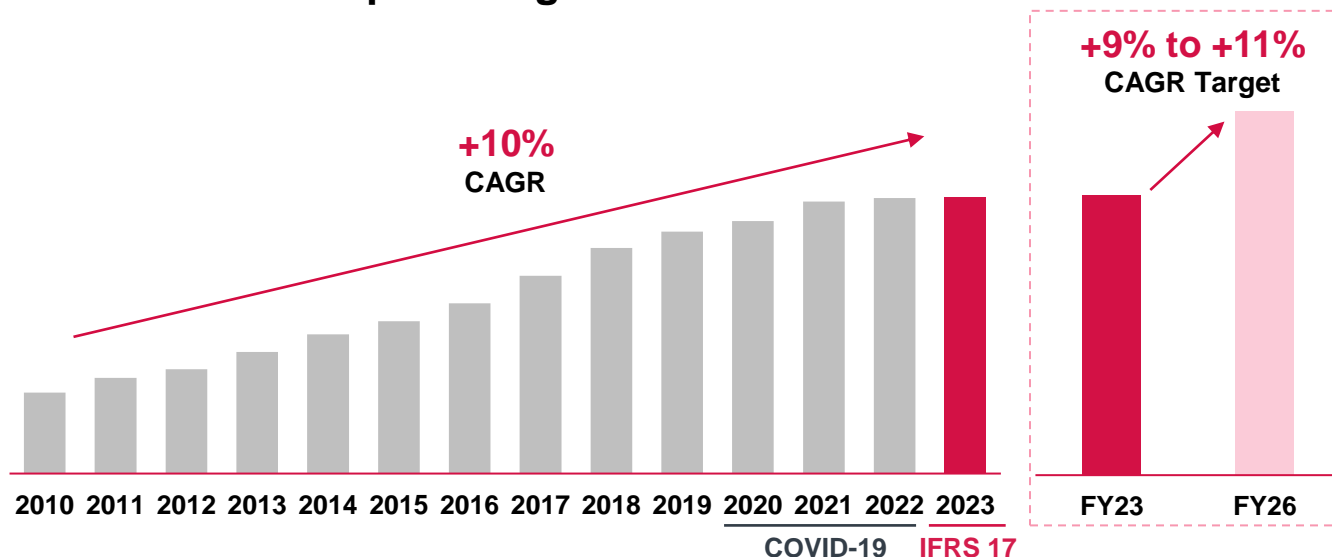


## OPAT Per Share Growth Target

**9% to 11%**

**CAGR from 2023 to 2026**

## Compounding OPAT Per Share Growth



## Confidence in Our Outlook

- **Profitable new business driving earnings growth**
  - Strong underlying CSM growth<sup>(1)</sup> of 9.1%
- **Effective in-force management supporting OPAT**
  - Positive operating experience variances in 1H24
- **OPAT target allows for BEPS 2.0 impact**
  - Illustrative Group OPAT effective tax rate of 15% to 18%<sup>(2)</sup>
- **Share buy-back delivering EPS accretion**
  - Higher operating ROE of 15.3%

Notes: 1H24 figures, growth rates shown against 1H23, unless otherwise stated; Compound annual growth rate (CAGR) from 2023 to 2026 calculated on a constant exchange rate basis

(1) Underlying CSM growth refers to the growth in CSM after the CSM release and before variances and others and the effect of exchange rate movements, expressed as a percentage of the opening CSM on an annualised basis

(2) Upon implementation, based on the Group's 2022 and 2023 OPAT figures and applying various assumptions



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Growth

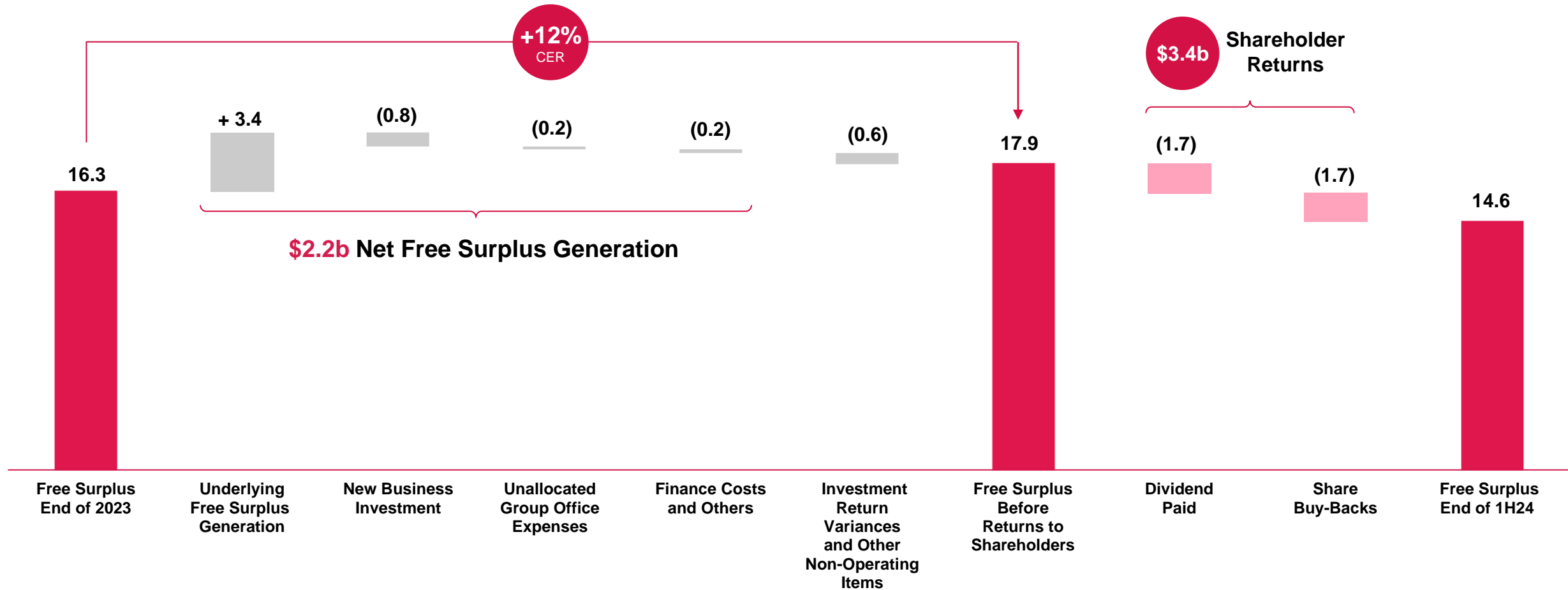
Earnings

**Capital & Cash**

# Free Surplus of \$14.6b, Up 12% Before Shareholder Returns



## Free Surplus Movement (\$b)

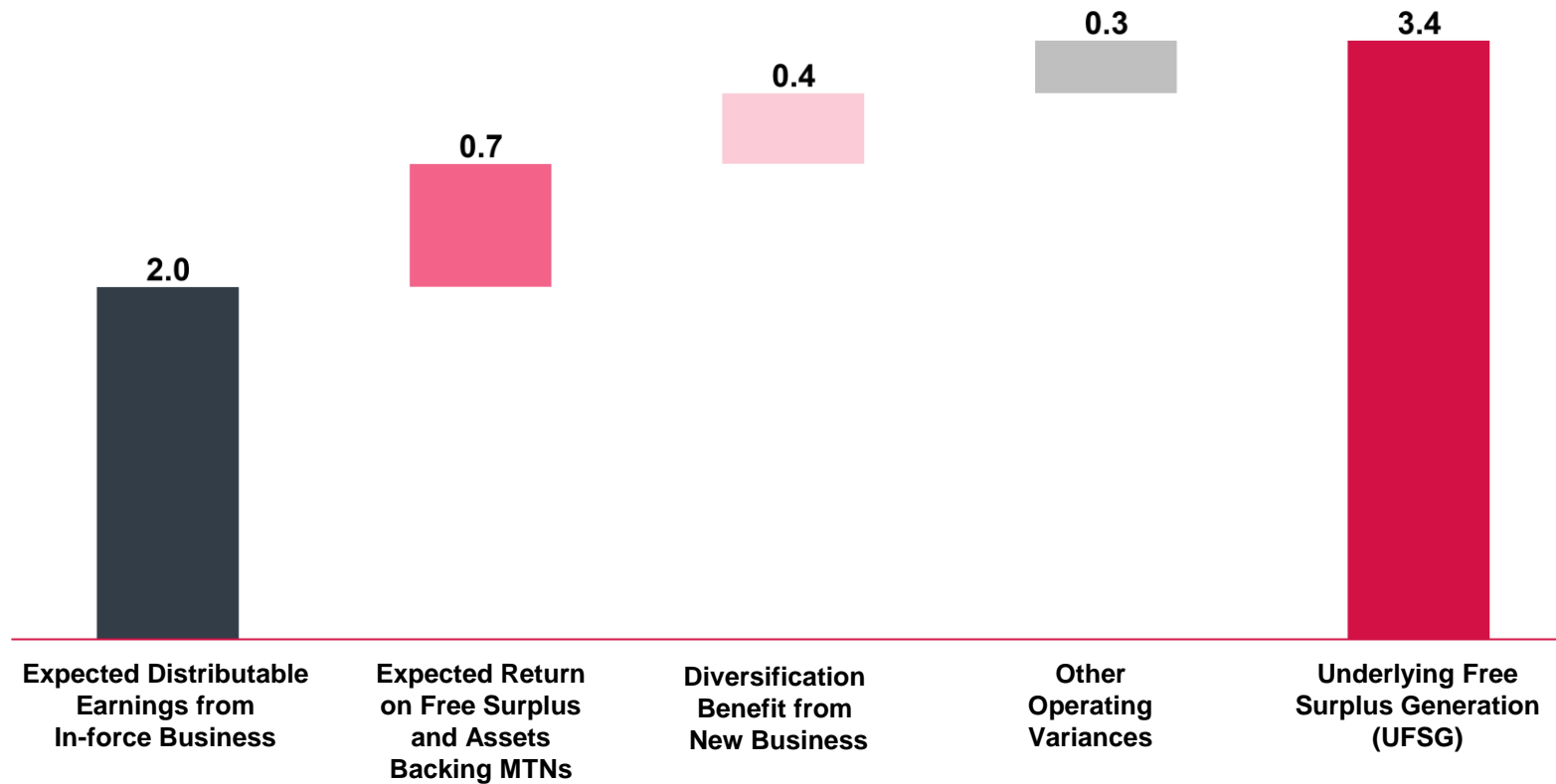


Note: Due to rounding, numbers presented in the chart may not add up precisely

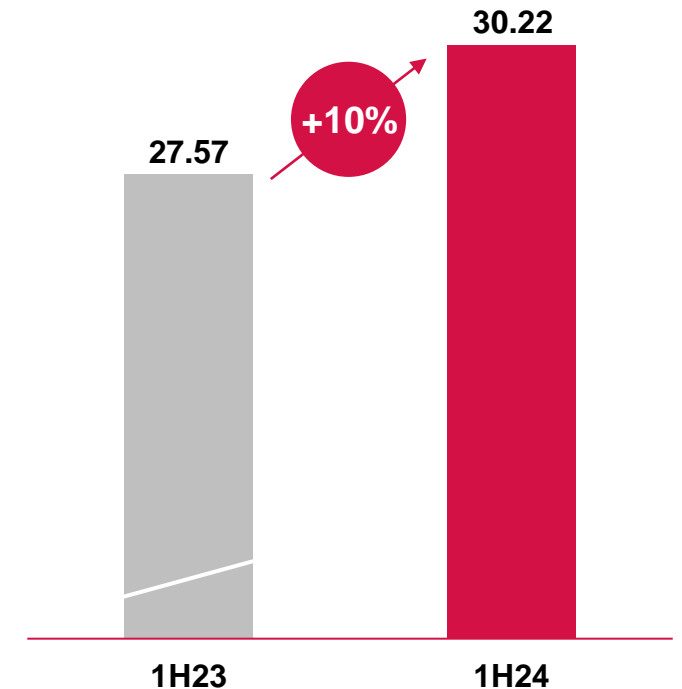
# UFSG of \$3.4b, Up 10% Per Share



## 1H24 Underlying Free Surplus Generation Components (\$b)



## UFSG Per Share (US cents)



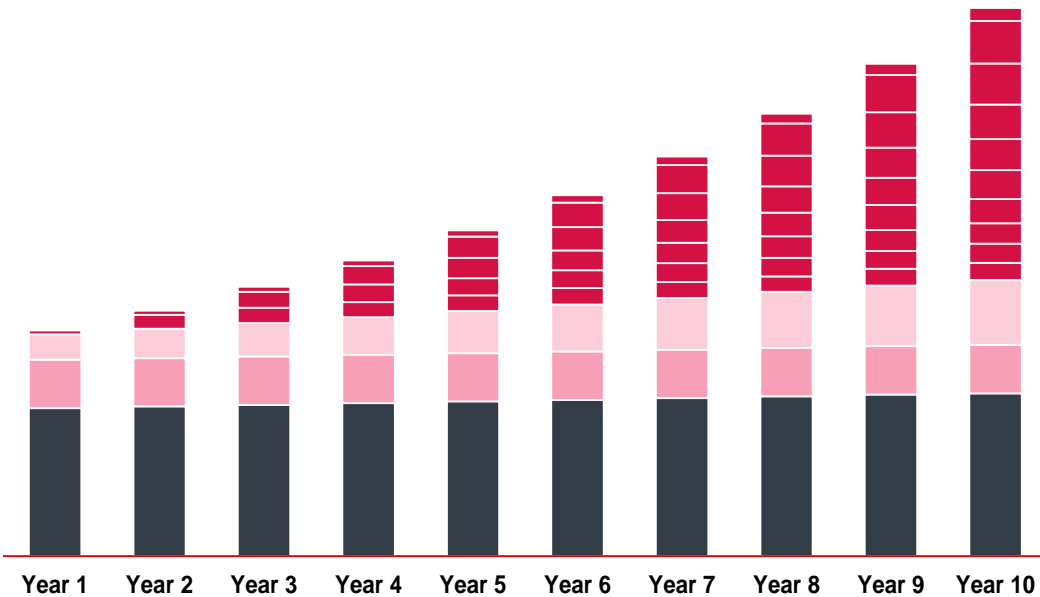
Note: UFSG per share comparative and growth rate are shown on a constant exchange rate basis

# Compounding Profitable New Business Grows UFSG



## Underlying Free Surplus Generation Illustration

- Distributable Earnings from New Business Layering
- New Business Diversification Benefit
- Expected Return on Free Surplus and Assets Backing MTNs
- Distributable Earnings from In-Force Business (as at beginning of Year 1)



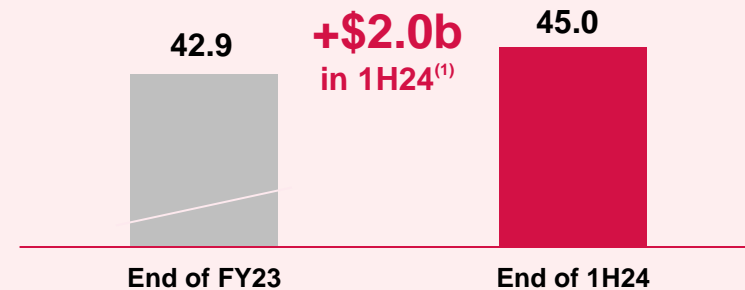
## Generated 4X New Business Investment in Discounted Future Distributable Earnings

<b>VONB</b>	<b>\$2,455m</b>
<b>Discounted Future Distributable Earnings from New Business</b>	<b>\$3,243m</b> ←
less	
<b>New Business Investment</b>	<b>\$788m</b> —

**4X**

## \$45b to Return Over 10 Years from In-Force

Next 10 Years' Undiscounted Distributable Earnings from In-Force Business (\$b)



