

TRANSCRIPT

AIA Group Virtual Investor Update

TDA at AIA – Transforming AIA through Technology, Digital and Analytics

Event Date and Time: 22 November 2021, 5:00 pm Hong Kong time

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VIDEO PRESENTATION

Narrator

AIA is the leading pan-Asian life and health insurance company with operations across 18 markets. We are 100 per cent focused in Asia, the fastest growing and most attractive region in the world, and we have 100 per cent ownership in all of our markets except India.

Our strategy is built on five long-term structural growth drivers for life and health insurance in Asia:

- Unprecedented wealth creation;
- A significant need for private protection;
- Rapidly shifting consumer mindsets;
- Pervasiveness of new technologies; and
- Embracing purpose, sustainability and resilience.

AIA has a long and proud history of helping people withstand unforeseen events in their lives. It is the foundation of our business and our Purpose to help people live Healthier, Longer, Better Lives. We do this through our products and services by actively promoting the health and well-being of our customers, employees and agents, and the communities in which we operate.

Over the last 18 months, the world has changed.

But despite the global disruption, everyone is more aware of their health and wellness, driving greater demand for our comprehensive protection products. And AIA's accelerated use of technology, digital and analytics throughout our business has been crucial in supporting our customers, agents and partners while continuing our strong track record of growing shareholder value.

Lee Yuan Siong – *Group Chief Executive and President*

In August 2020 we introduced our clear and ambitious strategy, leveraging the five structural drivers of growth in Asia. At the heart of this strategy is a step change in Technology, Digital and Analytics that transforms AIA into an organisation of the future.

Today we will demonstrate how we are leveraging the power of TDA to capture new growth opportunities, driving productivity improvements and greater efficiency across the Group. This has been a critical factor in AIA's successful navigation through the pandemic, enabling us to support our employees, customers, distributors and partners when they have needed it most.

We helped our customers navigate uncertainty with uninterrupted support as we embrace new ways of working across the Group. And our accelerated programme supported our continued delivery of strong financial results during the pandemic. In China, since 2019, our VONB growth has outperformed the market by over 30 per cent. And, in the first half of 2021, VONB for all of our reportable segments other than Hong Kong exceeded their pre-pandemic levels.

As we further embed TDA in our businesses, we enhance AIA's resilience and our abilities to capture the immense growth opportunities across Asia.

Biswa Misra – *Group Chief Technology Officer*

At AIA, we are leveraging TDA across every aspect of our business as we transform into a customer-centric, digital insurer. Through a comprehensive investment programme, we are upgrading all of our 18 business units to achieve our vision of a future-proof AIA that is simpler, faster and more connected.

The fundamental shift is built on world-class technology that is efficient, scalable and agile. Our "cloud first" policy and modern, modular architecture is fully automated, always on and unleashes the power of big data and artificial intelligence. We are already far ahead of the industry and we are on track for the Group to reach our target state by 2023. This modern technology core is foundation for a digital step change in our customer and distributor experiences.

Our vision is best-in-class connectivity for our agents, partners and customers. Interactions are rapid and seamless with almost all processes automated and virtually no human intervention. Everything we do is powered by AI and analytics, providing intelligent service and incredible personalisation.

Powerful digital tools enhance agent productivity and professionalism across every aspect of the value chain. With automation, we free up our agents from routine admin tasks, making them significantly more efficient and effective as they concentrate on what they do best, providing high-quality advice for our customers.

Our plug and play, modular systems enable quick and easy integration with partners and delivery of shared value outcomes. This is what makes AIA the "go-to" company for partners across Asia. Across all channels, customers can interact with us whenever they want through simplified and intuitive processes. All built on principles of human-centred design.

We know that providing integrated services with faster turnaround times leads to better business outcomes, including improved retention and enhanced financial performance.

Our systematic and agile approach to TDA transformation is a great example of the power of AIA as a group. We take best practices from one part of the Group and replicate them across our other businesses, and when we create new capabilities, we test and learn in one area before industrialising across the rest of the Group.

As we embed TDA across the Group's front office, middle office and back office from sales and services through investments, risk, compliance, human resources and finance. We are transforming AIA into a world-class digital insurer.

Lee Yuan Siong – *Group Chief Executive and President*

Step change in our TDA capabilities is imperative to achieve our strategic priorities. Our transformation is progressing at pace and will deliver long term profitable growth well into the future.

In today's presentation we will take an in-depth look at how we are embedding TDA in every part of our business and delivering on our strategic priorities. Our TDA-led strategy builds on our significant competitive advantages, further differentiates us from our competitors and will ...

- Scale and enhance AIA's unrivalled quality distribution platform;
- Provide personalised, innovative and compelling propositions to our customers; and
- Deliver leading customer experiences and service standards.

We will showcase how we are future proofing our differentiated Premier Agency by driving scale, productivity and quality and how we are expanding across new provinces and cities in China efficiently and at scale.

Our capability and track record make us the partner of choice for leading banks and digital platforms across the region. We will demonstrate how we leverage TDA to better connect and serve customers through a true omni-channel model, bringing AIA new growth opportunities.

TDA is helping us deliver innovative propositions with speed and scale, providing many new and exciting services to our customers through exclusive partnerships with best-in-class providers, helping them better manage their health and financial wellbeing. One great example is AIA Vitality. And you will see how our signature programme drives positive behavioural change, better health outcomes and higher shareholder value.

And through TDA we are creating distinctive, personalised and more meaningful experiences for our customers such as Xiao Bang, our award-winning AI virtual assistant that allows us to handle extensive customer interactions while delivering a high-quality and personalised experience.

Our unrivalled distribution, compelling propositions, and leading customer experience are key to fulfilling our Purpose of helping millions of people live Healthier, Longer, Better, Lives and extending our track record of delivering long-term shareholder value.

We have lots of exciting things to share with you today, so let's get started.

