



HEALTHIER, LONGER,
BETTER LIVES

AIA Philippines Group Environmental, Social and Governance Report 2022

Philippine Business Unit Report



HEALTHIER, LONGER,
BETTER LIVES



BPI



FORMERLY BPI-PHILAM LIFE ASSURANCE CORPORATION



HEALTHIER, LONGER,
BETTER LIVES



MediCard

Prescribed by Doctors

AIA INVESTMENT MANAGEMENT
AND TRUST CORPORATION PHILIPPINES



Sustaining Healthier, Longer, Better Lives

AIA's Purpose is to help people live Healthier, Longer, Better Lives. It underpins everything we do.

Sustaining Healthier, Longer, Better Lives is about delivering on our Purpose, creating value for all stakeholders and futureproofing our business through making ESG integral to how we do business.

As the largest pan-Asian life and health insurer and a significant asset owner and investor, we recognise the scale of positive transformation we can make to create a healthier, sustainable future for Asia.

Our 2022 ESG Report showcases the actions we are taking to create this future.



CONTENTS

2022 ESG Highlights.....	04
About the AIA Philippines Group	05
Statement from the Chief Executive Officer	06

Our Approach to ESG

Our ESG Strategy	09
Delivering on Our Strategy	
Health & Wellness.....	10
Sustainable Operations.....	11
Sustainable Investment	12
People & Culture	13
Effective Governance	14
About this Report.....	15

Health & Wellness

Our Health & Wellness Pillar.....	17
Summary of Strategic Priorities & Progress in 2022	18
Our Strategic Priorities in Detail.....	19

Sustainable Operations

Our Sustainable Operations Pillar	26
Summary of Strategic Priorities & Progress in 2022	27
Our Strategic Priorities in Detail.....	28

Sustainable Investment

Our Sustainable Investment Pillar	33
Summary of Strategic Priorities & Progress in 2022	34
Our Strategic Priorities in Detail.....	35

People & Culture

Our People & Culture Pillar	37
Summary of Strategic Priorities & Progress in 2022	38
Our Strategic Priorities in Detail.....	40

Effective Governance

Our Effective Governance Pillar	50
Summary of Strategic Priorities & Progress in 2022	51
Our Strategic Priorities in Detail.....	52

2022 ESG Highlights



Health & Wellness

MORE THAN **1.1 MILLION** OVER **1 MILLION**

holders of individual policies and insured group members served, respectively

NEARLY **PHP 4.0 BILLION**

paid in total benefits and claims

ALMOST **PHP118 BILLION**

in total sum assured provided until end of 2022 (includes life, critical illness, and medical)



Sustainable Investment

Establishment of the **ESG RATING SCORECARD**

Designed to enhance the investment research process covering sustainability matters



Sustainable Operations

WASTE MEASURED

for the first time, to assess our impact on the environments in which AIA Philippines and its subsidiaries operate.

96% DIGITAL SUBMISSIONS

Digitalized 96% of buy service, and claims transactions, reducing the use of paper in operations



People & Culture

68% OF WOMEN

completed, or are currently enrolled, in leadership programs

127% INCREASE in average time spent by employees individually on capacity building/upskilling



Effective Governance

RECOGNIZED WITH 3 GOLDEN ARROWS AND 2 GOLDEN ARROWS

for AIA Philippines and BPI AIA, respectively, at the 2022 Golden Arrow Awards in recognition for top scores in the 2021 ASEAN Corporate Governance Scorecard Assessment mandated by the Insurance Commission

About the AIA Philippines Group

The AIA Philippines Group refers to AIA Philippines (AIA Philippines Life and General Insurance Company Inc.), formerly AIA Philam Life (The Philippine American Life and General Insurance Company) and its affiliate companies BPI AIA Life Assurance Company (formerly BPI-Philam Life Assurance Company), AIA Investment Management and Trust Corporation Philippines (AIAIM PH), and as of end 2023, MediCard Philippines.

By putting its customers at the center of its operations, the AIA Philippines Group has earned the trust of its stakeholders and has achieved continued growth over the years.

The AIA Philippines Group is guided by its mission of racing against risk to empower Filipinos to live healthier, longer, better lives. Through its strong network, it is able to offer financial solutions such as life protection, health insurance, savings, education, retirement, investment, group and credit life insurance, and fund management products and services.

AIA Philippines and its affiliates are a member of AIA Group Limited, the largest independent publicly listed pan-Asian life insurance group.



AIA INVESTMENT MANAGEMENT AND TRUST CORPORATION PHILIPPINES

About AIA

AIA Group Limited and its subsidiaries (collectively “AIA” or the “Group”) comprise the largest independent publicly listed pan-Asian life insurance group. It has a presence in 18 markets – wholly-owned branches and subsidiaries in Mainland China, Hong Kong SAR⁽¹⁾, Thailand, Singapore, Malaysia, Australia, Cambodia, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China), Vietnam, Brunei and Macau SAR⁽²⁾, and a 49 per cent joint venture in India.

The business that is now AIA was first established in Shanghai more than a century ago in 1919. It is a market leader in Asia (ex-Japan) based on life insurance premiums and holds leading positions

across the majority of its markets. It had total assets of US\$303 billion as of 31 December 2022.