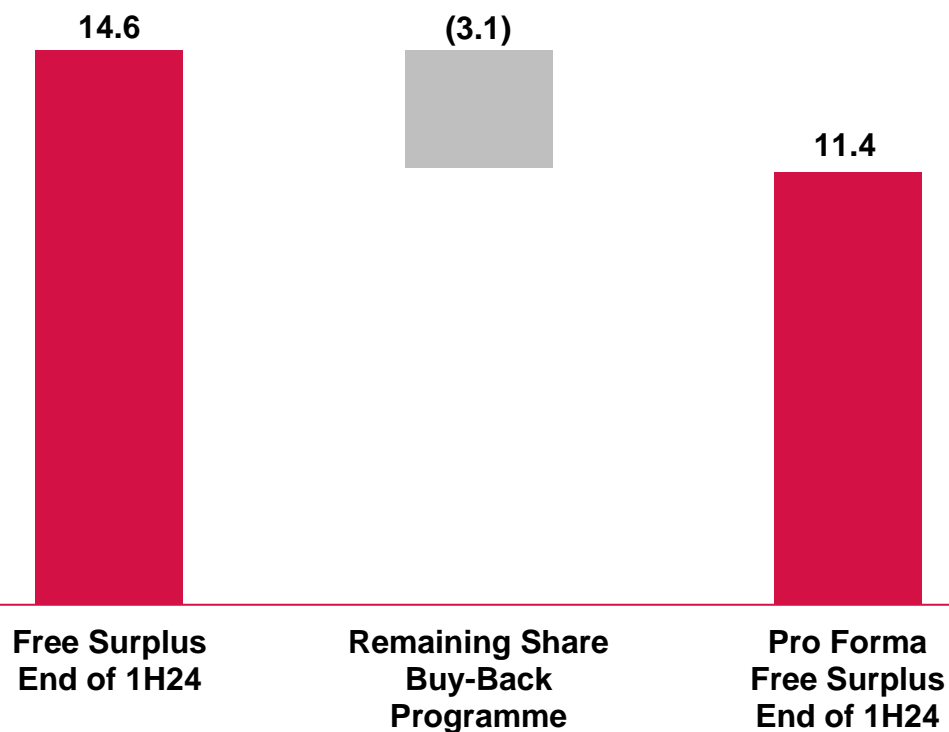
Notes: Due to rounding, numbers presented in the chart may not add up precisely  
 (1) On an actual exchange rate basis



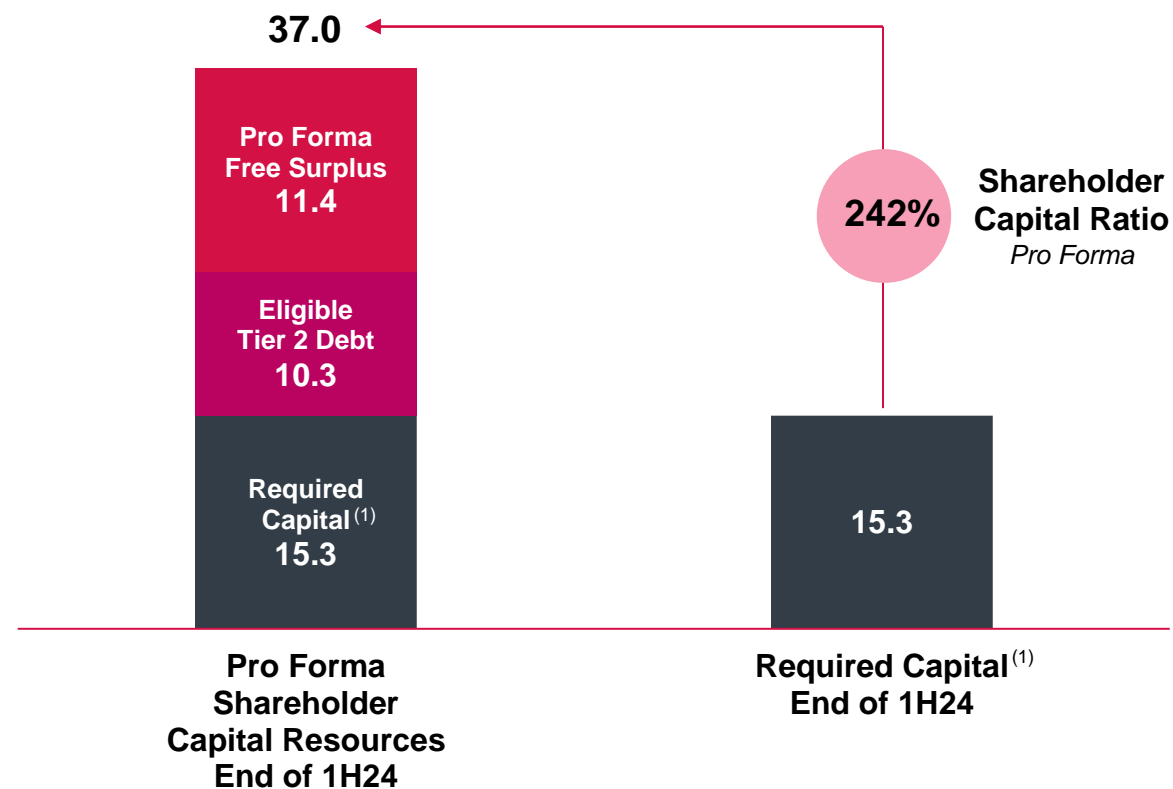
# Shareholders' View of Group Capital



## Pro Forma Free Surplus (\$b)



## Shareholders' View of Capital (\$b)



Notes: Due to rounding, numbers presented in the chart may not add up precisely; Free surplus, shareholder capital resources and shareholder capital ratio on a pro forma basis following the completion of the remaining \$3.1b from the \$12.0b share buy-back programme  
 (1) Required capital as used in our embedded value calculations

# AIA Capital Management Policy: Higher Annual Capital Returns



1

Payout Ratio Target of  
**75%** of Annual Net FSG

Dividends

- Unchanged prudent, sustainable and progressive dividend policy
- Growth in total dividend per share

+

Share Buy-Backs

- Balance of 75% payout ratio target
- Based on annual net FSG
- Announced at annual results

+

2

Ongoing Regular Review and  
Return of Excess Capital

**\$12.0b** share buy-back over 3 years

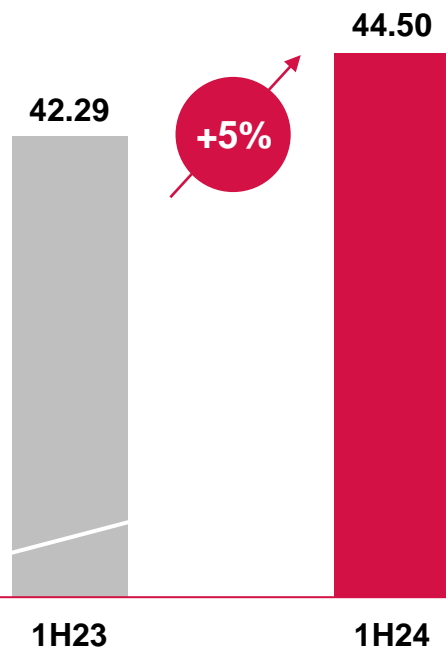
- Commenced in March 2022
- Includes **\$2.0b** announced in April 2024
- **\$3.1b** remaining as at end of June 2024
- Expected to complete by April 2025

# Strong Cash Returns to Shareholders; Interim Dividend up 5%



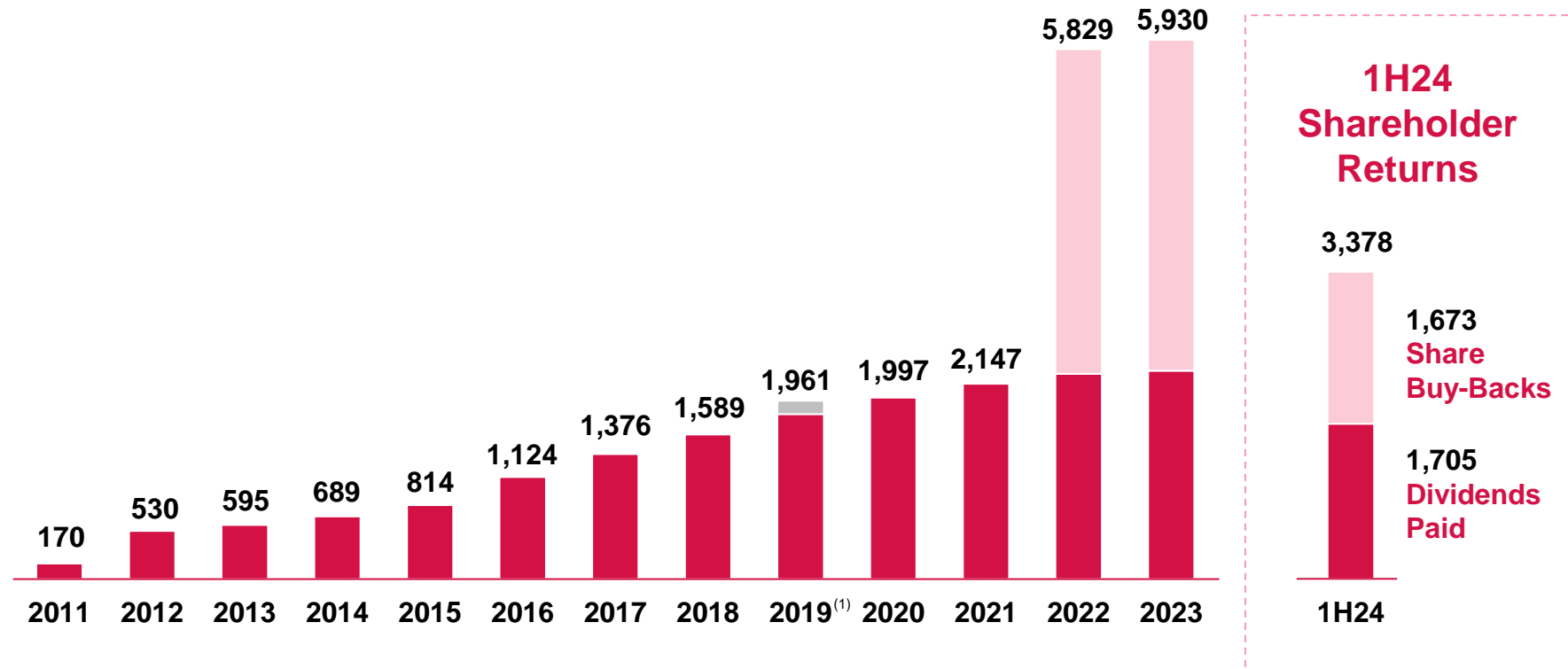
## Prudent, Sustainable and Progressive Dividend Policy

Interim Dividend Per Share (HK cents)



## Over \$15b Returned to Shareholders since 2022

Dividends Paid and Share Buy-Backs (\$m)



Note:  
 (1) Including special dividend payment of \$146m

# Excellent 1H24 Financial Performance; Confidence in Outlook



- **Double-digit growth across key operating financial metrics of VONB, OPAT and UFSG**
- **Strong operating ROEV of 16.5% and operating ROE of 15.3%**
- **Profitable new business and in-force management driving earnings and cash generation**
- **Interim dividend per share up 5%**
- **Capital management policy delivering higher annual returns to shareholders**
- **OPAT per share CAGR target of 9% to 11% from 2023 to 2026**

**Generating Sustainable Shareholder Value**

# Definitions and Notes



- The financial information from 2022 onwards is presented after the adoption of new IFRS<sup>®</sup> Accounting Standards for IFRS 9 and IFRS 17, and accordingly application of an election under an amendment to IAS 16, unless otherwise stated. Throughout the entire document, impacts from IFRS 9 and the amendment to IAS 16 are included when referring to IFRS 17 figures. The financial information for 2021 and prior periods are presented before the above-mentioned change.
- In the context of our reportable segments, Hong Kong refers to operations in the Hong Kong Special Administrative Region (SAR) and the Macau SAR; Singapore refers to operations in Singapore and Brunei; and Other Markets refers to operations in Australia, Cambodia, India, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China) and Vietnam.
- The financial information from 2017 onwards is presented on the 31 December financial year-end basis, and the financial information from 2016 and before is presented on the 30 November financial year-end basis. Growth rates are shown against the corresponding period of 2023 unless otherwise stated. Comparatives for balance sheet items are shown against the position as at 31 December 2023 unless otherwise stated.
- ANP and VONB for Other Markets include the results from our 49% shareholding in Tata AIA Life Insurance Company Limited (Tata AIA Life). ANP and VONB do not include any contribution from our 24.99% shareholding in China Post Life Insurance Co., Ltd. (China Post Life). The IFRS results of Tata AIA Life and China Post Life are accounted for using the equity method in Other Markets and Group Corporate Centre, respectively. For clarity, TWPI does not include any contribution from Tata AIA Life and China Post Life.
- The results of Tata AIA Life and China Post Life are both reported on a one-quarter-lag basis. The results of Tata AIA Life and China Post Life are both accounted for using the six-month period ended 31 March 2024 and the six-month period ended 31 March 2023 in AIA's consolidated results for the six-month period ended 30 June 2024 and the six-month period ended 30 June 2023, respectively.
- The financial information from 2019 onwards is presented after the change in AIA's IFRS accounting treatment for the recognition and measurement of insurance contract liabilities of other participating business with distinct portfolios. The financial information from 2018 and before is presented before the above-mentioned changes.
- From 31 December 2022 onwards, the Group enhanced the presentation to further split and allocate the underlying assets held by consolidated investment funds to the respective fund segments of the asset-backing liabilities. Where consolidated investment funds are held by third-party unit holders, these continue to be classified under consolidated investment funds.
- Agent productivity refers to VONB per active agent.
- All figures are presented in actual reporting currency (US dollar) unless otherwise stated. Growth rates are shown on a constant exchange rates (CER) basis unless otherwise stated. Change on CER is calculated for all figures for the current period and for the prior period, using constant average exchange rates, other than for balance sheet items as at the end of the current period and as at the end of the prior year, which is translated using the constant balance sheet exchange rates. Year-to-date changes in operating ROE and operating ROEV are shown on an actual exchange rate basis.
- AIA's eligible group capital resources and group prescribed capital requirement (GPCR) are calculated based on the Local Capital Summation Method (LCSM). The Group LCSM coverage ratio on the GWS basis is referred to as the "eligible group capital resources coverage ratio" in the group-wide supervision (GWS) framework and is calculated as the ratio of the eligible group capital resources to the GPCR on the prescribed capital requirement (PCR) basis. Group LCSM coverage ratio on a shareholder basis is defined as the Group LCSM coverage ratio excluding the contribution from participating funds and other participating business with distinct portfolios on the PCR basis, except for Brunei and the Macau SAR. Participating businesses in Brunei and the Macau SAR are not considered as participating funds or other participating business with distinct portfolios under applicable local regulatory regimes in our LCSM reporting.
- AIA has a presence in 18 markets – wholly-owned branches and subsidiaries in Mainland China, the Hong Kong SAR, Thailand, Singapore, Malaysia, Australia, Cambodia, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China), Vietnam, Brunei, the Macau SAR and a 49% joint venture in India. In addition, AIA has a 24.99% shareholding in China Post Life.
- ANP represents 100% of annualised first year premiums and 10% of single premiums, before reinsurance ceded.
- ANW is the market value of assets in excess of the assets backing the policy reserves and other liabilities of the life (and similar) business of AIA, plus the IFRS equity value of other activities, such as general insurance business, less the value of intangible assets. It excludes any amounts not attributable to shareholders of AIA Group Limited. ANW for AIA is stated after adjustment to reflect consolidated reserving requirements.
- ASEAN, officially the Association of Southeast Asian Nations, refers to AIA's operations in Thailand, Singapore, Malaysia, Vietnam, Indonesia, the Philippines, Cambodia, Myanmar and Brunei.
- Average credit rating of the fixed income portfolio represents the credit rating of our bonds, weighted by each bond's market value.

# Definitions and Notes (Cont.)



- Composition of investments includes participating funds and other participating business with distinct portfolios, non-par funds and surplus assets.
- Comprehensive equity is defined as shareholders' equity plus net contractual service margin (CSM).
- CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the Group will recognise as it provides insurance contract services under the insurance contracts in the group, net of reinsurance unless otherwise stated. From our full year 2023 results onwards, the Group updated the CSM release rate presentation where end-of-period exchange rates are used to derive the CSM release rate for the first half and the second half of the year respectively.
- EV Equity is the total of embedded value, goodwill and other intangible assets attributable to shareholders of the Company, after allowing for taxes.
- Fair value reserve comprises the cumulative net change in the fair value of debt securities measured at fair value through other comprehensive income and the cumulative related loss allowance recognised in profit or loss.
- Free surplus is ANW in excess of the required capital adjusted for certain assets that are not eligible for regulatory capital purposes. Free surplus for AIA is stated after adjustment to reflect consolidated reserving and capital requirements.
- Holding company financial resources represent the debt securities, equity shares and interests in investment funds, deposits, cash and cash equivalents and dividends paid but not settled by subsidiaries, net of obligations under repurchase agreements, at the Group's listed holding company, AIA Group Limited.
- IFRS equity is equity position calculated and reported under the IFRS Accounting Standards.
- IFRS net asset value is net asset value calculated and reported under the IFRS Accounting Standards.
- IFRS results are financial results calculated and reported under the IFRS Accounting Standards.
- Insurance contract services are the services that the Group provides to a policyholder of an insurance contract: (a) coverage for an insured event (insurance coverage); (b) for insurance contracts without direct participation features, the generation of an investment return for the policyholder, if applicable (investment-return service); and (c) for insurance contracts with direct participation features, the management of underlying items on behalf of the policyholder (investment-related service).
- Insurance finance reserve comprises the cumulative insurance finance income or expenses recognised in other comprehensive income.
- Insurance service result comprises insurance revenue, insurance service expenses and net expenses from reinsurance contracts held.
- Leverage ratio is total borrowings expressed as a percentage of the sum of total borrowings, total equity and CSM net of reinsurance and taxes.
- MCR refers to minimum capital requirement.
- Net CSM is the contractual service margin net of reinsurance, taxes and non-controlling interests.
- Net investment result comprises investment return, net finance income or expenses from insurance contracts and reinsurance contracts held, movement in investment contract liabilities and movement in third-party interests in consolidated investment funds.
- New business contractual service margin (NB CSM) represents the contractual service margin initially recognised in the period.
- Net FSG is calculated as UFSG less free surplus used to fund new business, unallocated Group Office expenses, finance costs and other capital movements as shown in the supplementary embedded value information for the first half of 2024. For clarity, net FSG is calculated before the effect of investment return variances and other items.
- Non-participating (non-par) business includes all insurance liabilities under the General Measurement Model (GMM) model, covering traditional protection, unit-linked with significant protection benefits, universal life and other participating business without distinct portfolios.
- Operating profit includes the expected long-term investment return for equities and real estate.