Bill Lisle – *Regional Chief Executive and Group Chief Distribution Officer*

Our multi-channel distribution platform gives AIA unrivalled access to billions of new and existing customers across Asia.

We provide a choice of engagement models from our proprietary Premier Agency, through our extensive range of leading banks and distribution partners, through group, corporate and SME schemes, our growing partnerships with digital platforms, and even direct to consumers for simple products.

Core to serving our customers is our relentless focus on high-quality professional advice. And that's how we target and meet the immense protection and long-term savings needs in Asia. Across distribution platforms our strategic priorities are to grow scale and productivity as we deliver ever more personalised and high-quality advice.

We are building on the strong capabilities and digital foundations developed over many years including iPoS, our leading point of sale system and our advanced performance management tools. Further embedding TDA is central to our ability to deliver on our ambitions for each of our key distribution channels, as we amplify our competitive advantages and drive sustainable growth. Let's start with our core channel, Premier Agency.

Since IPO, AIA's agency channel value of new business has grown more than six times, and, for an unprecedented seven consecutive years, have been the number one Million Dollar Round Table company in the world. Our differentiated Premier Agency strategy is fundamental to this impressive growth with a focus on recruiting, developing and retaining our highly productive professional agents.

At the heart of our strategy is our very strong value proposition for our agents built on high-quality recruitment standards, best-in-class tools and long-term career growth opportunities. These help deliver highly attractive incomes and a sustainable growth model for our agents. Our TDA strategy is designed to augment every aspect of the agency value chain, empowering agents and agency leaders every step of the way.

AIA's Premier Agents are our key competitive advantage through which we are capturing the immense opportunities presented by Asia's huge and growing middle class. Our investment in TDA continues to enhance our agents' capabilities and productivity, allowing us to reach deep into the heart of Asia.

Fisher Zhang – *Chief Executive Officer, AIA China*

AIA China leverages TDA to enable us to capture the extraordinary opportunity that Mainland China presents for us. Powerful digital platforms support our high quality and differentiated agency which outperforms our major competitors by a wide margin. And we will continue to scale up our highly productive, full-time agency force as we leverage our unique opportunity and expand geographically. Our expansion strategy is ambitious as we access a 5-time increase in our target market to over 600 million potential customers.

To fully leverage this opportunity, our TDA transformation is critical. We have built a scalable operating model with rapidly deployable platforms, tools and processes, backed by centralised shared services, enabling us to establish new offices and expand our Premier Agency efficiently and at scale. And our Premier Agents are able to get to work immediately, supported by our readily available digital tools and established operations.

Our recent launch in Sichuan province is a great example of the power of our model. Our well-known brand and attractive agent value proposition allowed us to recruit more than 400 agents comprising over 70 per cent university graduates in just four months. And we are in process of repeating this in the next province. We recently received regulatory approval to start operations in our newest branch in Hubei, which is eighth largest province by GDP.

The key to replicating and growing our Premier Agency model is the digital tools we have built and deployed across the entire agency value chain: recruitment, training, management, prospecting, sales and servicing. High adoption and the quality of these tools have driven significant increase in agent productivity and helped differentiate AIA China's Premier Agency from the industry.

Supporting recruitment is our own end-to-end recruitment platform, i-Recruit. This includes smart tools across pipeline management, selection, interview, and career planning. It is also seamlessly integrated with the on-boarding process and next stage of agent training and development, enabling a smooth and personalised new recruit journey from day one.

Our Premier Agents are the best in the industry. We provide support and development throughout their careers with our comprehensive e-learning platform. We've built a data-driven competency assessment engine to evaluate and rate each agent across critical skills such as professional knowledge, business development, performance management and new agent recruitment. By combining the assessment result with agency leader input, every agent has a tailored training plan to accelerate their development.

Next, we have Master Planner. Our market leading management tool designed for agents and agency leaders. This is an advanced customer relationship management system providing our Premier Agents with streamlined marketing and activity management functionalities.

For agency leaders, Master Planner is a powerful tool for team and business management. Leaders are provided with real-time tracking of key activity and sales information to help improve individual agent performance, better manage their teams and plan strategically. Master Planner also includes a joint-field-work system. New agents join real customer meetings with their leader, a critical element of developing our high-quality, differentiated Premier Agents.

In China our agents have been using social media marketing since 2013. Our integrated WeChat-based digital platform enables agents to enlarge social influence, acquire and engage prospects and achieve conversion using a wide range of segment-specific digital content, engagement activities and campaigns.

Moving to sales, our premier agents are equipped with our fast and seamless end-to-end digital sales platform, Instant Buy. This includes our Air Sign functionality that enables remote sales. In July, we launched a new tool for needs-based advisory. This allows our agents to deliver greater personalisation and focus further on the evolving needs of our customers. With OCR (Optical Character Recognition) technology and a built-in industry product reference library, the tool performs real-time insurance coverage analysis for customers and their family, across both AIA and non-AIA policies. We then provide individualised gap analysis and tailored product recommendation for customers, supported by our data-driven "people-like-you" function.

Only AIA's Premier Agents have the capability, tools and propositions to provide high-quality personalised advice that meets the constantly evolving needs of our customers. And our agents are able to maintain lifetime connection and relationship with our customers through professional and high-quality service, supported by a one-stop platform for online claims submission and fast and seamless claim service.

With a fully digitalised agency value chain, the next stage of our TDA strategy is scaling up our use of analytics and AI. Backed by analytics and using rich data sets, we are building powerful applications to further drive recruitment scale, enhance quality, and increase productivity through predictive sales and business management. For example, we launched advanced career appraisal on i-Recruit this year for better selection and conversion. Powered by dynamic questionnaires and a smart assessment engine, this provides recruiters with candidate competency assessment and recommendations in real-time.

We are also deploying a powerful predictive performance management model on Master Planner for early detection, early intervention and early remediation. This continually assesses agent behaviours and activities, automatically generating analytics with actionable insights for agency leaders to follow up.