AIA meets the long-term savings and protection needs of individuals by offering a range of products and services including life insurance, accident and health insurance and savings plans. The Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of agents, partners and employees across

Asia, AIA serves the holders of more than 41 million individual policies and over 17 million participating members of group insurance schemes.

AIA Group Limited is listed on the Main Board of The Stock Exchange of Hong Kong Limited under the stock code “1299” with American Depositary Receipts (Level 1) traded on the over-the-counter market (ticker symbol: “AAGIY”).

Notes:

(1) Hong Kong SAR refers to the Hong Kong Special Administrative Region.

(2) Macau SAR refers to the Macau Special Administrative Region.

STATEMENT FROM
THE CHIEF EXECUTIVE OFFICER

“

It is my hope that this 2022 ESG Report will not only provide valuable information but also act as a wellspring of motivation as we strive to improve the lives of more Filipinos, and work together towards our Purpose of helping people live Healthier, Longer, Better Lives.

KELVIN ANG
CHIEF EXECUTIVE OFFICER, AIA PHILIPPINES

”



Statement from the Chief Executive Officer

I am pleased to share with you our 2022 ESG report, which highlights our progress towards our Purpose of ensuring Healthier, Longer, Better Lives for Filipinos, while championing sustainability practices that address societal and environmental challenges.

As one of the leading life insurance companies in the Philippines, we recognize the importance of taking an active role in advocating for ESG. Last year, we laid out where we want to take our sustainability agenda; in 2022, as we achieved more clarity in direction, we were able to set metrics for each pillar. With this, we successfully identified areas where we can achieve quick wins, and made progress in the following areas:

In Health and Wellness, we focused on engaging people to live Healthier, Longer, and Better Lives by establishing partnerships that amplify our wellness advocacies and financial inclusion.

In Sustainable Investment, we continued our initiatives that support the sustainability agenda. This included continued engagement with investee companies, capacity-building of analysts, and broadening inclusions in support of investments that promote sustainability.

In Sustainable Operations, we took small steps to save energy and leveraged our progress in digital transformation as a means to operate more efficiently and sustainably.

In People and Culture, we sustained the cultivation of a learning culture, with strong awareness of risk and ethics. With each step, we encouraged diversity and inclusion within the organization.

In Effective Governance, we maintained efforts to ensure that we have strong governance practices in place, with both AIA Philippines and BPI AIA receiving recognition for its efforts from the Insurance Commission.

Our commitment to sustainability is a lasting one, and a part of doing the right thing, as espoused in our Operating Philosophy. By setting metrics, we are able to measure our progress towards fully embedding ESG into the way we do business. With clear metrics, we are able to identify owners and initiatives that will help us move the needle in the various aspects of our business.

I am grateful for the collective effort achieved by everyone across the organization, and I appreciate all the work that went into getting us to where we are now. As we face more challenges ahead, I am confident that we will be able to achieve more, as long as we work together as One AIA Philippines Group.

I am filled with hope and confidence for our future. This is in no small measure because of the passion demonstrated by our team, who go and live our Purpose on a daily basis in their communities. I am profoundly grateful for their dedication.

I extend my gratitude for your continued support. It is my hope that this 2022 ESG Report will not only provide valuable information but also act as a wellspring of motivation as we strive to improve the lives of more Filipinos, and work together towards our Purpose of helping people live Healthier, Longer, and Better Lives.



Kelvin Ang
Chief Executive Officer
AIA Philippines

Our Approach to ESG








OUR APPROACH TO ESG

Our ESG Strategy

The ESG Strategy of the AIA Philippines Group, in alignment with the AIA Group, is built around five pillars: Health and Wellness, Sustainable Investment, Sustainable Operations, People and Culture, and Effective Governance.

Together, these pillars of the ESG Strategy contribute to sustainable business operations for the AIA Philippines Group, affecting its people and the communities it engages with.

	<p>Health and Wellness focuses on engaging, inspiring, and delivering better health outcomes, championing financial inclusion and expanding access to quality healthcare, producing a wider positive impact on society.</p>
	<p>Sustainable Investment delivers long-term value by allocating capital to companies that commit to sustainable outcomes, investing for the future and lowering exposure to the risk of stranded assets in a future low-carbon economy.</p>
	<p>Sustainable Operations aims to improve the environmental performance of AIA's operations.</p>
	<p>People and Culture empowers the people within the AIA Philippines Group to succeed through fostering a learning environment, ensuring equitable and fair processes for employment and progression and a diverse, inclusive and supportive culture.</p>
	<p>Effective Governance ensures that the companies within the AIA Philippines Group continue to operate to the highest standards of business practices, both in terms of its engagement with stakeholders, and how risks are managed. This provides the necessary management oversight, incentives, organizational accountability, data governance systems and transparent reporting to enable success.</p>

OUR APPROACH TO ESG

Delivering on Our Strategy

The following table summarizes how the five pillars of the ESG Strategy align with the strategic priorities of the AIA Philippines Group as an insurer, investor and responsible business.