# Definitions and Notes (Cont.)



- Operating ROE stands for operating return on shareholders' allocated equity and is calculated as operating profit after tax attributable to shareholders of the Company, expressed as a percentage of the simple average of opening and closing shareholders' allocated equity. It is calculated on an annualised basis for half-year results.
- Operating ROEV stands for operating return on EV and is calculated as EV operating profit, expressed as a percentage of the opening embedded value. It is calculated on an annualised basis for half-year results.
- On adoption of IFRS 17, shareholders' allocated equity for 2022 onwards is total equity attributable to shareholders of the Company less fair value reserve and insurance finance reserve. Shareholders' allocated equity for 2021 and prior periods is total equity attributable to shareholders of the Company less fair value reserve.
- Participating (Par) business refers to participating funds and other participating business with distinct portfolios, with investment experience reflected within insurance contract liabilities, unless otherwise stated.
- Per share information from 2022 onward is calculated based on number of ordinary shares outstanding. The per share information for 2021 and before is calculated based on number of ordinary shares in issues.
- PVNBP margin refers to margin on a present value of new business premium basis. PVNBP margin by product mix are based on local statutory reserving and capital requirements, before the deduction of unallocated Group Office expenses, Group Corporate Centre tax and non-controlling interests.
- Risk adjustment or RA represents the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the Group fulfils insurance contracts.
- Shareholder capital resources represent total capital resources calculated on the shareholder basis, comprising free surplus, eligible Tier 2 debt capital, and required capital (as used in our embedded value calculations).
- Shareholder capital ratio represents shareholder capital resources presented as a percentage of the required capital.
- Shareholders' IFRS equity is total equity attributable to shareholders of the Company calculated and reported under the IFRS Accounting Standards.
- TWPI consists of 100% of renewal premiums, 100% of first year premiums and 10% of single premiums, before reinsurance ceded.
- Underlying CSM growth refers to the growth in CSM after the CSM release and before variances and others and the effect of exchange rate movements, expressed as a percentage of the opening CSM.
- Underlying free surplus generation (UFSG) represents free surplus generated from the in-force business, adjusted for certain non-recurring items, and before free surplus used to fund new business, unallocated Group Office expenses, finance costs, investment return variances and other non-operating items. The underlying free surplus generation is also calculated after reflecting consolidated reserving and capital requirements.
- VIF is the present value of projected after-tax statutory profits by Business Units emerging in the future from the current in-force business less the cost arising from holding the required capital (CoC) to support the in-force business. VIF for AIA is stated after adjustments to reflect consolidated reserving and capital requirements, the after-tax value of unallocated Group Office expenses and Group Corporate Centre tax.
- VONB for the Group is stated after adjustments to reflect consolidated reserving and capital requirements, the after-tax value of unallocated Group Office expenses and Group Corporate Centre tax. The total reported VONB for the Group excludes VONB attributable to non-controlling interests.
- VONB and VONB margin by distribution channel are based on local statutory reserving and capital requirements, before the deduction of unallocated Group Office expenses, Group Corporate Centre tax and non-controlling interests and exclude pension business.
- VONB and VONB margin by product mix and geographical market are based on local statutory reserving and capital requirements, before the deduction of unallocated Group Office expenses, Group Corporate Centre tax and non-controlling interests. For VONB and PVNBP margin by product mix, participating (par) business refers to participating funds and other participating business with and without distinct portfolios.
- VONB includes pension business. ANP and VONB margin exclude pension business and are before the deduction of non-controlling interests.
- VONB margin is calculated as VONB divided by ANP. VONB for the margin calculations excludes pension business and is before the deduction of non-controlling interests to be consistent with the definition of ANP.



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# APPENDIX

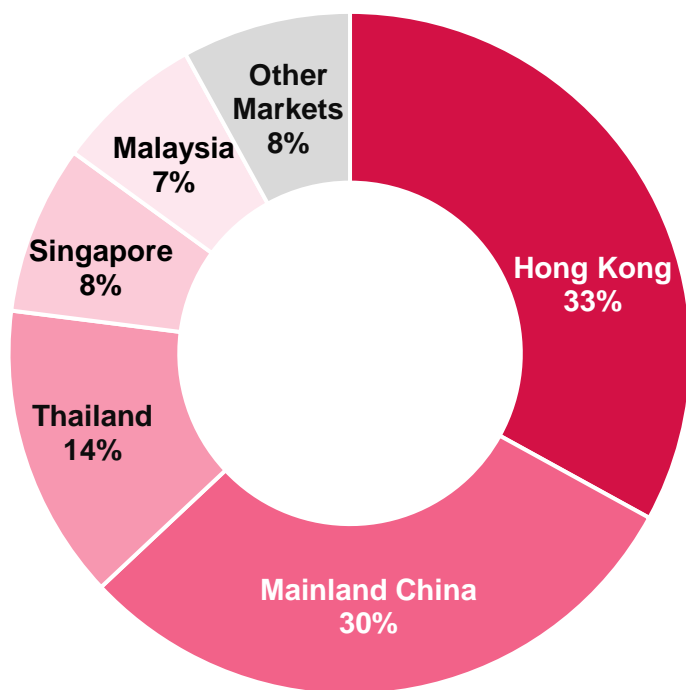


# Unparalleled Growth Platform



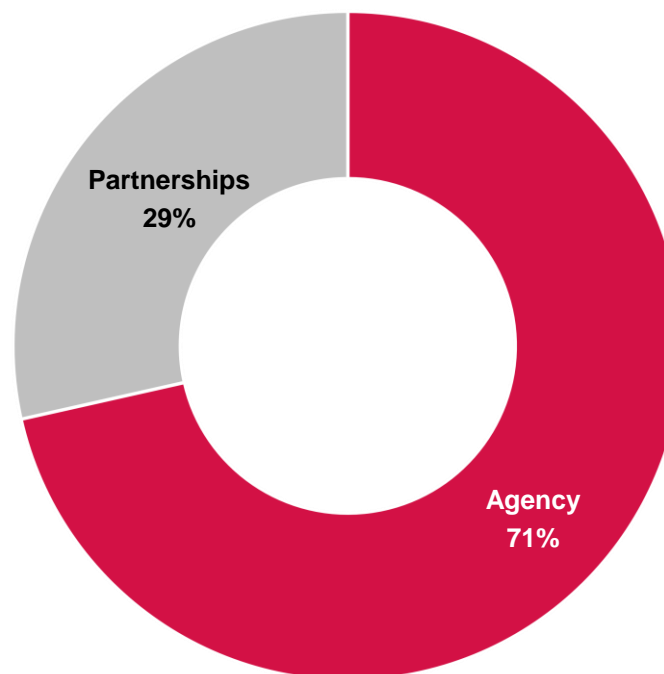
## Geographical Mix

% of 1H24 VONB



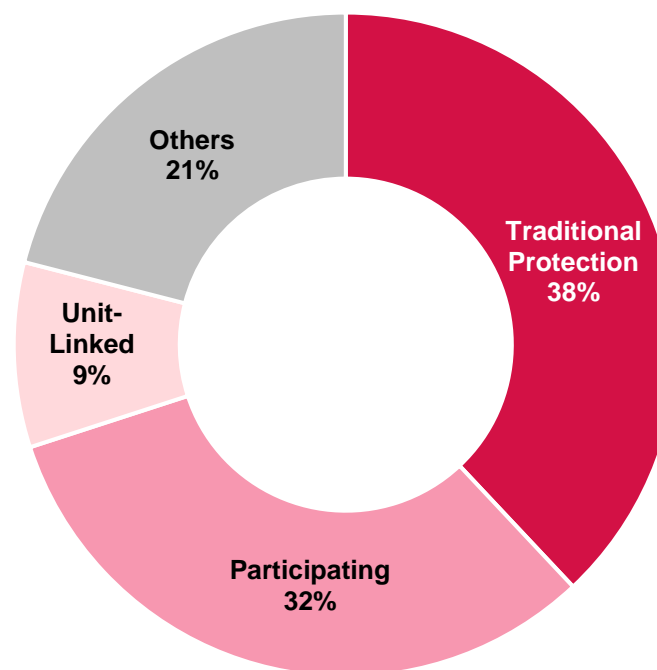
## Distribution Mix

% of 1H24 VONB



## Product Mix

% of 1H24 VONB



# Geographical Market Performance



Hong Kong (\$m)	1H24	1H23	CER	AER
VONB	858	681	+26%	+26%
VONB Margin	65.7%	56.9%	+8.8 pps	+8.8 pps
ANP	1,272	1,165	+9%	+9%
TWPI	5,930	5,594	+6%	+6%
OPAT	1,223	1,066	+15%	+15%

Singapore (\$m)	1H24	1H23	CER	AER
VONB	219	173	+27%	+27%
VONB Margin	52.4%	65.0%	(12.6) pps	(12.6) pps
ANP	417	267	+57%	+56%
TWPI	2,209	1,981	+12%	+12%
OPAT	343	344	+2%	-

Mainland China (\$m)	1H24	1H23	CER	AER
VONB	782	601	+36%	+30%
VONB Margin	56.6%	50.3%	+6.4 pps	+6.3 pps
ANP	1,382	1,195	+21%	+16%
TWPI	5,985	4,992	+25%	+20%
OPAT	827	833	+4%	(1)%

Malaysia (\$m)	1H24	1H23	CER	AER
VONB	183	170	+14%	+8%
VONB Margin	64.2%	64.8%	(0.7) pps	(0.6) pps
ANP	285	261	+16%	+9%
TWPI	1,310	1,284	+8%	+2%
OPAT	178	170	+11%	+5%

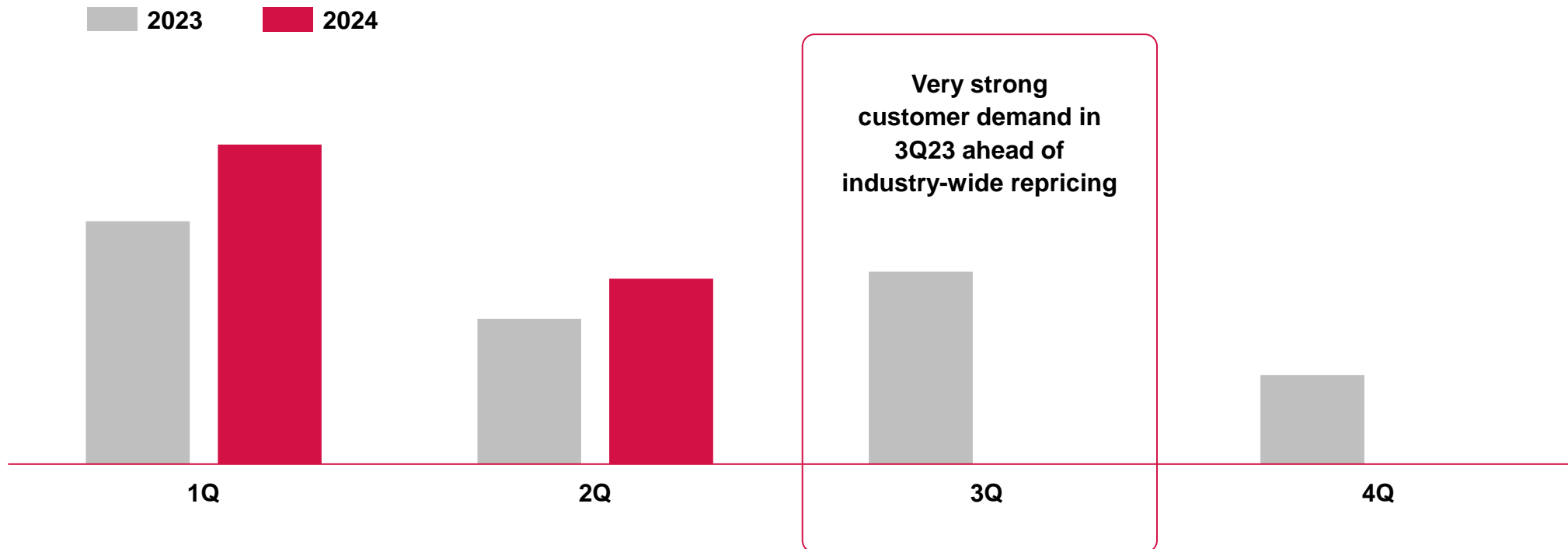
Thailand (\$m)	1H24	1H23	CER	AER
VONB	359	327	+16%	+10%
VONB Margin	93.1%	91.5%	+1.5 pps	+1.6 pps
ANP	386	357	+14%	+8%
TWPI	2,098	2,051	+8%	+2%
OPAT	514	496	+11%	+4%

Other Markets (\$m)	1H24	1H23	CER	AER
VONB	224	212	+9%	+6%
VONB Margin	27.7%	28.6%	(0.7) pps	(0.9) pps
ANP	804	739	+12%	+9%
TWPI	3,554	3,398	+8%	+5%
OPAT	292	346	(13)%	(16)%

# AIA China Quarterly VONB Trend



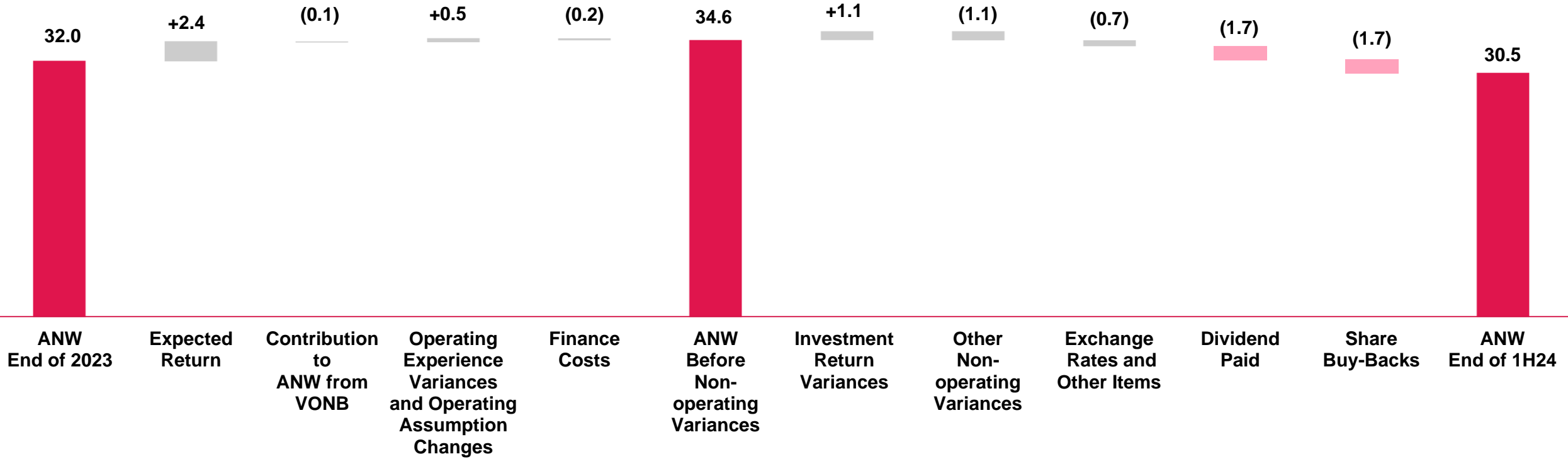
## AIA China VONB (\$m)