Many of our agent applications and supporting tools are powered by AI and importantly they are all available to our agents 24 hours and 7 days. Our intelligent AI personal assistant provides our agents with instant answers on a huge range of possible inquiries from policy information to underwriting rules.

To reinforce training with practical experience, we have also developed an AI-enabled training simulation tool. This helps agents to practice a wide range of customer interaction scenarios. Using natural language processing and voice recognition technology, the agent is given real-time feedback on their professional knowledge and quality of customer engagement. As we further leverage analytics and AI in our digital tools across the entire value chain, we aim to drive another step change in productivity and quality, further differentiating our Premier Agency.

China presents an incredible opportunity for AIA. We have significant headroom for growth in our established operations. And every new province we enter brings new greenfield opportunities with many millions of potential new customers. This opportunity is unique to AIA and our highly scalable operating model and leading Premier Agency powered by TDA enables us to access this opportunity efficiently and at scale, as we help millions more Chinese families live Healthier, Longer, Better Lives.

Ben Ng – *Chief Executive Officer, AIA Malaysia*

In Malaysia, TDA has been instrumental in our delivery of strong results for 2020 and 2021 and has helped us remain the market leading agency by MDRT. At the centre of this story is the Life Planner app – our powerful, end-to-end, one-stop platform for our agents.

The Life Planner app includes elements modelled on the proven tools we have developed and adopted in other markets, like Master Planner which Fisher talked about earlier. This demonstrates how we locally leverage the power of the AIA Group and replicate our success in multiple markets. This app enables greater productivity by digitally enabling our agents to do their job. It provides timely and extensive information about our customers in Malaysia and allows our agents to provide appropriate advice to our customers through their evolving life stages.

The widespread adoption of the Life Planner app has allowed us to conduct an incredible amount of our business virtually, providing greater resilience and helping us to grow the business through the pandemic.

Today I am proud to say that all recruitment in Malaysia is done digitally. That is 100 per cent of Premier Advisors recruited and trained digitally, ensuring that agents adopt new ways of working from day one.

Our approach to customer acquisition has shifted dramatically in the last 18 months. Seamless integration with social media and third-party digital partners is a powerful capability for our agents to build their sales pipeline. The app is instrumental in helping agents develop consistent and long-lasting sales habits. This is achieved through gamification, continuously reinforcing successful sales behaviours and increasing the productivity of our agents. And the sales process is fast and frictionless, with remote completion and online payment capabilities being just some of the easy-to-use features, facilitating a seamless customer journey.

Our Life Planner App is a key differentiator in the Malaysian market, and a critical enabler for increasing scale and enhancing quality at the same time.

Wong Sze Keed – *Chief Executive Officer, AIA Singapore*

At AIA Singapore, our goal is to be the most digitally-enabled insurer. We have been on our digital transformation journey for several years; however, we have significantly accelerated since the start of the pandemic. The quality of our digital tools has driven high adoption rates among our Premier Agents across the value chain.

Our powerful all-in-one app, iSMART, helps our agents manage and nurture deeper relationships with customers, integrating cross-functional capabilities into a seamless experience. Digital adoption is increasing and over 70 per cent of our agents now use iSMART.

Our agents in Singapore benefit from many of the tools you have heard about from Fisher and Ben. Particularly, I will focus on digital engagement through social media channels and our remote sales capabilities.

We have integrated social media marketing capabilities directly into iSMART, creating new and compelling ways for our agents to attract and engage with new customers. Our vision is to transform every agent into a “Social Chief Marketing Officer”. And all of this happens within iSMART, with capabilities supporting social media marketing and lead management.

We provide agents with curated digital marketing content that is easily shareable across a range of social media and messaging platforms. And we back that up with analytics-driven customer insights that support greater customer personalisation and highly relevant products and offers. We use a highly efficient and systematic approach to lead generation, nurturing and management, which helps us to further improve sales conversion whilst delivering a superior customer experience. Agents are provided personalised links that can be shared with customers, enabling self-purchase of simple products on our AIA Now eCommerce platform in a few simple steps.

The results have been impressive. More than 60 per cent of our agents share digital content every month. Over 390,000 digital leads have been generated since January 2020 generating 89 million Singapore dollars ANP. In 2020 iSMART won the MOBEX Gold award for Best Use of Mobile – insurance services.

For our agents to convert leads seamlessly, we have a fully interactive digital sales platform with 100 per cent remote sales capability and fast policy issuance. This platform is integrated with Singapore GovTech services for greater speed and convenience while maintaining a high level of security. We use MyInfo to pre-populate customer info from Singapore’s national identity database. This eliminates the need to submit hardcopy identification and remove manual verification steps to support faster turnaround times. We are the first insurer in Singapore to implement “Sign with Singpass” to digitally sign applications securely and conveniently.

Our digital sales platform is further integrated with digital underwriter for immediate auto-underwriting and Pay EZ for fuss-free online payments, allowing us to issue policy contracts in less than two hours.

Bill Lisle – Regional Chief Executive and Group Chief Distribution Officer

The second pillar of our Unrivalled Distribution is our extensive portfolio of strategic partners across Asia, a unique and valuable asset for AIA.

Our high-quality bancassurance partners have leading retail positions across many of our markets and provide access to over 150 million customers. The majority of our strategic bancassurance partners have over 10 years left to run, providing us significant potential for growth. Our new, digitally-led approach to bank distribution is addressing the limitations of the traditional in-branch sales model.

We are deploying differentiated propositions centred around health, wellness and lifestyle related solutions, including AIA Vitality to drive customer engagement and affinity through online channels. As customer preferences evolve we offer more choice of how to purchase from face to face to fully online advice. Simple, streamlined and integrated sales processes deliver a frictionless customer journey so our partners can focus on creating value for their customers.