HEALTH AND WELLNESS

MATERIAL TOPICS	STRATEGIC PRIORITIES	INITIATIVE	TARGETS/ PROOF POINTS	PROGRESS
Health, well-being, and financial inclusivity	Engage Communities in the Philippines Engage communities in the Philippines to improve their physical and mental wellness, at the same time championing financial inclusion	Save Lives	110,000 new customers insured, with a total sum assured of PHP110 billion	2021 <ul style="list-style-type: none"> • 78,276 new customers insured • PHP92 billion in total sum assured (including life, critical illness, and medical) 2022 <ul style="list-style-type: none"> • 94,372 new customers insured • PHP118 billion in total sum assured (including life, critical illness, and medical)
		AIA One Billion	Number of individuals engaged through activations/ on-ground events and online/ social media engagement.	17 million individuals engaged
		Corporate Social Responsibility (CSR) Initiatives	Number of individuals engaged through CSR, in partnership with seven leading health institutions	4,428 individuals engaged
	Improving Access to Quality Healthcare Provide greater access to quality care, relevant and timely information, diagnoses, treatment and rehabilitation	Total Health Solution	Number of customers utilizing My AIA ecosystem service partners	Nearly 2,000 customers utilizing My AIA ecosystem service partners
	Building Better Integrated Health and Wellness Outcomes Build on leading integrated health and wellness solutions and reward customers for behavioral improvements	AIA Vitality	Number of people with improved health outcome as measured by AIA Better Health Outcome Score	Over 17,000 engaged AIA Vitality members More than 3,000 members with improved health outcomes

OUR APPROACH TO ESG
Delivering on Our Strategy

SUSTAINABLE INVESTMENT

MATERIAL TOPICS	STRATEGIC PRIORITIES	INITIATIVE	TARGETS/ PROOF POINTS	PROGRESS
Sustainable investment Environmental responsibility and climate action	Deepening ESG Engagement Deepen ESG engagement with investee companies	ESG Engagement	Thematic engagement methodology enhancement Thematic engagement completion rate Percentage of proxy votes exercised	Labor Standards Thematic Engagement Survey ongoing, with response from 83% of investee companies. 100% participation in all proxy voting events of companies with active research coverage.
	Augmenting ESG Training and Capacity Augment knowledge and capacity among investment analysts through dedicated training initiatives	Capacity building	Percentage of general accounts investments directly managed scored against in-house ESG Rating Scorecard	100% of investee companies scored against in-house ESG scorecard.
			ESG training	All analysts attended all the training and ESG briefings. Internal ESG scorecard for all companies were published in a timely manner.
			Governance measures enhanced for consideration of ESG issues	Completely divested ESG restricted names in compliance with AIA ESG Standard for AIA general accounts and legacy investment-linked policy (ILP) funds.
Broadening Portfolio Inclusions Broaden portfolio inclusions by specific considerations of green bonds, sustainability bonds, renewable and alternative energy and infrastructure	Broaden Inclusions	Investment and disclosure of Green Bonds, Sustainability Bonds, renewable energy, alternative energy, and infrastructure	PHP36 million investment in green bonds.	

OUR APPROACH TO ESG
Delivering on Our Strategy

SUSTAINABLE OPERATIONS

MATERIAL TOPICS	STRATEGIC PRIORITIES	INITIATIVE	TARGETS/ PROOF POINTS	PROGRESS
Environmental responsibility and climate action	Ensuring Greener Buildings Ensure that all new buildings and any redevelopments adhere to industry recognized green building standards	Green Buildings	Number of green certified buildings	Two green certified buildings: • Philam Life Center Cebu (LEED C&S Silver Certified) • BPLAC Head Office Renovation (LEED ID+C Platinum Certified)
			Operational carbon emissions produced	• Total carbon emissions for AIA Philippines in 2022: 16,619.10 tons of CO2e. • The AIA Philippines Group is currently working to set targets that adhere to SBTI standards.
			Waste measurement	Expected to begin in 2023
Products and service digitalization and innovation	Advancing Digital Transformation Increase digitalization and automation to reduce the usage of paper	Digitalization	Percentage of transactions across buy, service, claims	2021 53% of transactions across buy, service and claims have been digitalized. 2022 96% of transactions across buy, service and claims have been digitalized.
			Percentage of outbound customer communications done digitally	2022 99% of outbound customer communications conducted digitally.
Risk management	Encouraging Good ESG Practice Encourage improvements in ESG performance with vendors	Vendor ESG Improvement	Tier 1 vendors assessed on ESG performance in 2022	On-going discussion with Tier 1 vendors on ESG initiatives in place in their respective company operations. ESG will be part of their updates and quarterly reviews moving forward.