# 1H24 ANW Movement



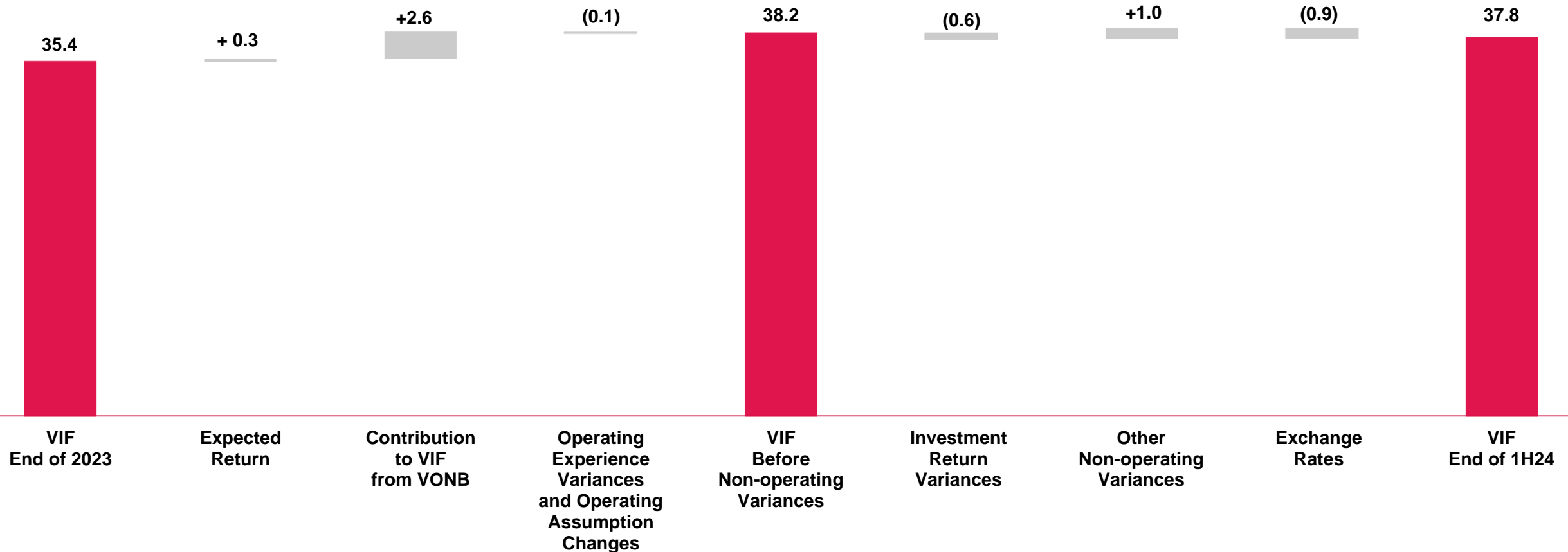
## ANW Movement (\$b)



# 1H24 VIF Movement



## VIF Movement (\$b)

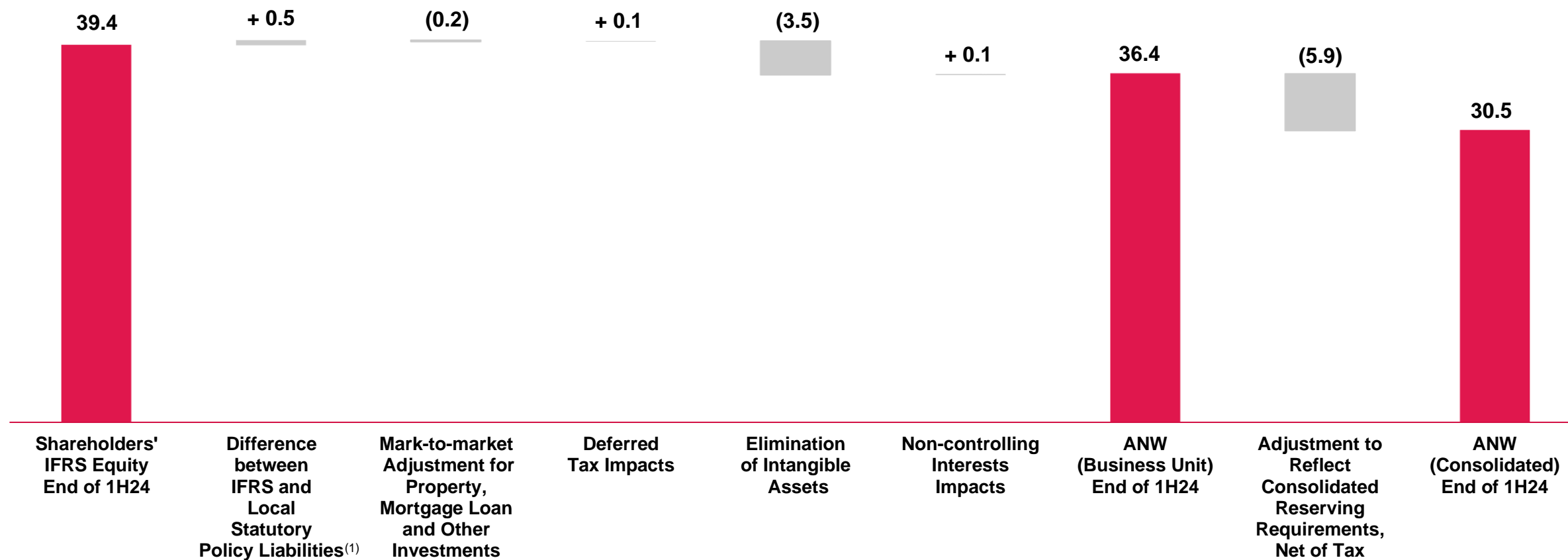


Note: Due to rounding, numbers presented in the chart may not add up precisely

# Shareholders' IFRS Equity and ANW



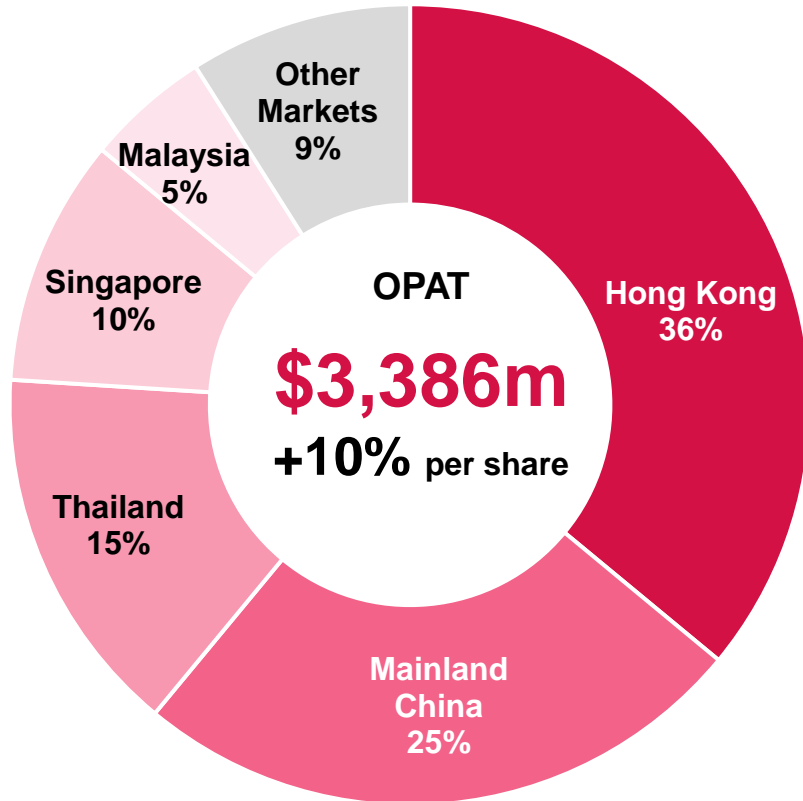
## Reconciliation of Shareholders' IFRS Equity to ANW (\$b)



Note:

(1) IFRS Policy Liabilities refer to policy liabilities calculated and reported under the IFRS Accounting Standards

# OPAT of \$3.4b in 1H24, Up 10% Per Share



**Hong Kong**  
**\$1,223m**

**+15%**

**Mainland China**  
**\$827m**

**+4%**

**Thailand**  
**\$514m**

**+11%**

**Singapore**  
**\$343m**

**+2%**

**Malaysia**  
**\$178m**

**+11%**

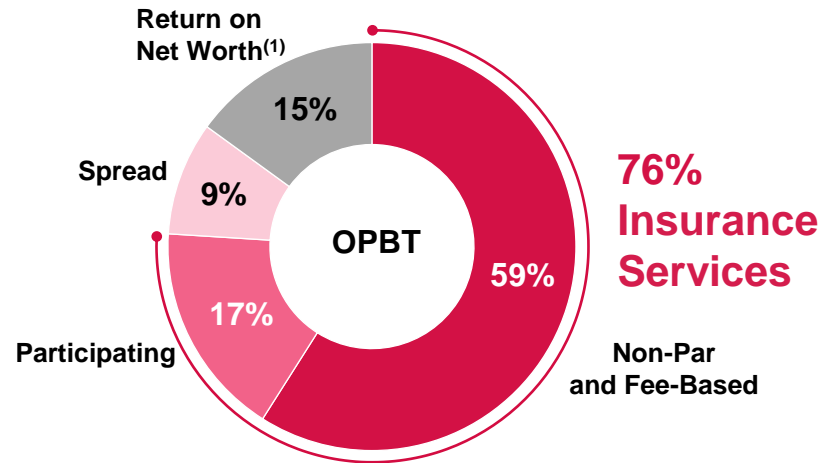
**Other Markets**  
**\$292m**

**(13)%**

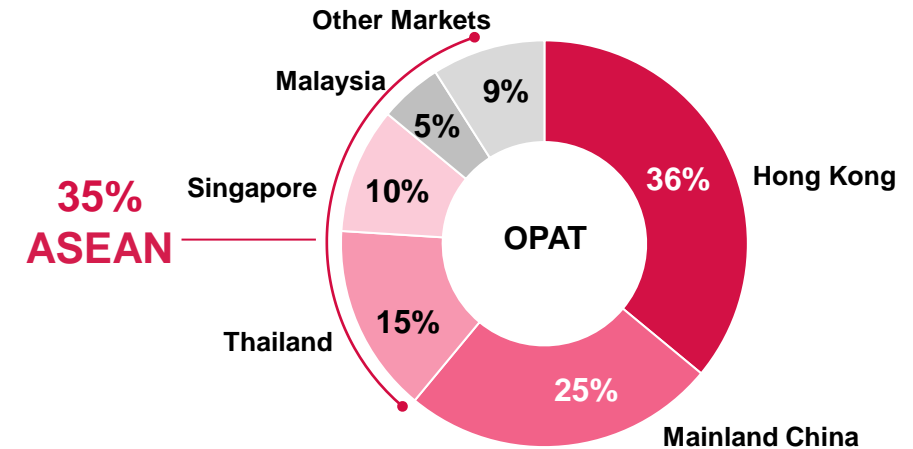
# Growing High-Quality Diversified Portfolio



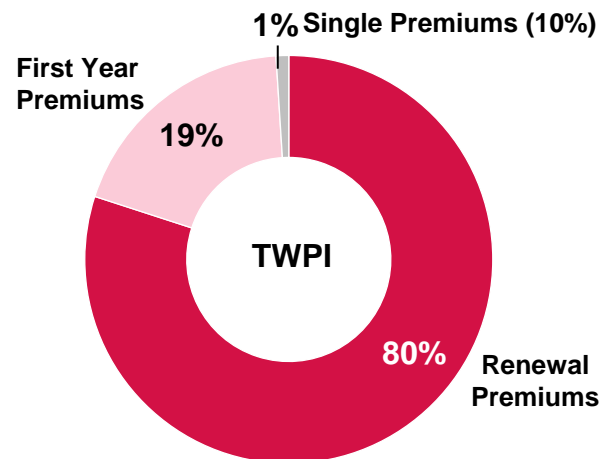
## High-Quality Sources of Earnings



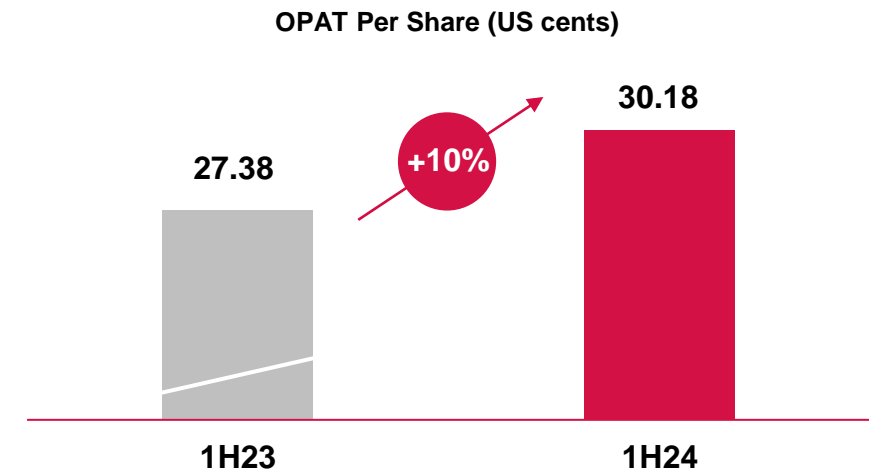
## Geographically Diversified Portfolio



## 99% Regular Premiums



## Profitable New Business Growth Driving Earnings



Notes: 1H24 figures unless otherwise stated; OPAT per share comparative is shown on a constant exchange rate basis  
 (1) Net of finance costs, non-attributable expenses under IFRS 17 and non-insurance expenses excluding the investment contract related expenses

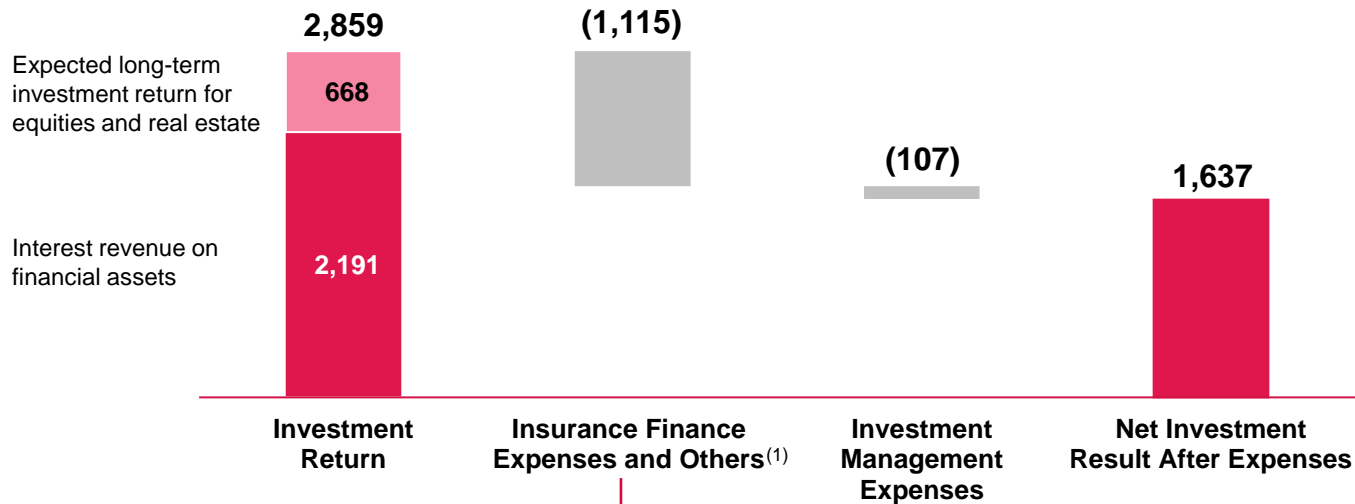


# \$1.6b Net Investment Result from Non-Par and Surplus Assets



## 1H24 Net Investment Result After Expenses (\$m)

From Non-Par and Surplus Assets



- Unwind of discount rate on non-par insurance contract liabilities
- Average insurance contract liabilities<sup>(2)</sup> balance of \$65.2b in 1H24
- Rate changes gradually over time with new business

	1H23	FY23	1H24
Fixed Income Yield <sup>(3)</sup>	4.3%	4.3%	4.3%
Total Investment Return <sup>(4)</sup>	4.8%	4.8%	4.9%

Notes: Excludes participating funds and other participating business with distinct portfolios, unit-linked contracts and consolidated investment funds

(1) Primarily represents interest accreted on non-par business liabilities net of investment return relating to unit-linked business with significant protection

(2) Net of reinsurance, insurance contract assets and insurance finance reserve

(3) Interest revenue from fixed income investments, as a percentage of average amortised cost of fixed income investments over the period