We use data-driven marketing and propensity models to better target in-branch customers and provide broader access to previously untapped online credit card customers. Again, leveraging TDA we are creating sustainable long-term growth opportunities and productivity improvements for AIA and our partners.

In India, Tata AIA Life has pioneered our use of digital and analytics tools, transforming our approach to partnership business and we are industrialising these tools in other partnerships across the Group.

Naveen Tahilyani – *Managing Director and Chief Executive Officer, Tata AIA Life*

Tata AIA leads the Group and Indian market in partnering with both traditional players, such as banks and brokers and new-era digital platforms.

We are a differentiated and highly-focused multi-channel business with the most productive agents in the market. We are a leader in protection business in a market that has low insurance penetration and a large protection gap.

Our partners include leading domestic banks and multinational banks, and these provide us access to 12,000 branches across the country and more than 100 million retail customers. To support our bank partners' online customer journeys, we have adopted a fully-digitalised and remote assisted sales process that allows for customers to be onboarded within 35 minutes.

Our deep integration with partners' systems allows us to capture leads directly from dedicated CRM tools that combine customer data with AIA's advanced analytics techniques including propensity modelling.

Integration with credit bureaus, government databases and third-party administrators ... all of these have allowed a rapid transfer of data, enabling seamless customer onboarding experience, simplified underwriting and issuance processes, and also compliance with regulatory requirements such as Know-Your-Customer obligations.

Using these deep connections we have digitalised payments, policy completion and submission, meaning that both customer and agent can complete the process anytime, anywhere and with minimal friction to arrive at issuance. With this digital integration, we can see the positive impact on the top line, the bottom line, in productivity and in wallet share.

We understand bancassurance well. We have used our wealth of experience to create an incredibly attractive proposition. These tools and systems are now helping us extend our reach to a whole new categories of business partner business. Policybazaar, for example, is India's largest online digital insurance marketplace with 93 per cent market share.

Yashish Dahiya – *Co-Founder and Group Chief Executive Officer of Policybazaar.com*

Policybazaar accounts for almost a fourth of India's total life cover. Acknowledging as an enabler of business, I don't look at technology for technology sake. Artificial intelligence, data analytics, voice analytics, behavioural analytics. But we do it because it makes sense for that particular purpose in the business and because it adds something.

Tata and the Policybazaar team have diligently worked on each area that we connect. I think the partnership is based on a lot of trust. They are a very strong partner ... I think a very long term partner.

We still have a lot of product innovation to do. Still, only about 10 per cent of people in India who can buy life insurance have bought life insurance.

Naveen Tahilyani – *Managing Director and Chief Executive Officer, Tata AIA Life*

Seamless partner integration and simplicity of execution ... these are the key to driving value through partnerships. Tata AIA does this most successfully by delivering a seamless experience for both our distributors and customers.

A broad range of system integrations, advanced analytics and omni-channel sales journeys that align to customer preference are the foundations of our bancassurance strategy. These are helping us engage with many more new customers and will support growth across our impressive portfolio of partners in India for many years to come.

Bill Lisle – *Regional Chief Executive and Group Chief Distribution Officer*

I am very passionate about the potential of digital platform partners that bring new models for distribution and new growth for AIA. We have an expanding network of the best digital platform partners, with hundreds of millions of highly-engaged and active users. We work with our partners to develop and deliver highly relevant and personalised propositions.

AIA's significant competitive advantages and deep experience in Asia make us a great fit for these platforms. And as we further enhance our TDA capabilities, we become increasingly attractive to digital partners that can bring significant new value pools to AIA.

The strength of our multi-channel distribution offers customers more choice in how they access our products and advice from fully online to face-to-face. Supporting customer preferences improves engagement, increases conversion rates and maximises value creation. And importantly it further strengthens and differentiates our Premier Agency by bringing in new customer leads and incremental growth.

We use an agile approach, enabling faster iteration cycles when delivering compelling solutions as we test and learn in one market before industrialising across others. In South Korea, we brought together SK Telecom, Samsung Card and AIA Vitality to launch a constellation of new joint propositions targeting a combined customer base of 40 million people.

Peter Chung – *Chief Executive Officer, AIA Korea*

Our digital platform partnership strategy is radical and pioneering. We build partnerships with strong "win-win" alignment to attract customers for us and our partner's business, leveraging joint data analytics and digital marketing capabilities.

Here in South Korea, we are partnered with two of the most trusted and best-in-class brands – SK Telecom and Samsung Card. The scale and reach of these partners combined with everything that AIA brings to the table have allowed us to create some truly exciting innovations especially in the Health and Wellness space.

First, SK Telecom. They are the largest mobile operator in Korea with nearly 50 per cent market share. With SK Telecom, we launched AIA Vitality in 2018 – the first health and wellness platform of the Korean market.

In November 2020, we transitioned to a fee-based AIA Vitality proposition, the first-in-market insurance products with dynamic pricing, along with a variety of other lifestyle benefits for our customers. In August 2021, we extended our strategic partnership by integrating with T Universe, SK Telecom's newly-launched subscription platform which offers a wide range of services to their existing customer base and beyond.

In a powerful and highly visible initiative, we introduced the Samsung Galaxy smartphone and watch programme. With this programme, customers can purchase a Galaxy Z Fold3, Galaxy Z Flip3 smartphone or Galaxy Watch4, alongside AIA Vitality Insurance product at a bundled discounted price.

We leveraged the new Samsung Galaxy products to generate higher customer acquisition for SK Telecom, higher insurance conversion for AIA, and higher uptake for Samsung electronics. It perfectly encapsulates our “win-win” partnership strategy.

This programme provides us with access to Samsung Health members, where we can incorporate members’ health data alongside AIA Vitality data for better customer insights and targeted positive underwriting offers. What is hugely exciting and unique about this programme is that this isn’t us simply plugging into an existing digital ecosystem. Rather, we are actively expanding the ecosystem with a shared offering. This creates significant benefits to all partners and customers that come from enriched customer propositions, data sharing and joint analytics.