OUR APPROACH TO ESG
Delivering on Our Strategy

PEOPLE AND CULTURE

MATERIAL TOPICS	STRATEGIC PRIORITIES	INITIATIVE	TARGETS/ PROOF POINTS	PROGRESS
Human capital	Supporting Development and Career Progression Foster a learning culture that supports the development of its people	Foster a culture of learning	Number of hours of training per employee (target: 24 hours)	Employees spent an average of 26.4 hours individually on capacity building/upskill training.
Diversity, equity and Inclusion	Accelerating Progress in Diversity and Inclusion Promote workplace diversity and advance culture of innovation and inclusion	Enhance diversity and inclusion in the workplace	50% of employees in the workforce are women	61% women employees in the organization.
			40% of senior leadership are women	42% of senior leaders in the organization are women.
			45% of women in programs for leadership development	68% of women have completed/ currently enrolled in leadership programs.
			Launch Diversity and Inclusion training for all managers by end 2022.	85% of people managers have completed the Diversity and Inclusion Training.
Business ethics	Strengthening Risk Awareness Embed a culture of ethical decision-making and strong risk management	Culture of ethics and risk management	100% of employees acknowledging compliance with Code of Conduct on annual basis.	100% of employees completed Code of Conduct e-learning module as of end 2022.
	Enriching and Rewarding Opportunities for All Ensure fair, accountable and equitable processes for employment, progression and rewards.	Workwell with AIA		Launched the WorkWell with AIA Program.
		Employee access to mental health support facilities		Established partnership with a mental health technology company to provide mental health support to employees.

OUR APPROACH TO ESG
Delivering on Our Strategy

EFFECTIVE GOVERNANCE

MATERIAL TOPICS	STRATEGIC PRIORITIES	INITIATIVE	TARGETS/ PROOF POINTS	PROGRESS
Corporate Governance	Board Governance Foster business integrity and sound decision-making through a diverse and highly qualified Board	Diverse and qualified Board	Improve performance evaluation rating on board and management succession planning.	Management succession planning completed.
Risk management			Strengthen corporate governance practices and policies.	Timeline for 2022 Annual Corporate Governance Report finalized.
Business ethics			Conduct annual continuing education for board members.	100% of board members attended the annual training
Marketing and selling practices			Annual board updates on ESG best practices and progress against key performance indicators (KPIs).	Quarterly report made to the Board on ESG related activities, policies, and strategies.
Data privacy and cyber security			ESG risk management Identify and refresh key ESG risks and risk tolerance at least once a year.	Ensuring Effective Risk Management and Responsible Business Practice Effectively manage ESG-related risks and opportunities throughout the business.

About this Report

This report provides a summary of the ESG initiatives and performance, as well as key sustainability milestones achieved in 2022 by the AIA Philippines Group, with the exception of MediCard Philippines, which was acquired only in late 2022. For performance not available locally, readers are encouraged to refer to the full ESG Report of AIA Group.

Our Approach to ESG Reporting

The AIA Philippines Group has a responsibility to be transparent and accountable to all its stakeholders, and this includes reporting on how its Companies make a difference in the communities it serves, address sustainability challenges, and make a lasting and meaningful impact.

Report Content Scope

The information provided in this report covers the ESG-related activities of the AIA Philippines Group in 2022, with the exception of MediCard Philippines. While local data are disclosed, some that are measured and included in the AIA Group ESG Report 2022 are no longer incorporated into this local Annex Report. Readers are encouraged to refer to the AIA Group ESG Report 2022 for a deep dive on the details of ESG reporting approach and the methodologies employed, as well as comprehensive data on performance and data measured by the AIA Group.



Health and Wellness

In this section

- 17 Our Health and Wellness Pillar
- 18 Summary of Strategic Priorities and Progress
- 19 Our Strategic Priorities in Detail

Our Health and Wellness Pillar

The AIA Philippines Group is committed to the fulfilment of its Purpose of helping Filipinos live Healthier, Longer, Better Lives. It is enabled by its complete suite of protection and long-term savings products, enhanced with health and wellness propositions that address the varied needs of customers.

With the huge protection gap, low insurance penetration rate, the low financial literacy and high unmet healthcare needs of Filipinos, there is a great opportunity for the AIA Philippines Group to

help address these social and financial concerns. By developing programs that help alleviate these concerns, achieving Healthier, Longer, Better Lives for individuals has a lasting effect that inextricably links back to ESG considerations.

Total Health Solution, AIA Philippines' ecosystem accessible through My AIA, its single touchpoint digital platform, helps customers improve their health and wellness by providing the support they need to maintain a healthy lifestyle. Through My AIA, customers can manage their health-related

concerns with ease, from preventing sickness through the AIA Vitality app, diagnosing an illness, all the way to treatment and recovery, supported by innovative solutions through strategic partnerships with outpatient clinics and more effective care management programs to deliver better health outcomes.

Summary of Strategic Priorities and Progress in 2022

Strategic Priorities	2022 Progress
<p>1. Engage Communities in the Philippines Engage communities in the Philippines to improve their physical and mental wellness, at the same time championing financial inclusion</p>	<ul style="list-style-type: none"> The AIA Philippines Group remained focused on its mission of racing against risk to protect every Filipino, manifested in its Save Lives targets. This year, as the effects of the pandemic eased, the final numbers were closer to the target, ending the year at 86% of the target in terms of lives saved, and 91% for the trinity sum assured. For AIA One Billion*, the Companies were able to make a significant contribution towards the achievement of the One Billion target, with 17 million people engaged. While there was a shift in focus from CSR to ESG, most of the partnerships established with Philam Foundation were maintained, with the goal of utilizing these partnerships to continue championing wellness and financial inclusion. <p><i>*For more information on the AIA One Billion initiative, readers are encouraged to access the AIA Group ESG Report 2022</i></p>
<p>2. Improving Access to Quality Healthcare Provide greater access to quality care, relevant and timely information, diagnoses, treatment and rehabilitation</p>	<p>The launch of the Total Health Solution ecosystem, accessible through the My AIA platform, has made customer access to quality healthcare easier, with nearly 2,000 using the platform to utilize the health and wellness-related services available.</p>
<p>3. Building Better Integrated Health and Wellness Outcomes Build on leading integrated health and wellness solutions and reward customers for behavioral improvements</p>	<p>AIA Vitality continues to be a strong enabler for customers to improve their health outcome. This year, 17,300 of them remained engaged, with 3,208 members improving their health outcome, as measured by the AIA Better Health Outcome Score through the AIA Vitality app.</p>