(4) Interest revenue from fixed income investments, cash and cash equivalents and expected long-term investment returns of equities and real estate, as a percentage of average fixed income investments, cash and cash equivalents, equities and real estate over the period

# 1H24 Net Profit of \$3.3b



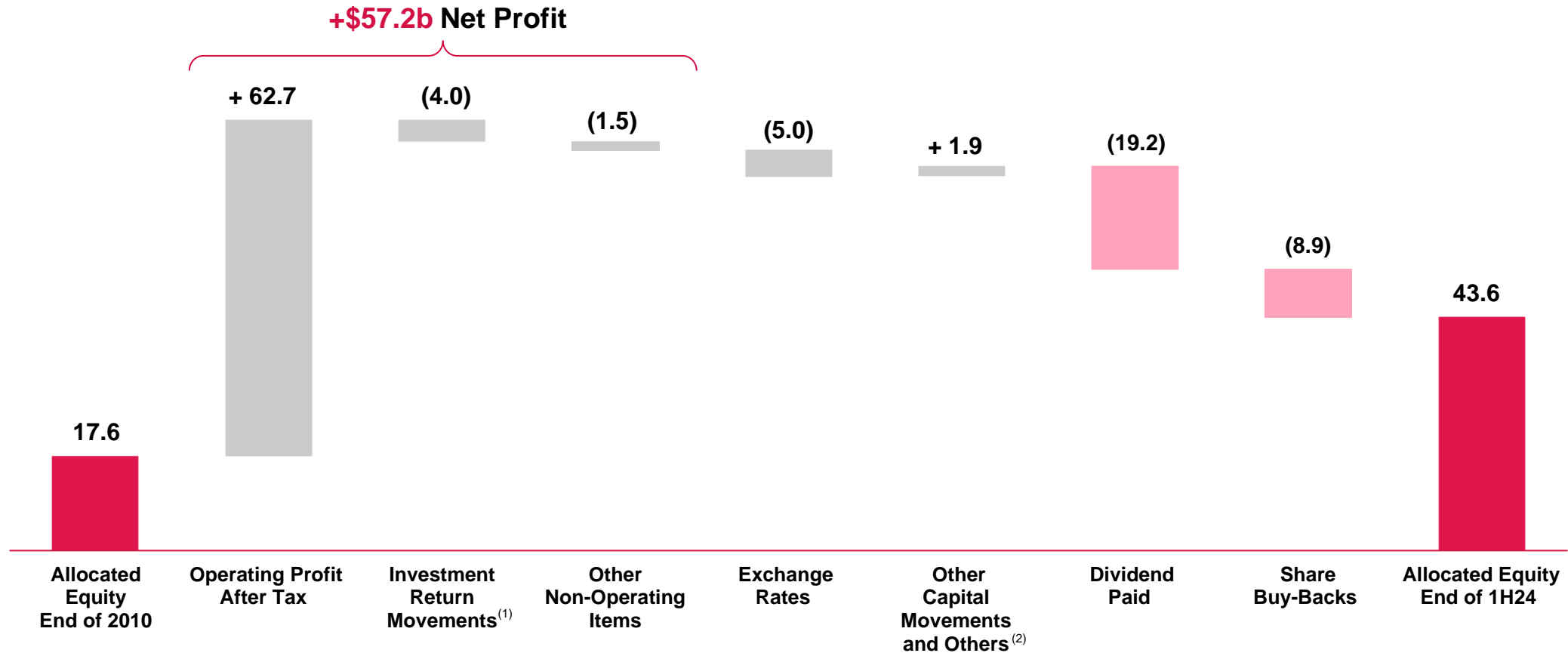
## Reconciliation of OPAT to Net Profit

\$m	1H24	1H23	YoY CER
<b>OPAT</b>	<b>3,386</b>	<b>3,272</b>	<b>+7%</b>
Short-term investment and discount rate variances, net of tax	(319)	(715)	(55)%
Reclassification of revaluation gains for property held for own use, net of tax	(110)	(66)	+64%
Other non-operating items, net of tax	357	(241)	n/m
<b>Net Profit</b>	<b>3,314</b>	<b>2,250</b>	<b>+53%</b>

# Shareholders' Allocated Equity Increased to \$43.6b Since IPO



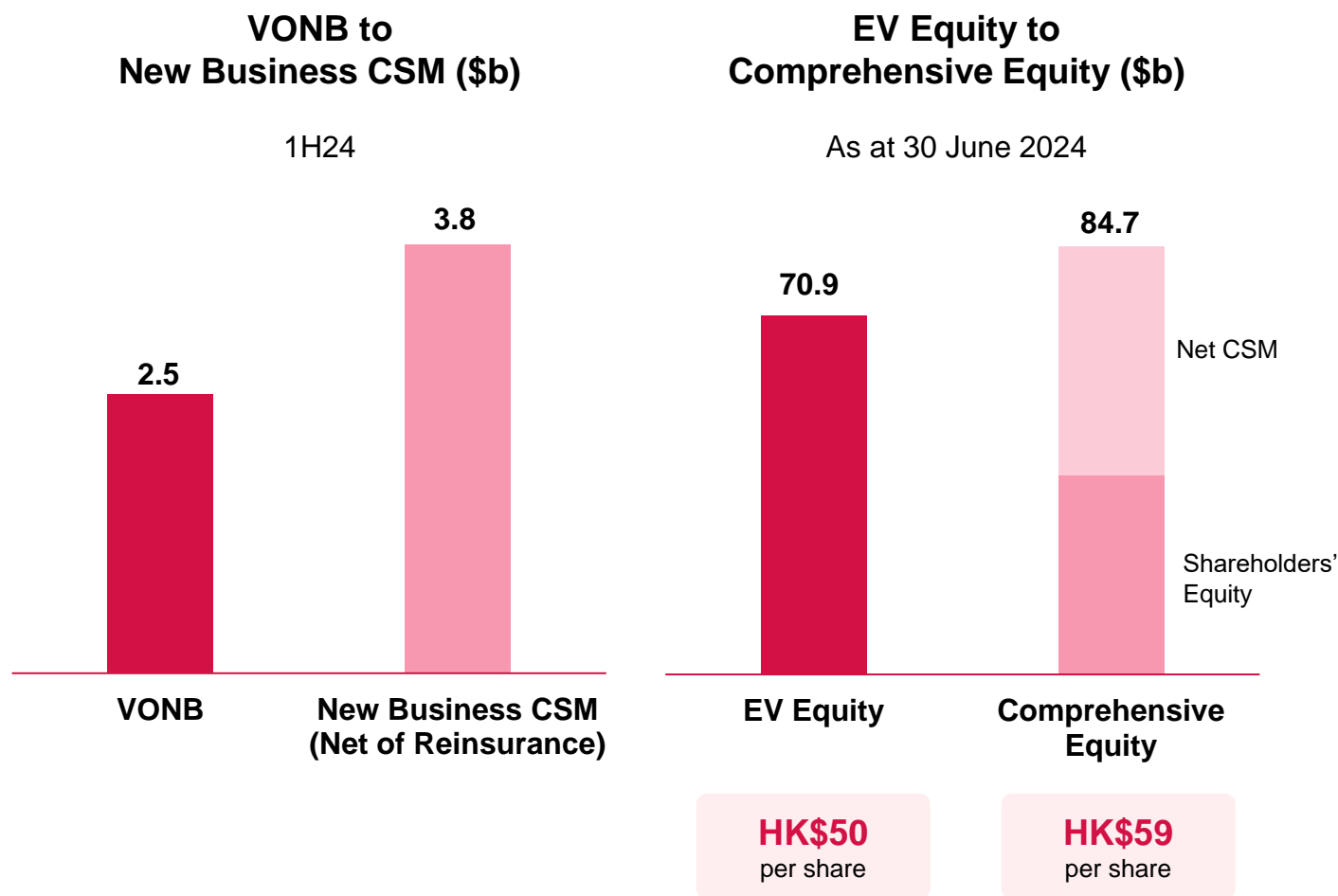
Shareholders' Allocated Equity Movement Since IPO (\$b)



Notes:

- (1) Represents short-term fluctuations in investment return related to equities and real estate, net of tax under IFRS 4 prior to 2022 and short-term investment and discount rate variances, net of tax under IFRS 17 from 2022 onwards
- (2) Includes the impact of changes in accounting policies, including the adoption of IFRS 9 and IFRS 17

# Comprehensive Equity of \$84.7b; Confirms AIA's Prudent EV



## Small Sensitivities for Comprehensive Equity

Impact on Comprehensive Equity<sup>(1)</sup>

### Interest Rates

50 bps Decrease

+3.0%

50 bps Increase

(2.6)%

### Equity Prices

10% Decrease

(2.2)%

10% Increase

+2.2%

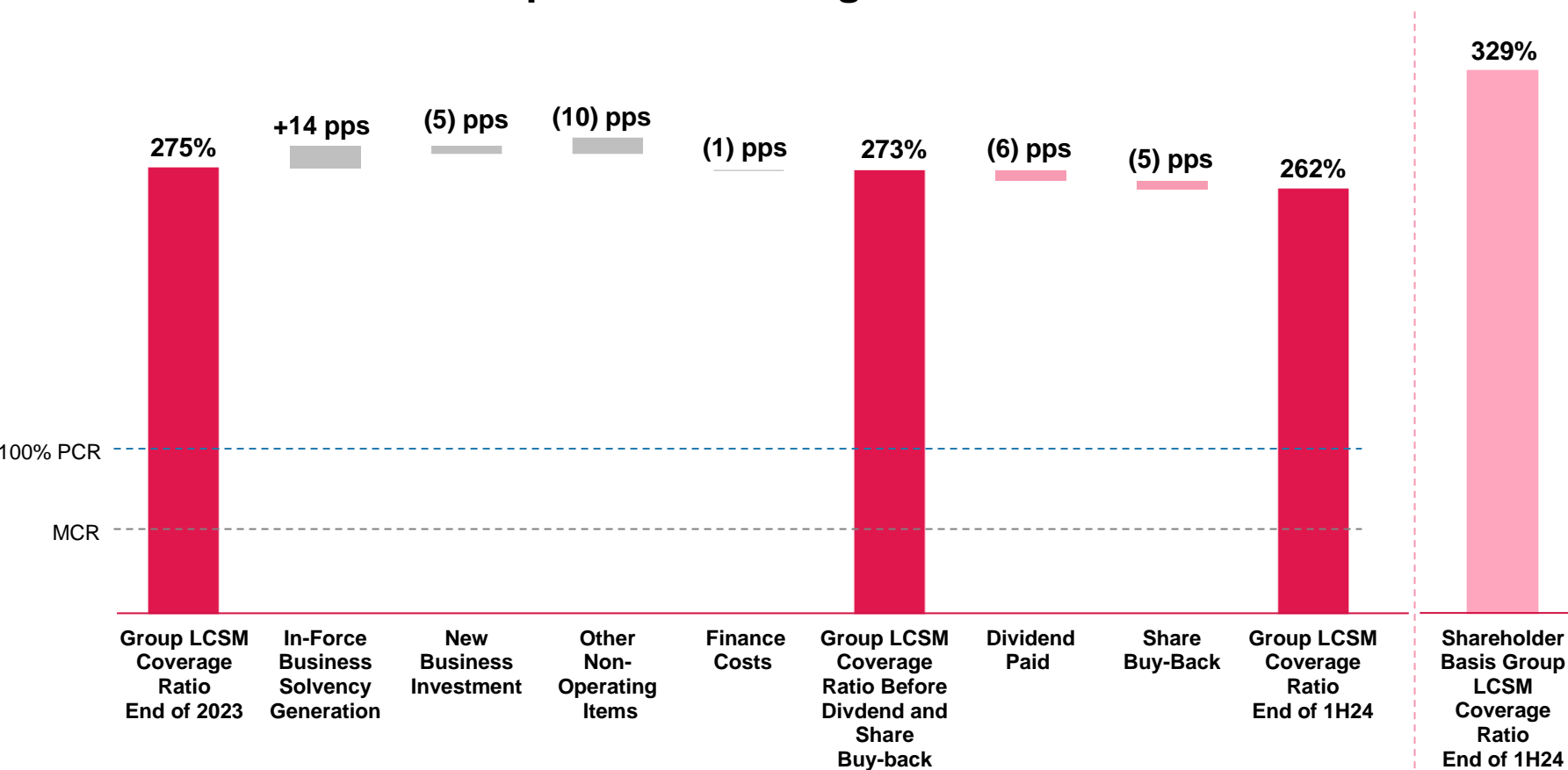
Note:

(1) The percentage impact is calculated before the effects of taxation and deduction of non-controlling interests

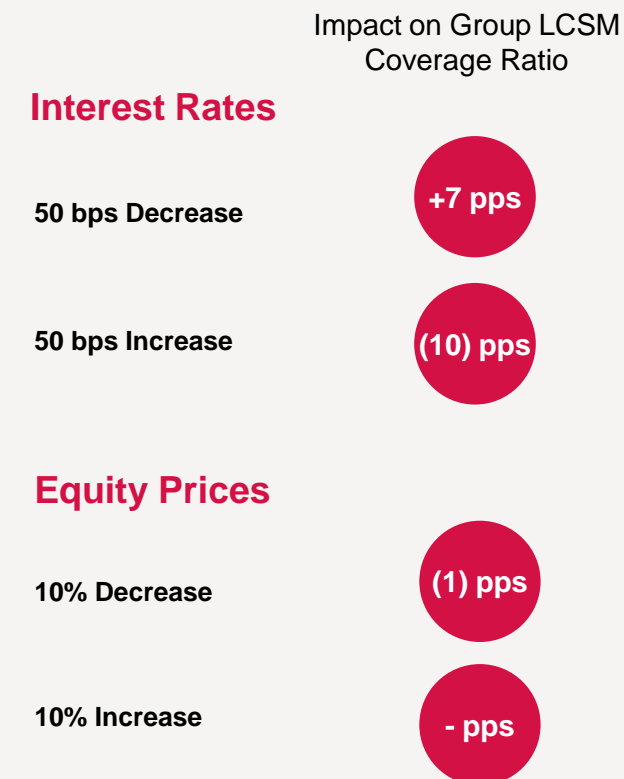
# Very Strong and Resilient Solvency Position