Also with Samsung Card we have created a co-branded credit card – Korea’s very first Health and Wellness credit card, which was launched on September 30th. The Samsung Card is the number two player in Korea with close to 20 per cent market share. It is an excellent example of our “win-win” digital platform partnership model in action. It drives customer acquisition for Samsung Card and, in turn, higher insurance conversion and retention. It further strengthens the ecosystem with transactional touchpoints centred around Health and Wellness for AIA.

Strong integration and alignment between AIA Vitality and Samsung Card was vital to realise the customer benefits of the “ME” and “WE” co-branded cards, which include discounts on AIA insurance and AIA Vitality membership fees to access personalised loyalty and lifestyle benefits.

We have also recently launched a loan protection offering with Samsung Card, known as AIA Credit Shield insurance, through seamless integration with the Samsung Card app. This is a powerful partnership. Samsung issues some 100,000 new personal loans per month, generating considerable customer insights and data for an affluent customer segment within an immense digital ecosystem.

We are incredibly excited about our digital platform partnerships and committed to working with our strategic partners, SK Telecom and Samsung Card, who are both equally enthusiastic about developing this new digital-led business model together.

Bill Lisle – Regional Chief Executive and Group Chief Distribution Officer

Right across Asia, you can see the impact of AIA’s bold and dynamic TDA transformation on our distribution platforms. We are enhancing and scaling our industry-leading distribution platform across Premier Agency, partnerships, group and corporate solutions and digital platform partners, and it is clear that TDA is at the core of our success.

Driving the adoption of powerful digital tools and deploying advanced analytics across the Group allows us to increase productivity, enhance quality at scale and accelerate growth. We have shown you the power of our proven approach of developing best-in-class solutions in one market before replicating and industrialising across the Group.

Our shared value approach makes us a highly attractive partner everywhere we go, and we are deploying digital-led models to access significant new growth opportunities. And with our seamless online-to-offline journeys, digitally-originated leads are enhancing the productivity of our Premier Agency, further differentiating us against the industry as we deliver ever more personalised advice.

AIA’s unrivalled distribution is a key pillar of delivering our purpose of helping millions more people across Asia live Healthier, Longer, Better Lives.

Stuart Spencer – *Group Chief Marketing Officer*

At AIA, we are committed to leading the industry in innovating and providing Compelling Propositions that we believe are fundamentally difficult to replicate and reinforce our competitive advantages.

Our investments in TDA, particularly in our health and wellness ecosystem, enable us to provide integrated and personalised journeys for our customers that really do deliver better health outcomes. At the core of our ecosystem is AIA Vitality, our comprehensive wellness programme that is integrated into our insurance propositions. Let me explain why.

We believe a healthier Asia is the most important and valuable impact we can have on our communities today and in the future. Our Purpose is now more relevant and resonant than ever. Over the last three decades, Asia has become rapidly wealthier but not healthier.

Lifestyle-related diseases are prevalent, accounting for more than 70 per cent of all deaths. Modifiable factors such as physical inactivity, poor nutrition, smoking and excess alcohol have continued to fuel the rise of non-communicable diseases. These include cancer, diabetes, respiratory and heart disease, as well as mental disorders and conditions. Mounting evidence now demonstrates the link between poor health and the environment. Air pollution is second only to tobacco smoking in causing global NCDs.

As the largest life, health and wellness provider in the region, serving the needs of millions of customers, we recognise that it is critically important for AIA to play an active role in reversing these concerning trends and to lead the industry by being at the forefront of change.

AIA Vitality exemplifies our Purpose to help people live Healthier, Longer, Better Lives. It is a comprehensive wellness programme that incorporates lifestyle rewards to drive positive behavioural change and puts members in control of improving their long-term health. Through AIA Vitality, we have fully-embraced and adopted a shared value model, where we operate in a way that delivers economic value for shareholders while also creating value for society, tying our financial success to community success.

Fundamental to this is our belief that when we provide our customers with financial products and healthcare services that integrate rewards and incentives, we can successfully enable behavioural change and motivate our customers to realise better personal health outcomes, and thus healthier lives. This is a win for AIA, a win for the customer and of course a win for society.

AIA was the first in Asia to launch this scientifically-proven wellness programme, and we were the first to recognise that proactive health management offers people a more sustainable lifestyle. AIA Vitality engages with members digitally and encourages them to take responsibility for their own wellness. It tracks activity and health data and is tailored to a customer's specific needs. Using human-centred design, it has a sophisticated, easy-to-use navigation system delivered through smart devices, allowing customers to earn points across multiple wellness dimensions.

Physical activity, nutrition, mental health and sleep are core programme components with members striving to continually "level-up" to access greater lifestyle rewards across four status tiers – Bronze, Silver, Gold and Platinum, adding challenging gamification for members.

The beauty of AIA Vitality is its simplicity: Know Your Health, Improve Your Health, Get Rewarded, and lead a more rewarding life. To understand more about how customers experience AIA Vitality, let's meet Ava.

Narrator

Ava is 28 years old and a primary school teacher. As part of her personal health and wellness plan, she had a conversation with her AIA agent about her financial planning and was surprised that rather than the conversation being about illness or death, the AIA agent instead emphasised the foundational role that good health plays in financial planning.

Finding the policy perfect for her needs, Ava purchased the AIA medical insurance plan and the small AIA Vitality membership fee is added to her premiums. Once logged in, Ava browses the different activities which can earn her AIA Vitality points. These points earn her rewards and translate into savings on her insurance premium.

Ava uses the health online assessments to understand her health status better. She sets herself some simple health goals to eat more healthily and continue exercising regularly. Ava also got a fitness tracker with her AIA Vitality member discount, automating her ability to track her health progress. She can even earn points from tracking her sleep. After a few weeks, Ava's points are accumulating and she is well on her way to raising her Vitality status.