Our Strategic Priorities in Detail

Strategic Priority 1

Engaging Communities Across Asia

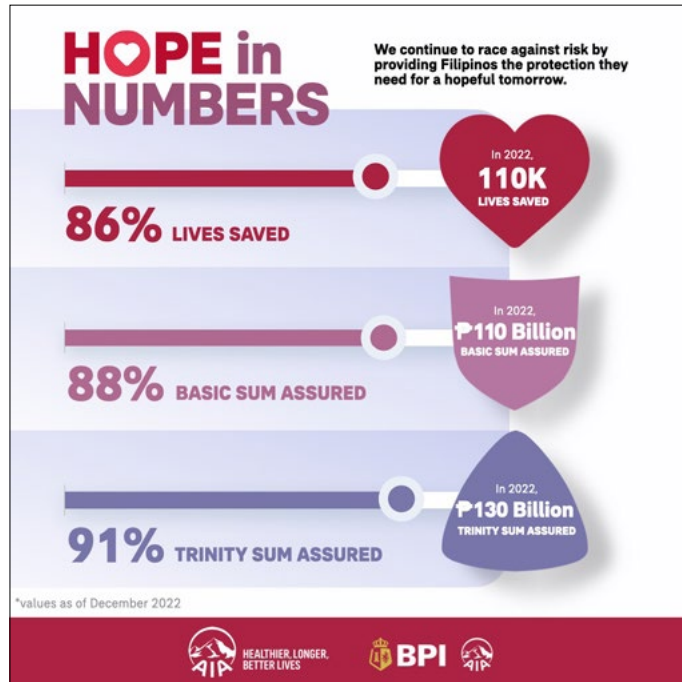
Engage communities across Asia to improve their physical, mental and environmental wellness while championing financial inclusion.

Sustaining the Mission to Save Lives

The Save Lives commitment continues for the AIA Philippines Group, in fulfillment of its corporate mission of racing against risk to protect every Filipino family.

This year, the target was to save 110,000 lives through customers who avail of protection products, and PHP110 billion in trinity sum assured, covering

basic protection, critical illness and medical. The AIA Philippines Group kept its promises, with nearly PHP4 billion in claims paid out.



OUR STRATEGIC PRIORITIES IN DETAIL

Partnerships for Better Health and Financial Inclusion

In 2022, AIA Philippines partnered with various organizations to support initiatives that push its advocacies promoting health and wellness and financial inclusion.

For the promotion of health and wellness, the Company partnered with the Philippine College of Physicians Foundation, Inc. (PCPF) which received a donation pledge to fund the organization’s projects that tackle non-communicable disease programs.

The Philippine College of Physicians (PCP) is the umbrella organization of internists in the Philippines. The organization aims to continue the medical education of internists and other physicians, and provide accreditation and certification of training programs for internal medicine in the Philippines. PCP created the PCP Foundation to become the social service arm of the College.

Aside from the PCP Foundation, AIA Philippines has other ongoing partnerships with various organizations in the health sector; these include the Cancer

Research and Registry Philippines Foundation, the Philippine Alliance of Patient Organization, the Philippine College of Surgeons Cancer Commission Foundation, I Can Serve Foundation, UP Cancer Institute, the Philippine Society of Public Health Physicians, and the Ateneo School of Governance.

When it comes to financial inclusion, AIA Philippines has existing partnerships in support of the My Peso and I program.

My Peso and I aims to provide tertiary students a clear understanding of managing personal finances before they enter the workforce. The program is for implementation in 2023, in collaboration with BPI Foundation, and various government agencies from the financial and education sector, including the Insurance Commission, Bangko Sentral ng Pilipinas, Securities and Exchange Commission, Philippine Deposit Insurance Corporation, National Economic Development Authority, and the Commission on Higher Education.

Partners in CSR Initiatives



BPI Foundation



OUR STRATEGIC PRIORITIES IN DETAIL

Taking the fight against breast cancer

AIA Philippines launched Hope for the Breast in 2022, its corporate social responsibility program focused on the fight against cancer. With early detection a key determinant for breast cancer survival, the program aims to help more Filipinos win the fight by making breast cancer education and treatment more accessible.

The program is made up of three main pillars:

Education – Hope for the Breast educates the public on breast cancer prevention through a campaign utilizing social media channels. By communicating the importance of early detection, the awareness created by the program will encourage more Filipinos to take the necessary steps to have themselves checked on a regular basis.