## Group LCSM Coverage Ratio Movement



### Small Sensitivity to Interest Rates and Equity Prices

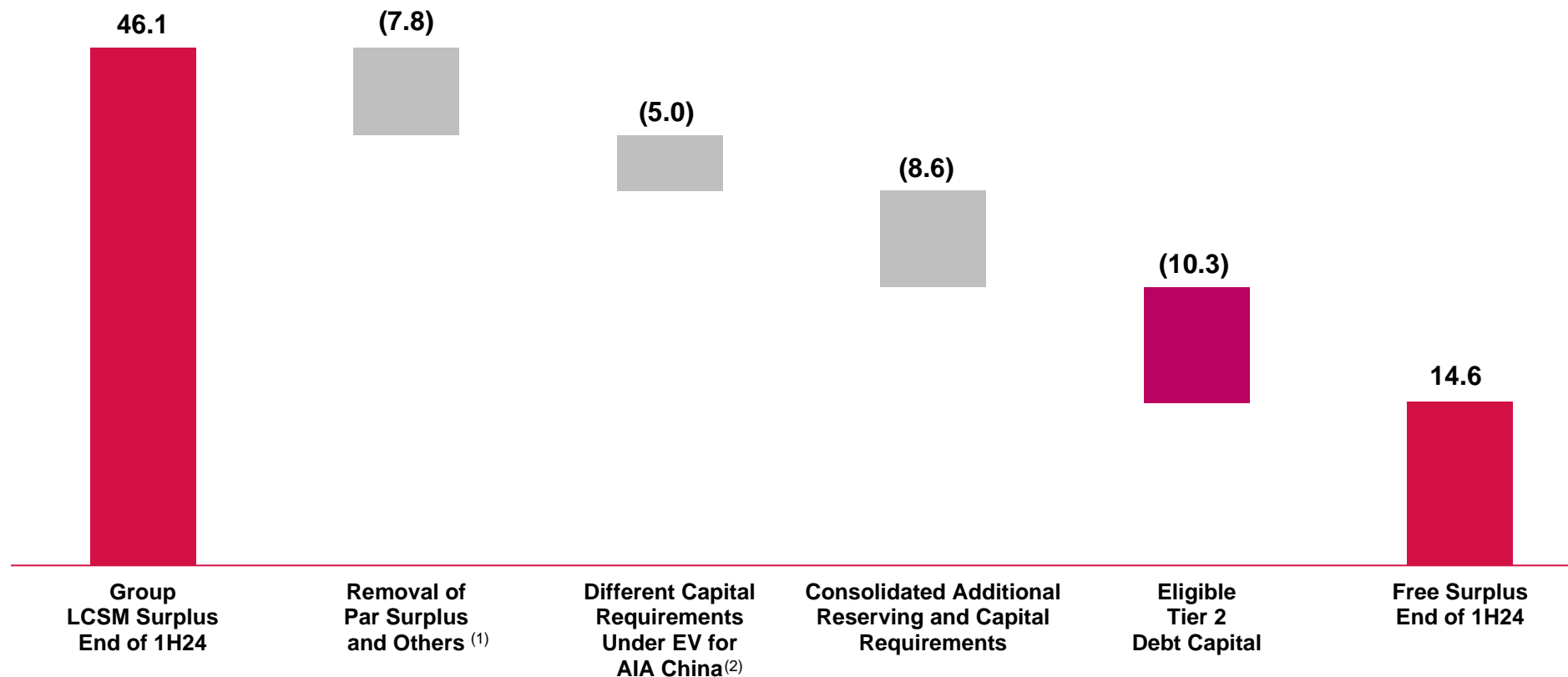


Note: Group LCSM coverage ratio on the GWS basis, unless otherwise stated

# Shareholders' View of Group Capital Position



## Reconciliation of Group LCSM Surplus to Free Surplus (\$b)



Notes: Due to rounding, numbers presented in the chart may not add up precisely

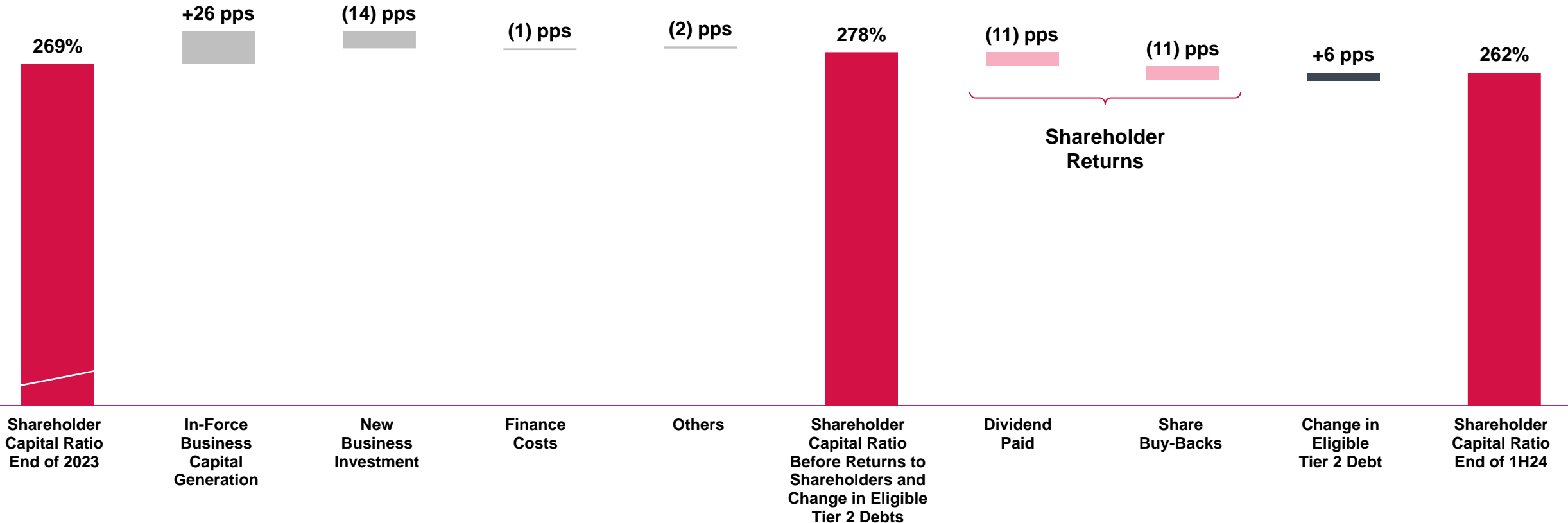
(1) Mainly reflects the removal of surplus of participating funds and other participating business with distinct portfolios

(2) Adjustment from C-ROSS solvency basis to China Association of Actuaries (CAA) EV basis in line with local requirements

# Shareholder Capital Ratio of 262%



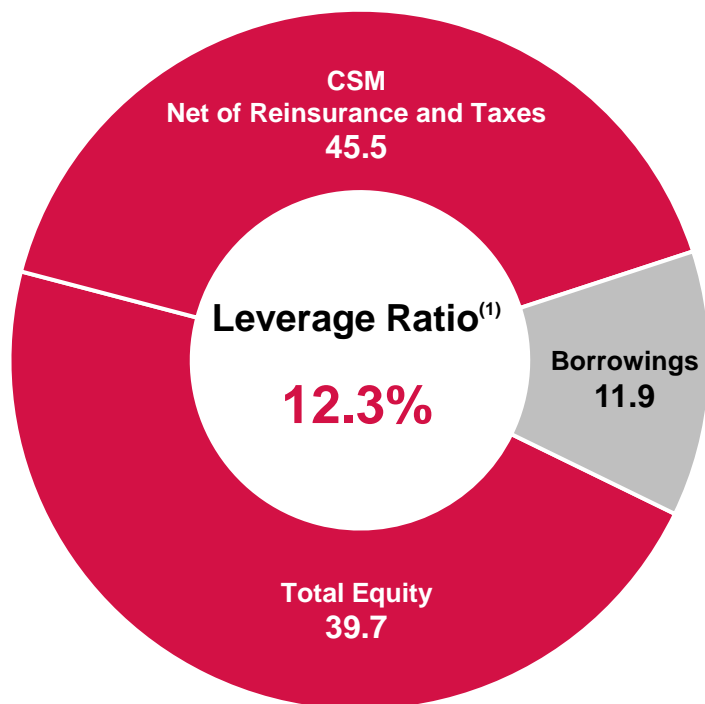
## Shareholder Capital Ratio Movement



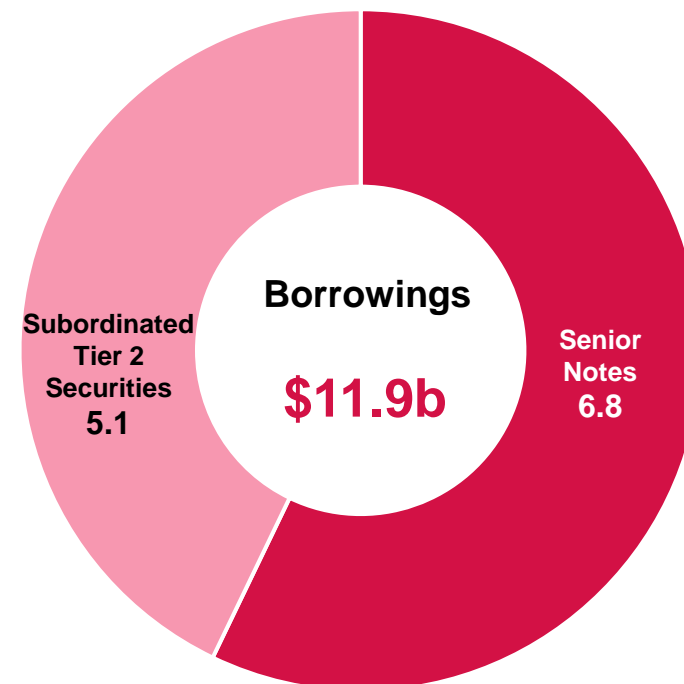
# Discipline Around Financial Leverage



## Group Total Leverage (\$b)



## Composition of Borrowings (\$b)



Notes: As of 30 June 2024

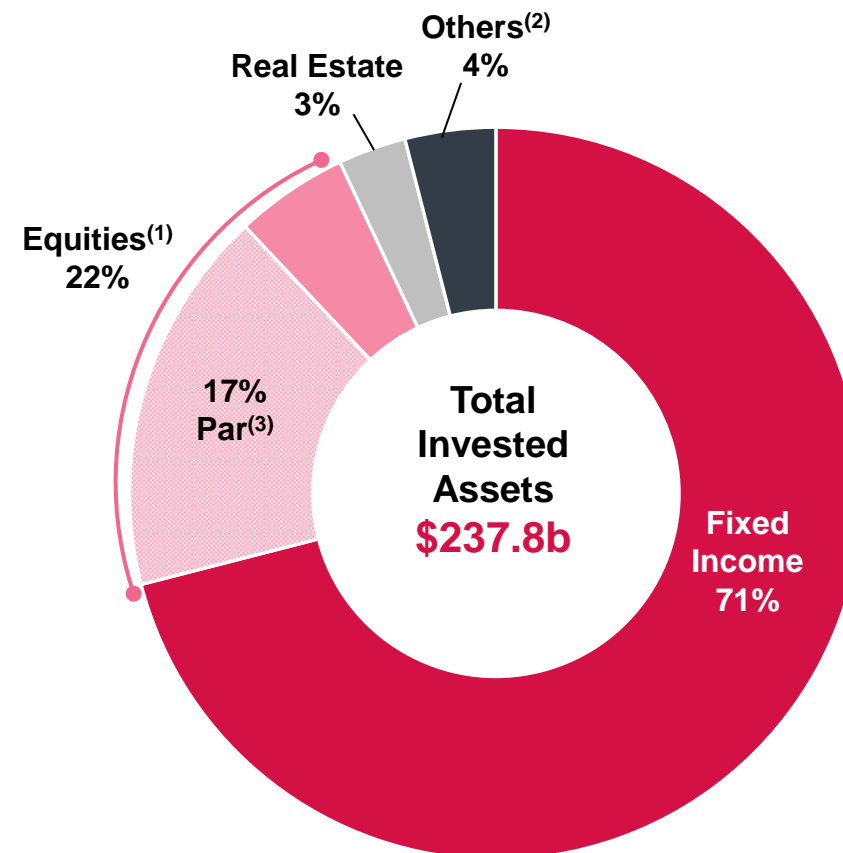
(1) Leverage ratio defined as total borrowings / (total borrowings + total equity + CSM net of reinsurance and taxes)



# Total Invested Assets of \$237.8b



(\$b)	Par <sup>(3)</sup> Business	Non-Par and Surplus Assets	Total
Government & Government Agency Bonds	25.2	61.1	86.3
Corporate Bonds	45.1	29.9	75.0
Structured Securities	0.3	1.8	2.1
Loans and Deposits	0.4	3.7	4.2
<b>Fixed Income</b>	<b>71.0</b>	<b>96.5</b>	<b>167.6</b>
Equities <sup>(1)</sup>	40.0	12.3	52.4
Real Estate	3.6	4.7	8.3
Others <sup>(2)</sup>	1.9	7.6	9.5
<b>Total Invested Assets</b>	<b>116.6</b>	<b>121.2</b>	<b>237.8</b>
<b>% of Total Invested Assets</b>	<b>49%</b>	<b>51%</b>	<b>100%</b>

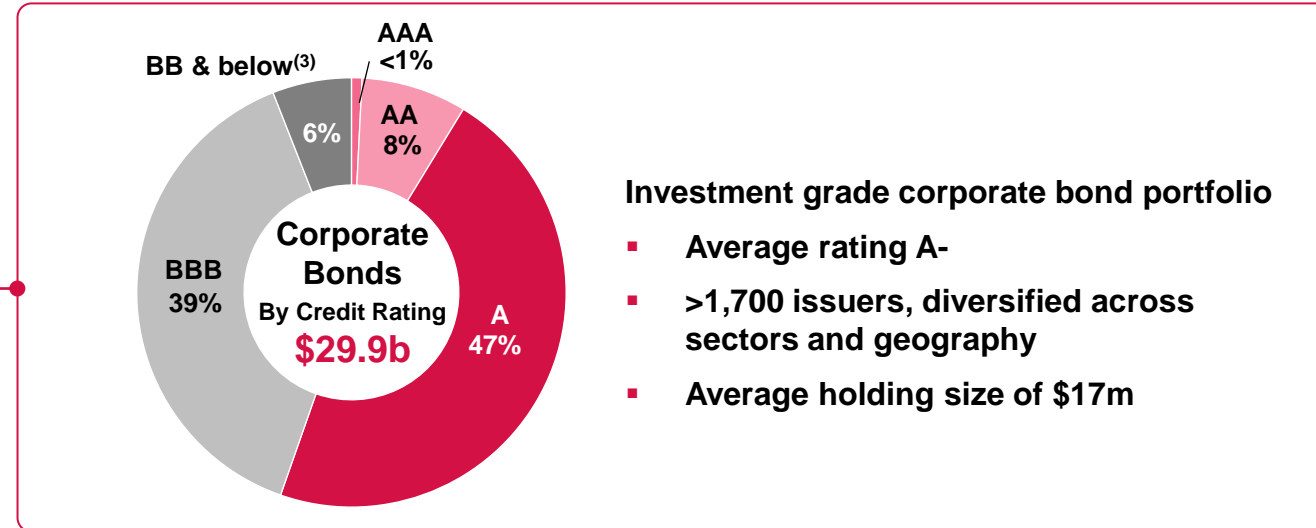


Notes: As of 30 June 2024; Due to rounding, numbers presented in the table may not add up precisely  
 (1) Includes equity shares, interests in investment funds and exchangeable loan notes  
 (2) Cash and cash equivalents and derivative financial instruments used for risk management purposes  
 (3) Including participating funds and other participating business with distinct portfolios

# High-Quality, Diversified and Resilient Investment Portfolio



(\$b)	Non-Par and Surplus Assets
Government & Government Agency Bonds	61.1
Corporate Bonds	29.9
Structured Securities	1.8
Loans and Deposits	3.7
<b>Fixed Income</b>	<b>96.5</b>
Interests in investment funds & exchangeable loan notes	7.8
Equity shares	4.5
<b>Equities<sup>(1)</sup></b>	<b>12.3</b>
<b>Real Estate</b>	<b>4.7</b>
<b>Others<sup>(2)</sup></b>	<b>7.6</b>
<b>Total Invested Assets</b>	<b>121.2</b>
<b>% of Total Invested Assets</b>	<b>51%</b>



**Total expected credit loss (ECL) provision of \$0.5b, 0.5% of total fixed income<sup>(4)</sup>**

**AIA Group's Mainland China Exposure**

- \$1.4b in real estate bonds and equities<sup>(5)</sup>
- \$1.4b in local government financing vehicles (LGFVs)

**AIA China's Prudent Investment Portfolio**

- >90% of AIA China's fixed income portfolio in government bonds<sup>(6)</sup>

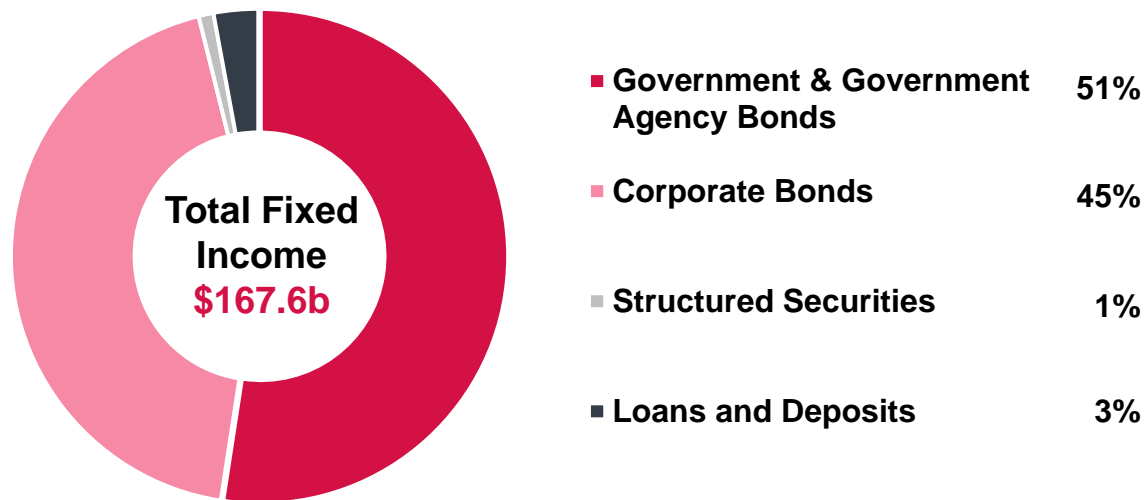
Notes: As of 30 June 2024. Due to rounding, numbers presented in the table may not add up precisely  
 (1) Includes equity shares, interests in investment funds and exchangeable loan notes  
 (2) Cash and cash equivalents and derivative financial instruments used for risk management purposes  
 (3) Including not rated bonds

(4) Exclude bonds measured at fair value through profit and loss  
 (5) Excluding LGFVs  
 (6) Government and government agency bonds