She has also earned movie tickets from time to time as part of the reward programme. Ava books a health check through one of AIA's network of health providers. Ava continues to make use of the everyday features including the AI-based food scoring tool, which gives her feedback on her daily meals, as well as access on-demand to a network of nutrition coaches.

Some of Ava's friends are also members of AIA Vitality and they have set up a challenge group within the app. Ava finds this is great extra motivation and helps her exercise regularly. By staying active on the AIA Vitality programme, Ava easily reaches Gold, and is steadily approaching Platinum status. She enjoys the premium discounts and other benefits on her plans every year.

By achieving Platinum status, Ava did not have to pay for the deductible amount and got a rewards and benefits upgrade for free. By staying healthy, Ava did not make any claims. As a reward, AIA credited money into her Health Wallet. Through her commitment to exercising regularly and eating healthier, she has been able to improve her biometrics and earns AIA Vitality booster points. Ava continues to live Healthier, Longer and Better with AIA Vitality.

Stuart Spencer – Group Chief Marketing Officer

We are proud that we have over 1.3 million active AIA Vitality members who perform 700,000 workouts each day. This increase in physical activity directly correlates with better health outcomes for our members. For example, 52 per cent of at-risk customers have seen their blood pressure levels improve, and 72 per cent of at-risk customers have seen their blood glucose levels decline.

Not only does AIA Vitality create value for customers through better clinical health outcomes, it produces significant competitive advantages for AIA, enabling us to attract new customers and improve financial results.

Mobile by design, the programme appeals to young, healthy customers who might otherwise not be keen to buy insurance. For example, AIA Vitality customers are four years younger than non-Vitality customers in both Singapore and Thailand.

In the last three and a half years, we have generated more than 1.6 billion US dollars of VONB from integrated product sales, reflecting the resonance, relevance and strength of AIA Vitality's value proposition. As our members achieve better health outcomes, claims performance improves. For example, at AIA Australia, hospital claims for Gold and Platinum customers are 15 per cent lower than for Bronze members.

Lower claims and higher persistency create an actuarial surplus that is channelled back into programme enhancements. Members then benefit from cheaper insurance and more comprehensive protection, making our products significantly more competitive and attractive.

Superior customer preference for AIA means lower lapse and higher propensity to purchase additional products. For example, Gold and Platinum AIA Vitality customers have up to 50 per cent lower lapse rates and purchase additional products at a rate 80 per cent higher compared to non-Vitality customers.

Our agents who sell AIA Vitality integrated products are four times more productive than standard agents. They have more touchpoints with their customers on their health journeys, giving them multiple opportunities to engage and cross-sell.

Christian Wards – *Director of Group Health & Wellness Transformation*

AIA Vitality is our signature wellness programme and core to us being a shared value insurer. It also holds a central position in delivering on our “payer to partner” ambition by providing end-to-end Health and Wellness journeys to our customers, using the strategic framework of predict, prevent, diagnose, treat, and recover or PPDTR.

Under this framework, we partner with the best-in-class solution providers to deliver relevant and personalised interventions and services across the PPDTR journey that provide the right care at the right time to improve health and wellness outcomes.

We are expanding our partnerships with providers that demonstrate clinical efficacy and scalability in Asia, enabling us to deliver health and wellness journeys integrated with our insurance products to deliver differentiated customer propositions.

The COVID-19 pandemic has structurally altered attitudes and access to telemedicine usage in Asia, with overall initial online telemedicine consultations increasing 84 per cent in the first half of 2021. We have seen markets such as Singapore realised over a tenfold increase in initial consultations since the onset of the pandemic as customer preferences have shifted. And as customer demand evolves, we are expanding telemedicine services from six to ten markets already in 2021 to match these needs.

And we are making it easier for customers to use our Health and Wellness services in our development of integrated digital platform with a focus on a superior user experience. We are live in China as our initial market, let's see what this means for our customers.

Narrator

A curious non-AIA customer creates an account in seconds and discovers a cool facial biomarker for health data, and a compelling call to action to sign up to learn more on staying healthy.

A customer who doesn't feel well logs in and finds his scan data shows an elevated stress index. He starts the AI symptom checker which gives him results and recommendations. He chooses a cashless tele-consult he knows his medical benefit allows for then orders an online prescription to be delivered.

A policyholder who is stressed about her financial situation clicks the call to action to learn more... begins the financial health assessment... receives a financial health score and insights... and contacts AIA to start a retirement plan.

The lifestyle super app will also accelerate our journey to becoming a digital leader by connecting best-in-class services, features and journeys to give everyone a best-in-class digital experience.

Christian Wards – *Director of Group Health & Wellness Transformation*

As a pan-Asian health insurer with market-leading positions in the medical tourism hubs of the region, we are uniquely positioned in the regional healthcare provider network we can offer to customers.

AIA's Regional Health Passport connects customers to preferred quality providers in Asia's key healthcare hub markets, enabling cross-border cashless access to treatment and peace of mind to our customers. Customers can access the right care in their preferred location with this pre-authorised, cashless access.

To understand this a little better, let's now get a deeper insight into how our Health and Wellness Ecosystem is delivering on Healthier, Longer, Better Lives with the CEO of AIA Australia, Damien Mu.

Damien Mu – *Chief Executive Officer, AIA Australia*

We have had AIA Vitality in place since 2014, and it is really pretty much embedded in everything we do and we built to hold health and wellbeing ecosystem around that.

I am extremely excited about AIA Vitality. It is at the heart of what we do at AIA Australia. It is really about how we deliver on our purpose of making a difference in people's lives and how we champion the dream of Healthy, Longer, Better Lives. It is really core to how we engage with our customers now to through our health and wellbeing ecosystem.

We have a range of programmes depending on what issues and illnesses our customers are going through to support in the system. You know, I think like pain coaching. I saw the latest statistics that a thousand of our customers have gone through that. And it is great to have great programmes. But unless we make it simple and easy and be simpler, faster, more connected for our customers to access those, they are not going to access. And there will be great programmes and sort of sit there on a shelf, right?