Early Diagnosis – The program brings the fight against breast cancer to the streets with

the Hope Mobi Clinic, a bus fully equipped to conduct the tests required for breast cancer detection. Through the Hope Mobi Clinic, Filipinos will have access to proper screening and diagnosis, bringing early detection to grassroot communities

Strategic Partnerships – Partnership with relevant organizations will be sought to enable the Hope for the Breast program to expand its reach and help more Filipinos survive a breast cancer diagnosis.

The first partnership was established in the first quarter of the year with The Medical City (TMC), one of the biggest hospital networks in the Philippines. The partnership includes AIA Philippines' sponsorship of PHP10 million for the Hope Mobi Clinic, and TMC's commitment to screen 1,095 individuals and provide related histopathological, surgical procedures, treatment procedures, supplies and drugs to 110 individuals who will be diagnosed with breast cancer through the Hope Mobi Clinic until 31 December 2024.



Hope for the Breast Partners



OUR STRATEGIC PRIORITIES IN DETAIL

Strategic Priority 2

Improving Access to Quality Healthcare

Provide greater access to quality care, relevant and timely information, diagnoses, treatment and rehabilitation.

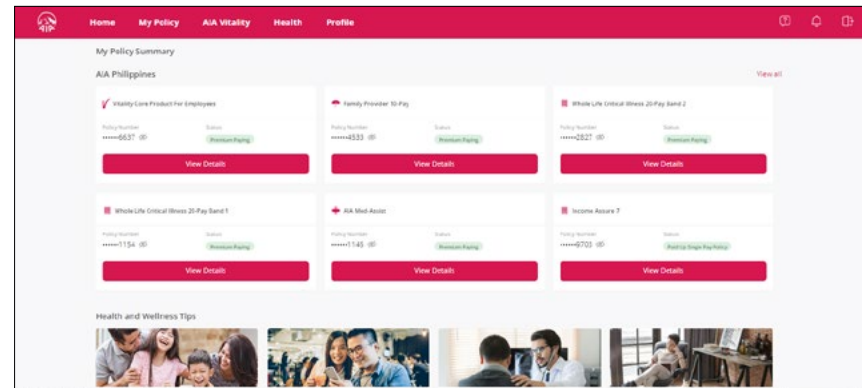
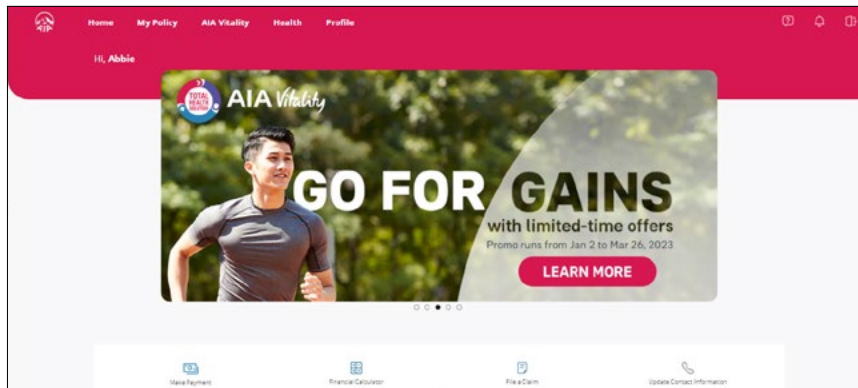
Technology as a Means to Deliver Quality Healthcare

With Total Health Solution, the ecosystem that helps customers Live Better, Protect Better and Get Better, AIA Philippines and BPI AIA are able to deliver quality care to customers.

The Total Health Solution ecosystem is accessible through the My AIA platform, which can provide customers the means to be protected, prevent

themselves from getting sick via AIA Vitality, schedule consultation with a doctor for proper diagnosis, treatment, and guidance during recovery.

In 2023, nearly 2,000 customers accessed the service partners through My AIA.



OUR STRATEGIC PRIORITIES IN DETAIL

MediCard acquisition

In September 2022, AIA Philippines announced its acquisition of MediCard Philippines, one of the leading Health Maintenance Organizations (HMO) in the country.

The acquisition of MediCard brings assets and capabilities across healthcare provision, administration and management to the AIA Philippines Group, accelerating its Integrated Health Strategy in the Philippines. MediCard has

an extensive medical service network of over 1,000 partner hospitals and clinics, and 26 high-quality MediCard-owned clinics located in key cities nationwide that offer a broad suite of services across primary care, diagnostics, laboratory tests and minor surgeries. Sophisticated administration and provider management capabilities will enable integrated health insurance and healthcare solutions, supporting customers at every stage of their journey.

With MediCard Philippines a part of the AIA Philippines Group, its position in the health and wellness space is furthered strengthened. It demonstrates AIA's commitment to support its business in the Philippines, to better serve customers, and bring to life its purpose of helping more Filipinos live Healthier, Longer, Better Lives.



OUR STRATEGIC PRIORITIES IN DETAIL

Strategic Priority 3

Building Better Integrated Health and Wellness Outcomes

Build on leading integrated health and wellness solutions and reward customers for behavioral improvements.

Member Engagement for Better Health Outcomes

As a key enabler of the Total Health Solution’s Live Better pillar, AIA Vitality continues to motivate members to do one more for their health. AIA Vitality membership is at approximately 110,000 members, steadily increasing since its launch seven years ago.