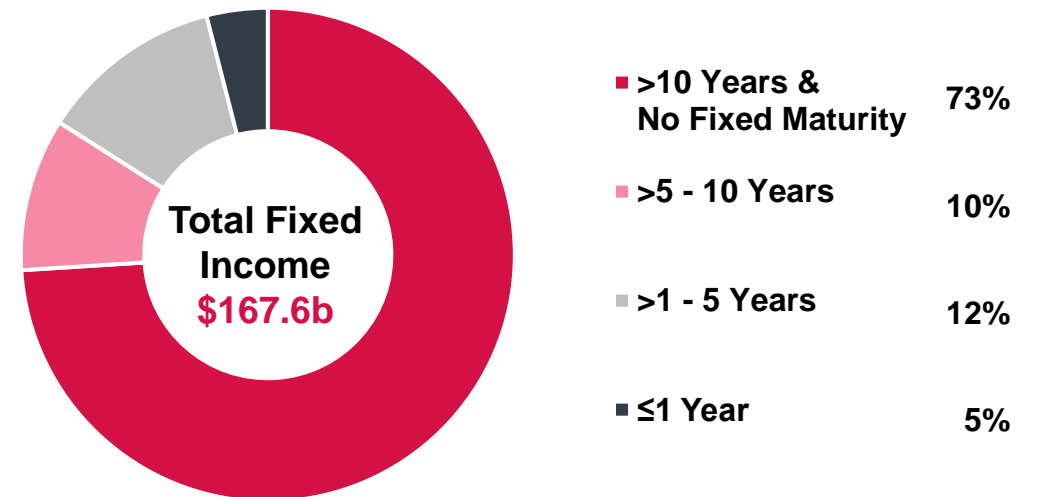
# Fixed Income Portfolio



## Total Fixed Income by Type



## Total Fixed Income by Maturity



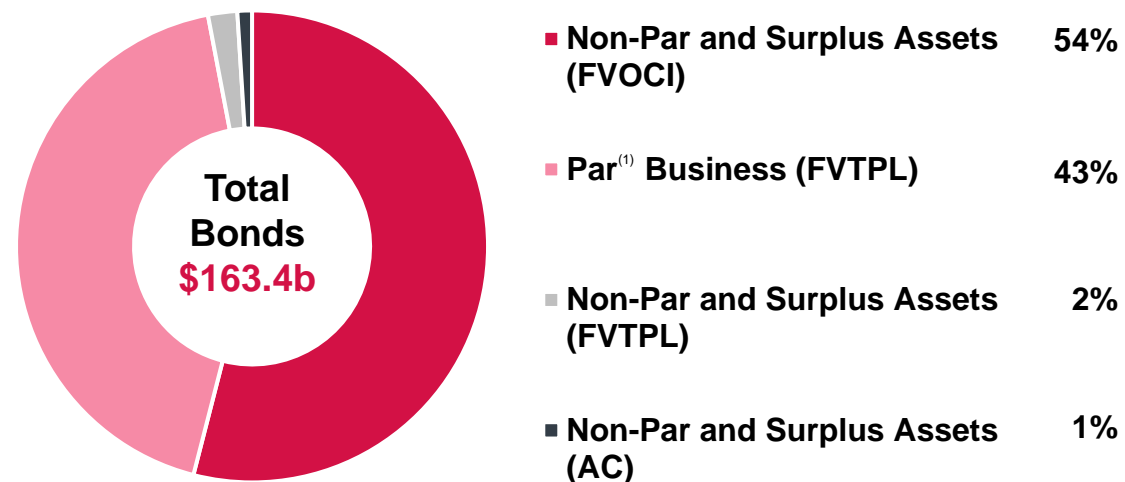
Note: As of 30 June 2024

# Total Bonds by Accounting Classification



(\$b)	Par <sup>(1)</sup> Business	Non-Par and Surplus Assets	Total
Fair Value Through Other Comprehensive Income (FVOCI)	-	87.7	87.7
Fair Value Through Profit or Loss (FVTPL)	70.6	2.9	73.5
Amortised Cost (AC)	-	2.2	2.2
<b>Total Bonds</b>	<b>70.6</b>	<b>92.8</b>	<b>163.4</b>

## Total Bonds by Accounting Classification



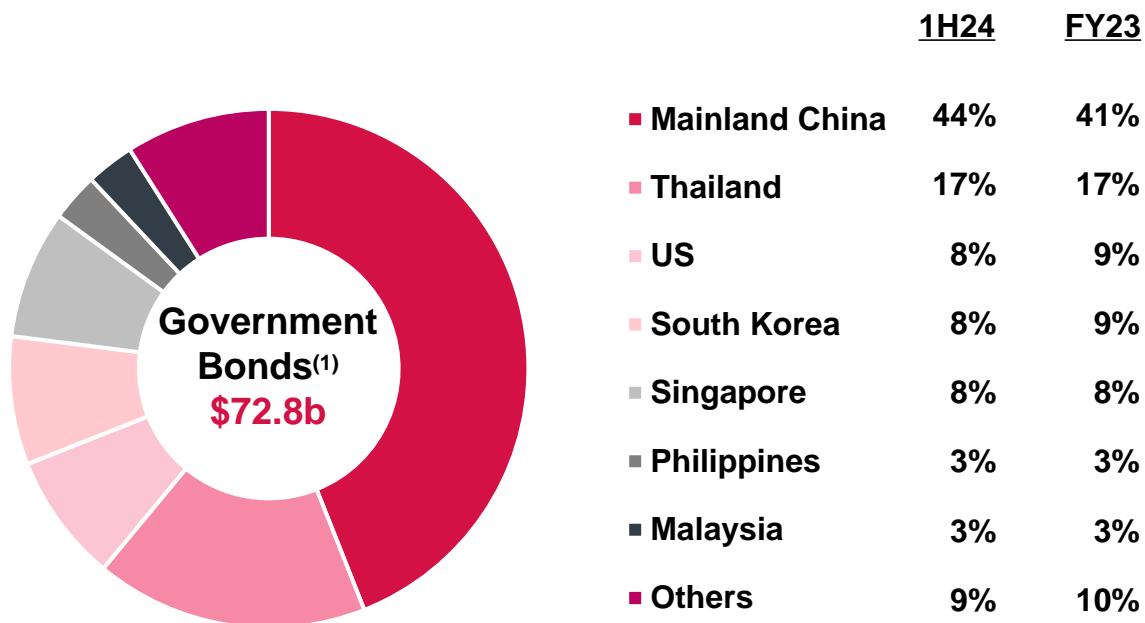
Notes: As of 30 June 2024

(1) Including participating funds and other participating business with distinct portfolios

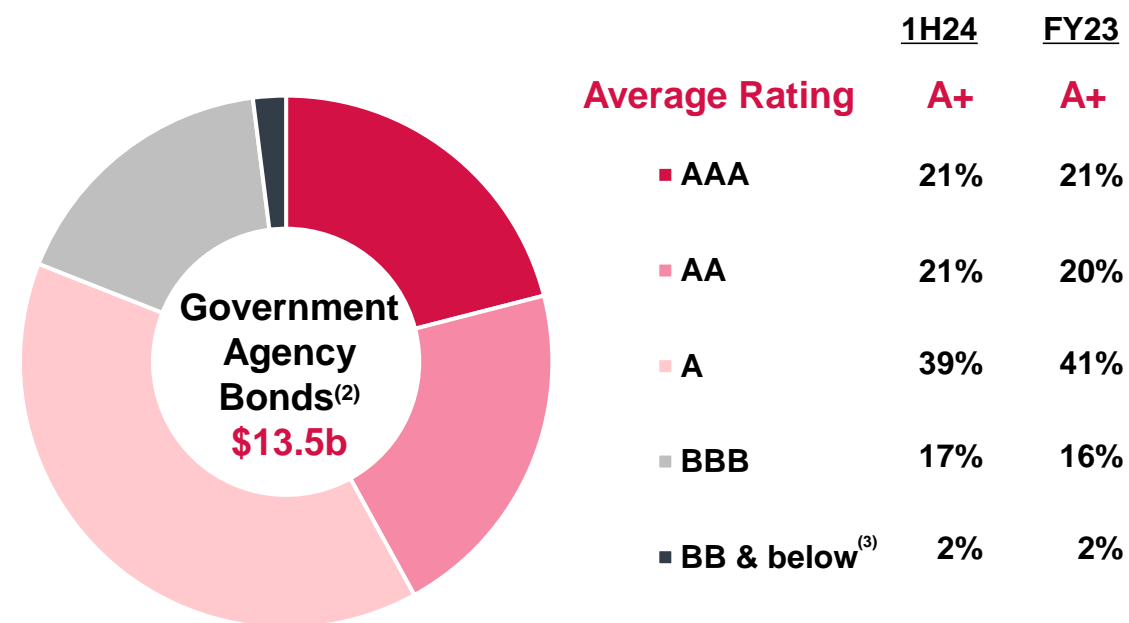
# Government and Government Agency Bond Portfolio



## Government Bonds<sup>(1)</sup> by Geography



## Government Agency<sup>(2)</sup> Bonds by Rating



Notes: As of 30 June 2024

(1) Government bonds include bonds issued in local or foreign currencies by either the government of the jurisdiction in which the respective business unit operates or other governments

(2) Government agency bonds comprise bonds issued by government-sponsored institutions such as national, provincial and municipal authorities; government-related entities; multilateral development banks and supranational organisations

(3) Including not rated bonds

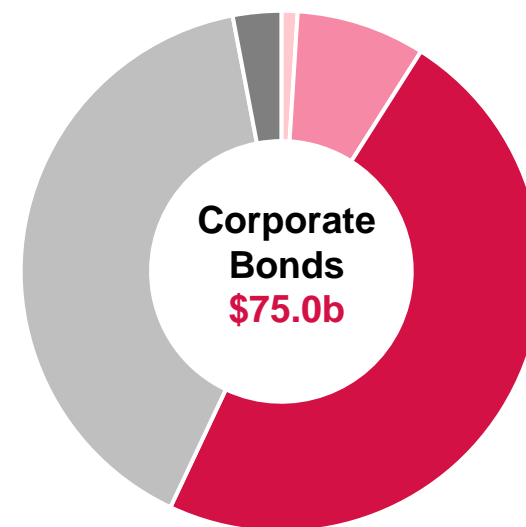
# Corporate Bond Portfolio by Rating



Rating (\$b)	Par <sup>(1)</sup> Business	Non-Par and Surplus Assets	Total
AAA	0.6	0.1	0.7
AA	3.2	2.5	5.7
A	22.1	14.0	36.0
BBB	18.6	11.5	30.1
BB and below <sup>(2)</sup>	0.6	1.8	2.4
<b>Total</b>	<b>45.1</b>	<b>29.9</b>	<b>75.0</b>

BBB+	4.9
BBB	4.1
BBB-	2.5
<b>Total</b>	<b>11.5</b>

## Corporate Bonds by Rating



	1H24	FY23
<b>Average Rating</b>	<b>A-</b>	<b>A-</b>
AAA	1%	1%
AA	8%	7%
A	48%	45%
BBB	40%	43%
BB and below <sup>(2)</sup>	3%	4%

Notes: As of 30 June 2024; Due to rounding, numbers presented in the table may not add up precisely

(1) Including participating funds and other participating business with distinct portfolios

(2) Including not rated bonds

# Corporate Bond Portfolio (Non-Par and Surplus Assets)



## Corporate Bonds by Geography

Non-Par and Surplus Assets

	\$b	% of total
Asia Pacific	20.5	69%
United States	5.8	19%
Other	3.6	12%
<b>Total</b>	<b>29.9</b>	<b>100%</b>

## Corporate Bonds by Type

Non-Par and Surplus Assets

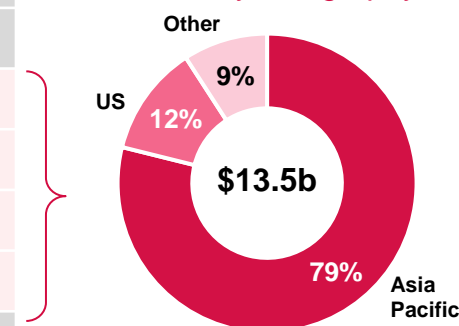
	\$b	% of total
Senior notes	28.0	94%
Subordinated debt instruments	1.9	6%
Additional Tier 1 debt instruments	0.02	0.1%
<b>Total</b>	<b>29.9</b>	<b>100%</b>

## Corporate Bonds by Sector

Non-Par and Surplus Assets

	\$b	% of total
Energy	2.5	8%
Materials	1.3	4%
Industrials	3.7	12%
Consumer Discretionary	1.5	5%
Consumer Staples	1.0	4%
Healthcare	0.9	3%
Financials – Banks	5.2	18%
Financials – Financial Services	4.6	15%
Financials – Insurance	1.0	3%
Real Estate	2.8	9%
Information Technology	1.1	4%
Communication Services	2.4	8%
Utilities	2.1	7%
<b>Total</b>	<b>29.9</b>	<b>100%</b>

Corporate Bonds  
Financials and Real Estate  
Sector by Geography



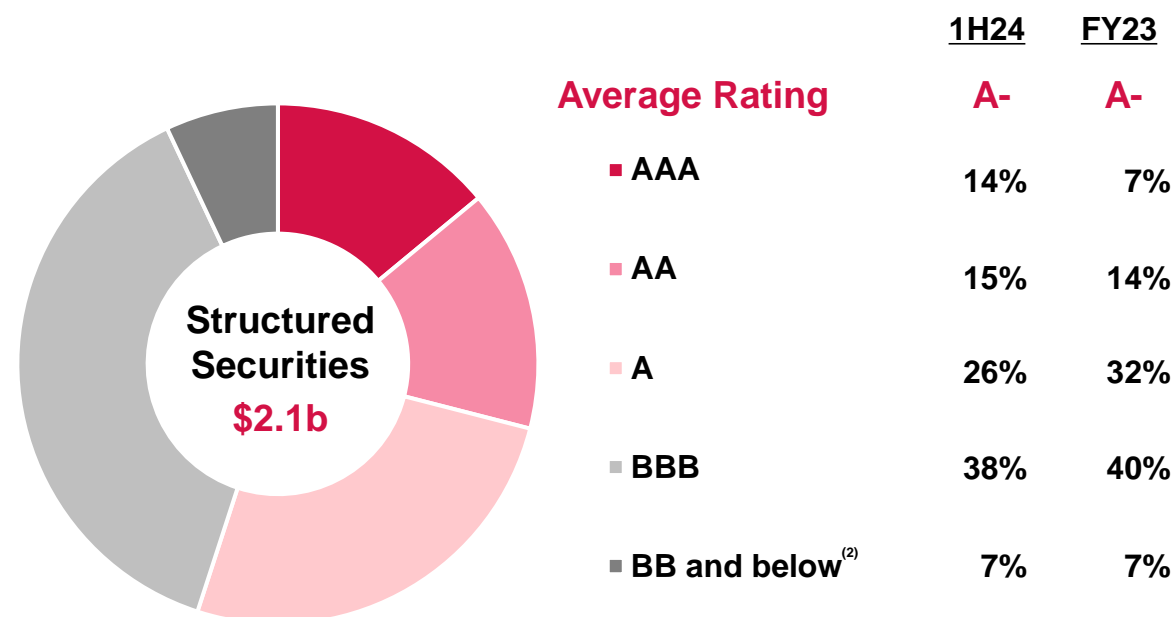
Note: As of 30 June 2024; Due to rounding, numbers presented in the table may not add up precisely

# Structured Security Portfolio



Rating (\$b)	Par <sup>(1)</sup> Business	Non-Par and Surplus Assets	Total
AAA	0.01	0.3	0.3
AA	0.04	0.3	0.3
A	0.04	0.5	0.5
BBB	0.1	0.7	0.8
BB and below <sup>(2)</sup>	0.1	0.1	0.2
<b>Total</b>	<b>0.3</b>	<b>1.8</b>	<b>2.1</b>