And when you have got such great programmes, which has great results, the key in the ambition is to get them to as many people as we can, as many Australians as we can. So TDA is really about a significant enablement of that proposition and that ecosystem right into the palms of our customers' hands so that they can access it by the touch of a button.

So it is higher take-up of AIA propositions and products, better retention because they are engaged with us. And, of course, better claims. So that is a great benefit for AIA. But then by doing that, that is having a profound and positive impact on society and the economy.

So it is more affordable, and attainable for them to access their insurance propositions. It actually helps them lead Healthier, Longer and Better Lives, and that is the dream. So that, for me, is about what shared value is win, win, win.

Stuart Spencer – *Group Chief Marketing Officer*

Our Health and Wellness ecosystem, with AIA Vitality at its core, is the perfect example of the innovative and Compelling Propositions we are launching across all our markets. We are empowering our customers and distributors through the power of TDA. Technology, digital and analytics enables incredible personalisation of propositions and advice as we meet the needs of millions of our customers. All of these add up to Compelling Propositions that are difficult to replicate, driving long-term sustainability and growing shareholder value.

Wong Sze Keed – *Chief Executive Officer, AIA Singapore*

We pride ourselves on anticipating the ever-evolving needs of our customers. That means access and information across their learn, buy, service and claim journeys on any platform and at any time. Through our investments in TDA, we can provide an easier, more efficient, and more personalised experience for our customers.

We leverage the power of analytics and artificial intelligence to better understand and serve our customers. Interactions with agents and partners and increasingly direct with AIA are rapid, seamless and accurate, thanks to our leading digital apps and tools. This best-in-class experience is driven by our guiding principles of simplicity, timeliness, and reliability.

Fisher Zhang – *Chief Executive Officer, AIA China*

At AIA China, we have built an end-to-end digitalised customer journey, driving high levels of digital adoption and automation. Customers have access to apps, tools and services to support them across their learn, buy, service and claim journeys. And many of our processes have been automated. So, response is almost instant.

Our customers value our service highly and AIA has ranked as number one on CES and NPS for the last four years. And our apps are also very highly rated. Understanding our customers is key to delivering the best experiences, and through TDA we have built continuous and real-time customer feedback systems.

With 11 different touchpoints covering buy, service and claim journeys, we collect customer feedback in real time. Over the past three years, we have acted on the insights from more than 250,000 customer surveys. These results inform ongoing improvements at all levels of the organisation, enabling deeper and more timely engagement with greater personalisation.

So, how do we maintain this leading customer experience as our business grows ever larger? Meet Xiao Bang, our AI personal assistant.

Xiao Bang – *AIA China's AI Personal Assistant*

Customer: Hello.

Xiao Bang: Hello, Miss Chen, this is Xiao Bang, an intelligent service robot from AIA China. It shows that you have not paid your renewal premium for your medical insurance. Did you forget to pay the premiums?

Customer: Oh yes! I forgot to pay the premium. What should I do now?

Xiao Bang: Don't worry. I can help you to apply for your renewal ... This is Xiao Bang.

Fisher Zhang – *Chief Executive Officer, AIA China*

Since launching in 2020, Xiao Bang started out making basic outbound calls and has grown up to handle more complex two-way conversations. Xiao Bang is even able to pick up on the nuances of a customer's voice. Through emotion tracking, Xiao Bang utilises a combination of acoustic models, emotion recognition, and over 500 risk factors, creating a sense of trust and understanding for customers.

Xiao Bang has a growing portfolio of applications which bring direct financial benefits to the company... opportunities that would otherwise be impossible. It allows us to systematically engage with more customers at a scale previously unimaginable. For example, Xiao Bang automatically calls customers with overdue premiums and intelligently manages over 50 interaction scenarios, and over 110 customer response scenarios. Already this has helped to recover more than Renminbi one billion of premiums in the last 18 months and ensured thousands of our customers continue to be protected by AIA.

With each interaction, Xiao Bang is learning and growing, continuously updating its database and capabilities. In this way, Xiao Bang is the embodiment of our vision of delivering a leading customer experience, constantly evolving to meet our customers' needs.

Wong Sze Keed – *Chief Executive Officer, AIA Singapore*

Health and Wellness is core to our business. In Singapore, we have focused our innovation efforts on providing a comprehensive and seamless health, wellness and claims experience for our customers.

We are committed to provide greater peace of mind with financial assurance so that customers can focus on recovery. This is powered by our AI platform Claims EZ. Customers can use this to submit medical claims on the go. And Claims EZ made us the first insurer in Singapore to introduce a fully-digital HealthShield pre-authorisation for our customers, agents and doctors. It is also augmented with remote authentication capabilities to enable our agents to assist customers with their submissions electronically.

Powering Claims EZ is a smart OCR engine that auto-extracts information from invoices and bills, and applies AI and supervised machine learning technologies for auto claims assessment. And it is also integrated with PayNow, Singapore's secure fund transfer for Immediate and cashless claims disbursements.

The results are dramatic. 100 per cent of all pre-authorisation requests are assessed using Claims EZ, with over 84 per cent approved within one day. Our customers can concentrate solely on their recovery without concerns about costs. 98 per cent of AIA HealthShield claims are assessed by the AI engine, with 60 per cent processed with no human intervention. At AIA Singapore, 60 per cent of claims are paid out within 24 hours.

Perhaps the most compelling result of all, is a 20 per cent improvement in claims satisfaction within one year. Doctors from private hospitals have also given positive feedback on our Claims EZ's pre-authorisation being fuss free, easy to use, with a speedy turnaround time.

Our efforts have been recognised in the industry. In 2021, we have won several awards for Claims EZ on technology, innovation and customer experience.