The key to driving member engagement is to keep the program relevant and compelling, made possible through a yearly refresh featuring more intuitive core benefits and hyper-targeted campaigns.

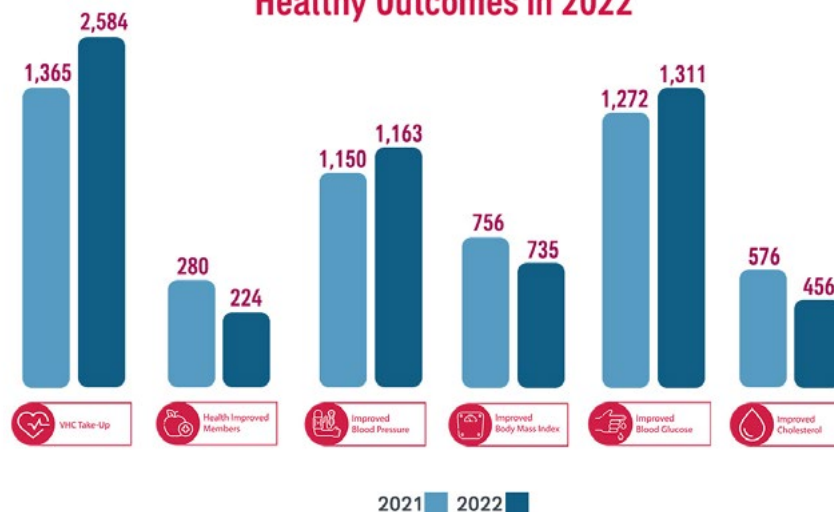
To jumpstart the year, AIA Vitality launched a campaign that made it easier for members to earn points for their healthy activities and move up in their status faster. Other campaigns included the AIA Vitality Appciting Promo, which featured simple challenges that encouraged members to explore and maximize the functionalities of the app.

Aside from thematic campaigns, enhanced benefits were launched towards the end of the third quarter of the year, with new partners introduced and the shift to weekly rewards where members get instant eGifts for hitting their weekly fitness target. The year was concluded with a promo where members can win home and fitness equipment, as well as fitness devices and mobile gadgets for taking the health check or earning points from healthy activities.

With the year-round initiatives, 2022 saw an improvement in better health outcomes scores at almost 5 percent amongst in-force members. The better health outcomes score percentage refers to the number of members out of total member count who satisfy any of these two criteria: a) improved from an unhealthy to a healthier range in at least one of the four biometrics (body mass index, blood pressure, cholesterol or glucose); b) lowered their AIA Vitality Age gap, which is the difference between their biological age and their AIA Vitality age. Similarly, members taking part in fitness activities the past three months had a double-digit growth in 2022.



Healthy Outcomes in 2022





Sustainable Operations

In this section

- 26 Our Sustainable Operations Pillar
- 27 Summary of Strategic Priorities and Progress
- 28 Our Strategic Priorities in Detail

Our Sustainable Operations Pillar

In taking the first step to make sustainability intrinsic to the AIA Philippines Group, changes in the way it operates—in workplaces, operations, and the value chain—must be done. It must be woven through the fabric of the organization, from the commitment to net-zero and the approach to green buildings, to how digitalization becomes a core part of the future and the way the supply chain is engaged.

As these initiatives are slowly operationalized, the AIA Philippines Group must collaborate internally and with its partners to contribute towards investing long-term in the planet, another way it brings to life its Purpose of helping people live Healthier, Longer, Better Lives.

Summary of Strategic Priorities and Progress in 2022

Strategic Priorities	2022 Progress
<p>1. Ensuring Greener Buildings Ensure that all new buildings and any redevelopments adhere to industry-recognized green building standards</p>	<ul style="list-style-type: none"> • All new buildings and redevelopments to be green certified • Two buildings are green certified
<p>2. Advancing Digital Transformation Increase digitalization and automation to reduce the usage of paper</p>	<ul style="list-style-type: none"> • 96% of buy, service and claims transactions were submitted • 99% of communications with policy holders conducted through digital channels
<p>3. Encouraging Good ESG Practice Encourage improvements in ESG performance with vendors</p>	<p>On-going discussion with Tier 1 vendors on ESG initiatives in place in their respective company operations. ESG will be part of their updates and quarterly reviews moving forward.</p>

Our Strategic Priorities in Detail

Strategic Priority 1

Ensuring Greener Buildings

Ensure that all new buildings and any redevelopments adhere to industry-recognized green building standards

LEED Certification of Properties

As one of the leading life insurance companies in the Philippines, the AIA Philippines Group is aware of its role as a major employer in the communities in which it operates. Cognizant of its impact on the environment, the Companies are taking measures to ensure that it is operating sustainably.

The biggest achievements to date are the LEED Certifications granted to two major properties: the Philam Life Center Cebu, which is LEED CORE & Shell Silver Certified, and the BPI AIA Head Office, which was granted the LEED ID+C Platinum Certification. Similar certifications are being pursued for other properties owned by the AIA Philippines Group, with some expected to be completed by the end of 2023.

Starting Small for Bigger Goals

Beyond the major changes being done in pursuit of building certifications, baby steps are being taken by the AIA Philippines Group in its journey to a more sustainable way of operating.