## Structured Securities by Rating



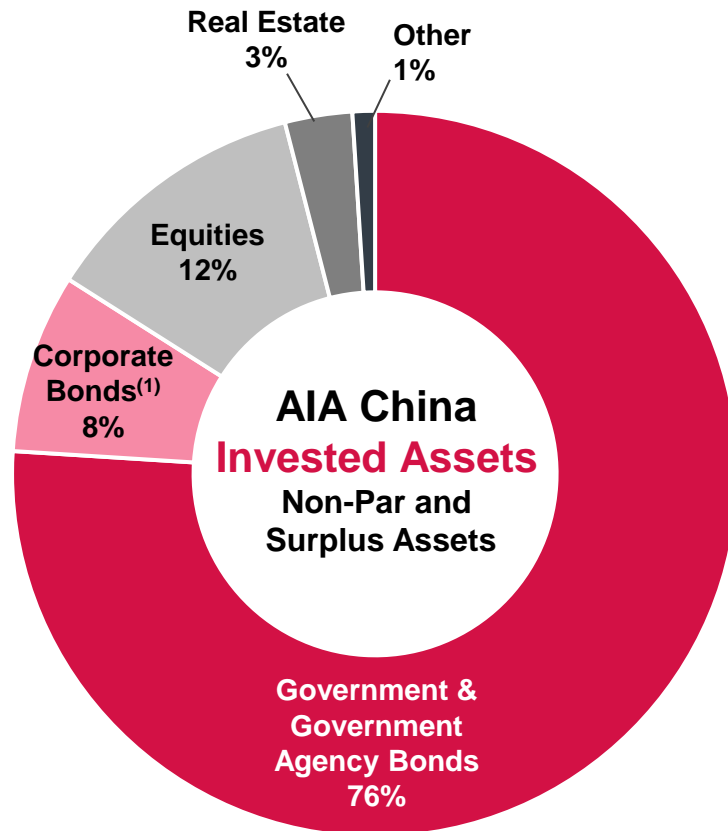
Notes: As of 30 June 2024; Due to rounding, numbers presented in the table may not add up precisely

(1) Including participating funds and other participating business with distinct portfolios

(2) Including not rated bonds



# AIA China: Prudent Investment Portfolio



## Prudent ALM Approach

- Asset allocation driven by liability cash flow matching in local currency
- **83%** of invested assets in fixed income
- **>90%** of fixed income portfolio in government and government agency bonds
- Bond portfolio average international rating **A+**
- Asset portfolio well diversified with insignificant alternative assets

Notes: As of 30 June 2024  
(1) Including 2% in loans and deposits

# Risk Discount Rate and Risk Premium



%	As at 30 November 2010			As at 30 June 2024		
	Risk Discount Rates	Long-term 10-year Govt Bonds	Risk Premium	Risk Discount Rates	Long-term 10-year Govt Bonds	Risk Premium
Australia	8.75	5.65	3.10	7.92	3.80	4.12
Mainland China	10.00	3.74	6.26	9.14	3.50	5.64
Hong Kong	8.00	3.53	4.47	7.96	3.50	4.46
Indonesia	15.00	7.90	7.10	13.12	7.50	5.62
South Korea	10.50	4.82	5.68	8.68	3.00	5.68
Malaysia	9.00	4.45	4.55	8.74	4.50	4.24
New Zealand	9.00	6.13	2.87	7.85	3.80	4.05
Philippines	13.00	6.00	7.00	12.10	6.00	6.10
Singapore	7.75	2.93	4.82	7.36	3.10	4.26
Sri Lanka <sup>(1)</sup>	n/a	n/a	n/a	14.70	10.00	4.70
Taiwan (China)	8.00	1.73	6.27	7.62	1.50	6.12
Thailand	9.50	3.87	5.63	7.77	3.40	4.37
Vietnam	16.00	10.20	5.80	9.55	4.00	5.55
<b>Weighted Average<sup>(2)</sup></b>	<b>8.95</b>	<b>3.85</b>	<b>5.10</b>	<b>8.29</b>	<b>3.53</b>	<b>4.76</b>

Notes: For Tata AIA Life, the Group uses the Indian EV methodology as defined in Actuarial Practice Standard 10 issued by the Institute of Actuaries of India for determining its EV and VONB. This methodology uses investment returns and risk discount rates that reflect the market-derived government bond yield curve. The above disclosure information is therefore not provided for Tata AIA Life

(1) Sri Lanka is included since the acquisition completion date of 5 Dec 2012

(2) Weighted average by VIF contribution

# IFRS 17 Discount Rates and Illiquidity Premium



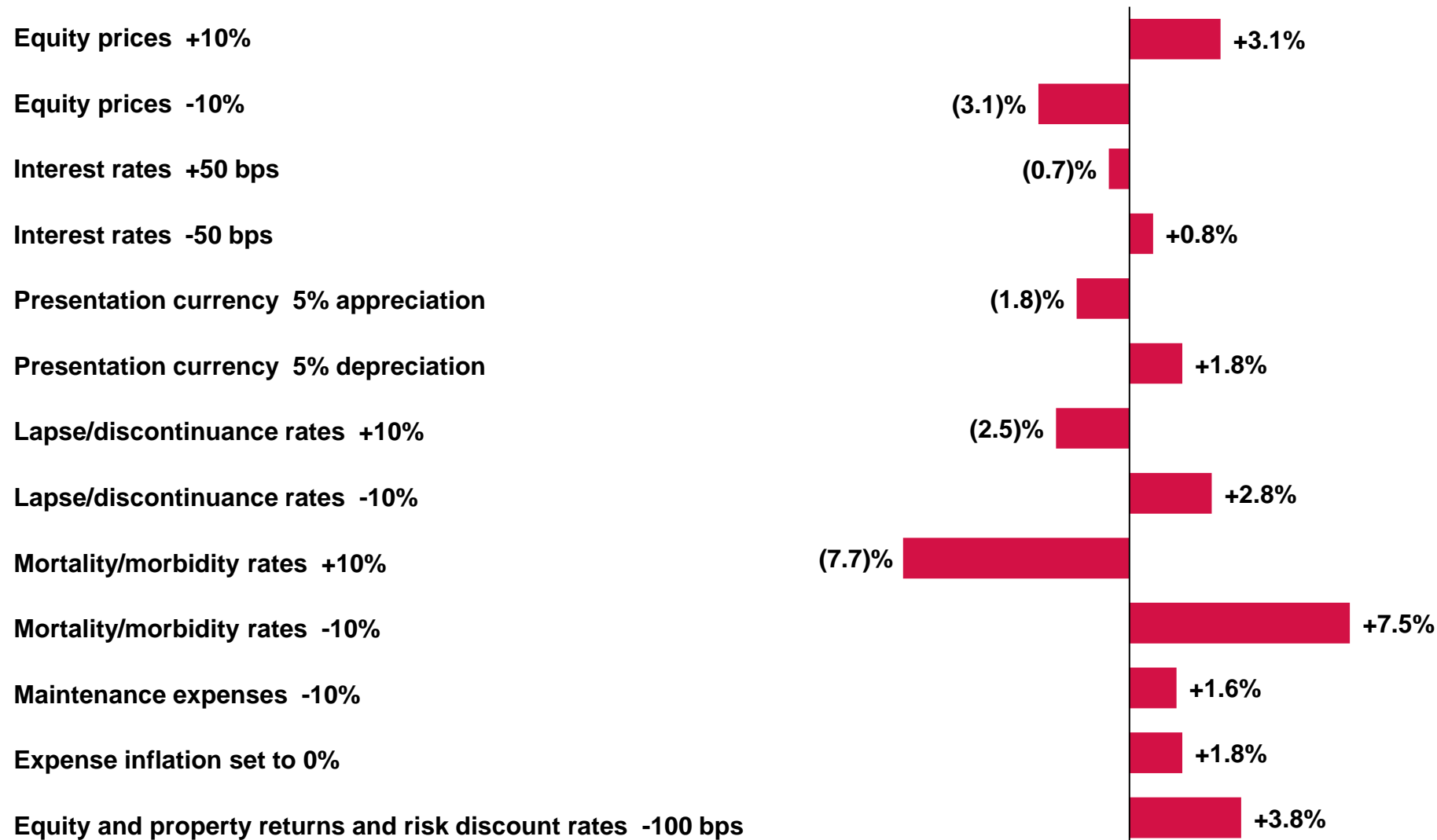
Spot Rates as at 30 June 2024

	1 year		5 years		10 years		15 years		20 years	
	Risk free	With illiquidity premium	Risk free	With illiquidity premium	Risk free	With illiquidity premium	Risk free	With illiquidity premium	Risk free	With illiquidity premium
%										
USD	5.02	5.55	4.23	4.98	4.23	5.24	4.32	5.36	4.57	5.54
HKD	4.56	5.10	3.71	4.46	3.61	4.62	3.68	4.73	3.93	4.91
CNY	1.53	1.99	1.99	2.22	2.24	2.43	2.48	2.72	2.67	3.00
SGD	3.49	4.09	3.20	4.16	3.21	3.74	3.21	3.64	3.13	3.59
MYR	3.32	3.72	3.66	3.90	3.90	4.13	4.05	4.34	4.13	4.51
THB	2.37	2.65	2.49	3.08	2.71	3.45	3.06	3.90	3.29	4.18

# Sensitivity Analysis: Embedded Value



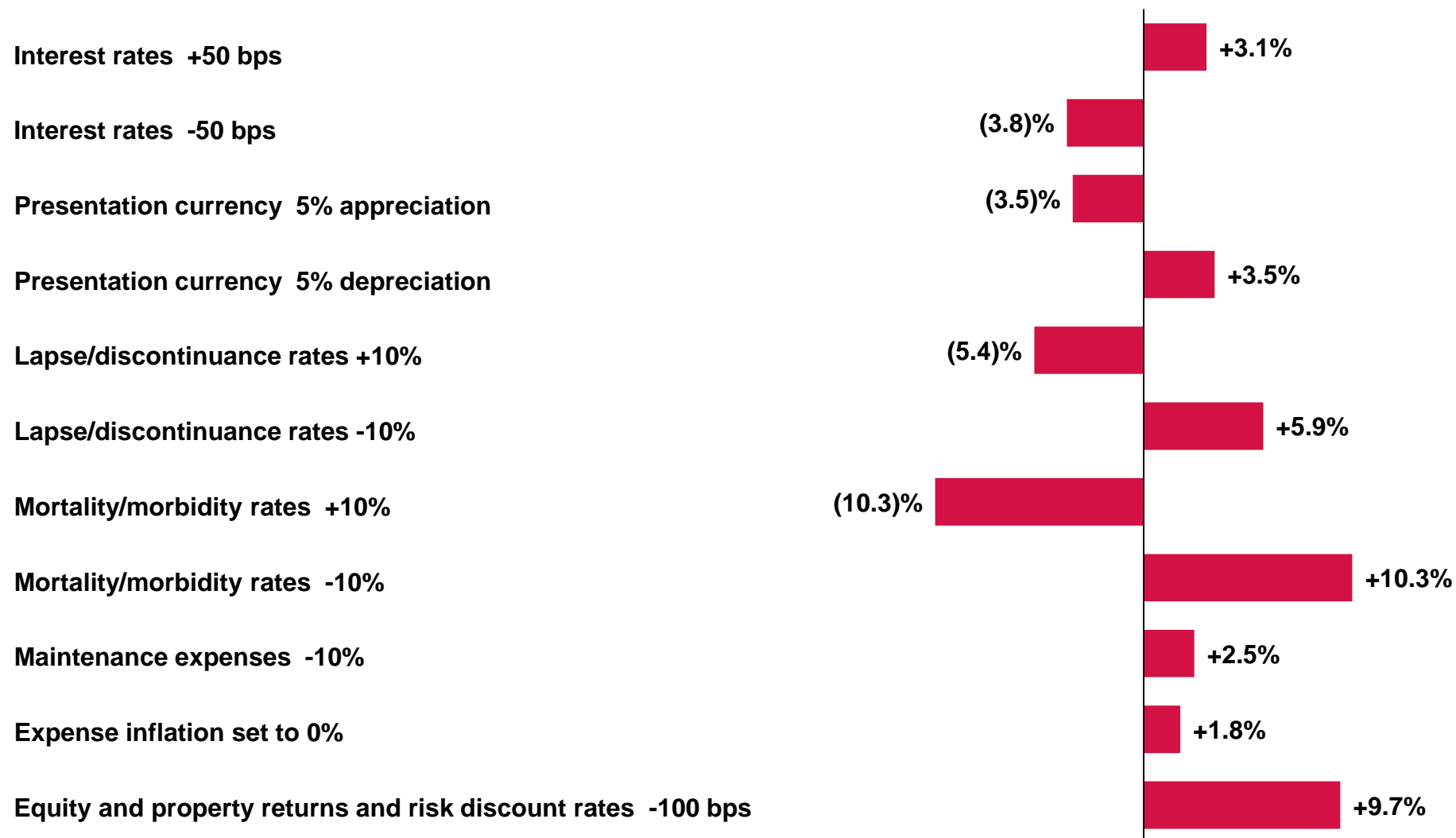
## Sensitivity of EV as at 30 June 2024



# Sensitivity Analysis: VONB



## Sensitivity of VONB for the Six Months Ended 30 June 2024



# Other Sensitivity Analysis



## Equity Prices

10% Fall

(1.6)%



10% Rise

+1.6%



## Interest Rates

50 bps Decrease

+0.8%



50 bps Increase

(0.8)%



### CSM (Net of Reinsurance)

### Shareholders' Allocated Equity

### Group LCSM Coverage Ratio

(2.9)%



+2.9%



(1) pps



- pps



50 bps Decrease

+1.1%



50 bps Increase

(1.0)%



(10) pps



+7 pps



# Accelerating AIA's Profitable Growth Strategy



## Strategic Priorities

### Leading Customer Experience

Seamless omnichannel customer experience with best-in-class engagement

### Unrivalled Distribution

Scale capacity and productivity through digitalisation and advice-centric models

### Compelling Propositions

Be the leading provider of personalised advice and innovative solutions

## Step Change in Technology, Digital and Analytics

World-class technology

Customised and digitally-enabled journeys

Data and analytics powering everything we do

### Organisation of the Future

Simpler, faster, more connected

### Financial Discipline

Sustainable long-term shareholder value driven by clear KPIs

## Structural Growth Drivers in Asia



Unprecedented wealth creation



Significant need for private protection



Rapidly shifting consumer mindset



Pervasiveness of new technologies



Embracing purpose, sustainability and resilience

# AIA's Integrated Health Strategy



## Personalised Health Insurance

Be the leading provider of personalised health insurance advice and innovative solutions

## Integration with Outpatient Clinics

Deliver better health outcomes at lower costs through strategic partnerships with outpatient clinics

## Advanced Healthcare Administration and Management

Provide more effective care management programmes with simpler healthcare journeys

## Powered by Health Technology, Digital and Analytics

Apply world-class digital health technology across the entire health insurance and healthcare value chain resulting in more efficient pricing, best-in-class claims and risk management and advanced value-based care capabilities



## Making Healthcare

More Accessible

More Affordable

More Effective



# Embedding ESG in Our Business



## AIA's Ambition

To be a global industry leader in ESG, shaping a more sustainable future for the communities we serve and creating long-term value for all our stakeholders

## ESG Strategy

### Health and Wellness

- Engage and inspire healthy living
- Provide greater access to quality care
- Champion financial inclusion and reduce the burden of medical expenses
- Deliver better health outcomes

### Sustainable Investment

- Deepen engagement with investee companies
- Augment knowledge and capacity on ESG
- Enhance portfolio exclusions/inclusions
- Carbon footprint our portfolio

### Sustainable Operations

- Increase digitalisation and automation
- Encourage good ESG practice among vendors
- Adhere to green building standards
- Reduce our carbon footprint

### People and Culture

- Foster a learning culture that supports employee development
- Promote workplace diversity, innovation and inclusion
- Embed a culture of ethical decision-making and risk management
- Ensure fair and equitable processes

### Effective Governance

- Maintain a corporate governance programme consistent with international best practice
- Effectively manage ESG risks and opportunities
- Lead the promotion of ESG best practice
- Establish AIA as a global leader on key ESG indices and ratings

# ESG: AIA Committed to Achieving Net-Zero



## Climate Action

**First Climate Action Plan**  
published in Nov 2023

**SBTi Validated**  
First Pan-Asian life and health insurer to get science-based targets validated for operations and investments

## Health and Wellness

**AIA One Billion**  
rolled out to 18 markets, engaged 387m people

**>\$2 trillion**  
total sums assured

**\$21 billion**  
paid in total benefits and claims, up \$2b YoY<sup>(1)</sup>

## Sustainable Investment

**\$6.3 billion**  
invested in Green, Social, Sustainability Bonds

**CFA ESG Certificate**  
First company globally to mandate for all in-scope investment professionals

## Sustainable Operations

**100% New Buildings**  
and redevelopments to be green certified

**94% Digital Submissions**  
achieved from our buy, service and claims transactions in Dec 2023

## People and Culture

**Gallup Exceptional Workplace**  
Top quartile in global finance and insurance industry benchmark of employee engagement for a 7th consecutive year

**41.6% Women**  
in senior leadership

## Effective Governance

**AA in MSCI**  
ESG ratings for 3 consecutive years and included in the Hang Seng Corporate Sustainability Index

**Top-Rated ESG Performer**  
by Sustainalytics in insurance industry and Asia

**Helping People Live Healthier, Longer, Better Lives**

Notes: FY23 figures unless otherwise stated

(1) The benefits and claims for 2023 includes the unit-linked contracts under IFRS 17. On a comparable basis the 2022 benefits and claims were \$19b