Ben Ng – *Chief Executive Officer, AIA Malaysia*

AIA Malaysia is a market leader in Customer Experience. Our mission to help our customers live Healthier, Longer, Better Lives is one which resonates well with the market. All this is enabled through My AIA, our award-winning comprehensive app.

My AIA provides customers with a digital platform to engage in our total Health and Wellness solution, including innovative AIA Vitality propositions, to help our customers live their best lives. Through a host of strategic partnerships, every step of the PPDTR journey is covered in our Total Health solution to help customers predict, prevent, diagnose, treat, and recover. At the core of predict and prevent is AIA Vitality, our integrated wellness programme that encourages and fosters good habits for a healthy lifestyle.

To provide our customers with even more support, they will also have access to an extensive network of nutrition coaching, weight management and chronic disease management services with healthcare technology company Holmusk. But if something does go wrong, a diagnosis is just one tap away. Through our telemedicine provider Doc2Us' streamlined platform, customers can consult with a physician, receive a diagnosis, and have medicines delivered right to their front door.

For more serious conditions, medical management solutions company Medix provides access to an international network of specialists to advise and guide customers through the most suitable treatment options and latest clinical trials.

In addition to our customers' physical wellbeing, we also prioritise their financial wellbeing. The Financial Health Check on My AIA provides customers with an overview of their insurance covers, helping them understand which areas have gaps and providing personalised solutions as their financial needs change throughout their life. So far, over 180,000 customers have completed a financial health check. This is an important step in the process for regular engagement ... a way for agents to keep on top of customers' evolving life stages so that we can be an active partner in their lives and driving increased customer life-time value.

AIA Malaysia's TDA journey has successfully brought us to a place where we are able to provide a wide range of self-serve, frictionless services, and unique experiences. Our integrated, shared value proposition is delivered through a deeply-personalised service to our customers. With easy access to best-in-class partners, we offer the right care when it is needed with clinical efficacy.

Above all, we offer confidence and peace of mind, which are what our customers value and come to expect from AIA. Our customers agree and are responding well to it. My AIA already has over a million registered users and high ratings on the app store. Our agents have generated over 400,000 digital leads. And the digital tools we have created are being put to good use. Nearly all applications and claims are submitted digitally and 100 per cent of claims are paid digitally.

Fisher Zhang – *Chief Executive Officer, AIA China*

I am incredibly excited about the next stage of our TDA development for customers. We call this One Experience. This is a step change in our use of TDA ... a completely digital, data-driven and integrated customer service, nurturing and engagement platform.

One Experience is designed to further enhance our customer experience and affinity whilst creating a multitude of business benefits for AIA through greater customer insights. It brings together AIA's comprehensive propositions, including health and wellness, wealth management, retirement and legacy planning, segment-specific social media content, activities, privileges and tools designed to drive higher awareness and engagement.

Backed by a powerful data mart and customer tagging system, One Experience can bring us rich behaviour data and generate many actionable insights. This will lead customer experience into the next level as we engage our customers in a much more personalised and targeted way and build life-time affinity. One Experience will seamlessly integrate with our agency digital platform, automatically providing our agents with relevant and timely hot leads, existing customer next best offers, and sales opportunity prompts designed to deepen customer relationship and significantly increase agent productivity.

We will launch One Experience in December. Riding on this platform and strong data analytical capability, we will be able to engage more meaningfully with millions more prospective customers via social media and third-party digital platforms, vastly increasing the pool of prospects for our Premier Agents.

Wong Sze Keed – *Chief Executive Officer, AIA Singapore*

Our commitment to a bold transformation of our customer experiences driven by our step change in TDA is already delivering impressive results and superior customer experiences. TDA enables us to provide a more efficient, convenient, engaging and highly-personalised service. And as we continue to drive forward with our transformation, everything we do is guided by our three principles of simplicity, timeliness and reliability.

Xiao Bang – *AIA China's AI Personal Assistant*

Thank you. Goodbye.

Lee Yuan Siong – *Group Chief Executive and President*

Today we have demonstrated how a step change in TDA is helping us to accelerate delivery of our key strategic priorities. As we further scale our unrivalled distribution across Asia, TDA supports us to increase productivity and create significant new growth opportunities through digital-led models at pace.

We are future proofing our industry leading Premier Agency with intelligent digital tools across the entire value chain and continuously driving up quality. Our Next-Gen Agency Leaders can recruit, train and actively manage increasing numbers of new agents supported by data analytics and real-time performance management. We boost agent productivity with digitally-sourced leads, and a more personalised needs-based advice process for customers. The combination of TDA and our high-quality professional Premier Agents ensures that our platform remains differentiated from the rest of the industry, as we drive increased scale and value of new business.

Powered by TDA we are able to seamlessly connect with our traditional and non-traditional partners and offer a consistent and integrated digital experience. Customers can choose how to interact with us from fully digital to remote-assisted and face-to-face. We are driving greater productivity improvements through higher customer engagement and sales conversion rates.

Digital-led models help us reach entirely new customer bases that we monetise through increased share of wallet. And increasingly rich customer data enables actionable insights for our distribution to drive repeat sales and increase customer lifetime value.

Our investments in TDA enable us to provide innovative and personalised Health and Wellness journeys. AIA Vitality is the core engine for daily engagements that are delivering better shared value outcomes. And higher customer engagement drives improved persistency, claims experience, risk management and value of new business.

Digital tools, greater automation and analytics are transforming our Customer Experience leading to enhanced operational efficiencies. Our AI-enabled claims processes result in higher accuracy and faster payments. While automation and AI achieves more personalised and consistent customer service, driving higher engagement and retention.

In summary, our significant and targeted investments are transforming every aspect of our business, with best-in-class tools and capabilities driving higher productivity, increased customer loyalty, better risk management and greater efficiencies. TDA is at the heart of our clear and ambitious strategy which I am confident will achieve our purpose of helping millions of people live Healthier, Longer, Better Lives, while delivering profitable growth and shareholder value well into the future.

– End –