Last year, the conversion to LED of existing lighting fixtures in all AIA-owned buildings began, with the goal of completing the change by 2023.

Other energy conservation measures effected were the upgrades on the ventilation and air-conditioning systems of owned properties, particularly the AIA Tower (formerly Philam Tower), Philam Life Center Cebu, Philam Life Salcedo, and Philam Life Cubao to improve equipment efficiency and reduce energy consumption. These included the integration of the Centralized Air-Conditioning System into the Building Management System to automate the control of equipment and regulate the temperature setting for usage optimization, and the upgrade of old air-conditioning systems which were replaced with inverter air-conditioners.

More initiatives related to the procurement of power supply are currently being conducted, with execution targeted for completion by 2023.



OUR STRATEGIC PRIORITIES IN DETAIL

Strategic Priority 2

Advancing Digital Transformation

Increase digitalization and automation to reduce the usage of paper.

One of the positive consequences of the pandemic is the accelerated shift of processes to digital, which enables paperless operations and improves productivity, reducing waste and costs in the process. For the AIA Philippines Group, digital transformation as a strategy not only reduces the use of paper, but also impacts service delivery, enhancing the operational effectiveness of the business and unlocking new ways to improve the sustainability of operations.

Digitalization: Reducing Paper Usage

In 2022, the big achievements in digitalization were achieved, with 96 percent of buy, service and claims transactions, submitted digitally, a major uptick from the 53 percent the previous year. When it comes to outbound communications with policyholders, 99 percent were conducted through digital channels, reducing the use of paper.

The Power of Straight Through Processing

Beyond the wins in the shift to digital transactions, it was the progress in straight through processing (STP) that helped improve service delivery to customers.

Across the buy, service and claims transactions, 81 percent were fully processed digitally. By utilizing STP, manual processing on the back end is reduced, allowing faster response rate to customers. This translated to a high of 94 percent of service transactions processed within three days, and 87 percent of claims transactions processed within the same day.

SERVICE 3-DAY
TURN AROUND TIME:

94%

CLAIMS SAME-DAY
TURN AROUND TIME:

87%

OVER-ALL STP:

81%

BUY STP:

65%

SERVICE STP:

87%

CLAIMS STP:

63%

OUR STRATEGIC PRIORITIES IN DETAIL

The Introduction of Digital Workers

Progress in digitalization across the AIA Philippines Group included the creation of bots. This transformed the way the business operates, allowing 24/7 delivery of different services to help augment care maintenance while enabling the confirmation of necessary controls to provide more secure and complete services.

For customers, the enhancement of the features of AYA and Bessie, the chatbots of AIA Philippines and BPI AIA, respectively (accessible via Facebook Messenger or Viber), have helped address common concerns faster. There are about 4,000 monthly unique users of the chatbots, with over 4,000 correspondences processed successfully. Some of the issues raised by customers include the processing of new policy application, premium payment options, policy benefits availment, filing of claim, AIA Vitality and benefits, and My AIA registration and access. Both chatbots are now able to process transactions, such as requests for certifications. Various enhancements continue to take place to make these chatbots even more transactional and more helpful to customers.

The initiatives to enhance and improve service delivery bore fruit, with AIA Philippines taking the top spot in the 2022 Net Promoter Score (NPS) Ranking among the top six insurance

companies in the Philippines. This achievement is an acknowledgment of the Company's efforts to upgrade and continue digitalization projects that are relevant and useful to customers.

Aside from servicing the needs of customers, the bots have also become instrumental in unloading repetitive day-to-day tasks from employees and agency partners, allowing them to focus on more creative and meaningful work.

Some of the top performing bots include:

Rey – responsible for activating lapsed policies, thus saving employees 32 hours of effort daily;

Genie – takes care of generating policies, cutting down turnaround time from days to minutes; and

Payme – makes sure that there are no fraudulent payroll payouts to employees, ensuring 100 percent payroll validation within two minutes.

There are currently around 50 different bots of different sizes and use cases supporting functions in HR, Operations, Agency and IT. As more bots are created in the organization, the objective is to upskill the everyone into becoming natives, allowing automations to exponentially increase productivity.



Rey

I help AIA process activating your insurance if it has lapsed!



Webby

I take care of your info update in our Flagship website updates all systems, real-time!



Inno

Facilitating all innovation ideas is my job! I'm so old!!!



Correy

Recently bought an insurance?, I've helped you! I process your written insurance contract.



Payme

Payme helps HR to make sure no fraudulent payroll payouts to employees..



Genie

I help Coffee Closing by generating the policies.

OUR STRATEGIC PRIORITIES IN DETAIL

Tools of the Trade: Digitalization for Agency Enablement

Digitalization has been an effective means to improve the delivery of service to customers and has also contributed towards more sustainable operations. Another aspect of the business where it has made a significant impact is on the agency partners of AIA Philippines.

When it comes to digitalization, the biggest challenge for Agency Distribution is adoption. Within the local insurance industry, AIA Philippines was one of the first to begin its digital transformation journey, with the first version of the iPoS coming out as early as June 2013. In the first few years of its launch, adoption was low at 10 percent. By the end of 2020, after lockdowns were declared because of the pandemic, more agency partners used the digital tools provided, and the numbers went up to 100 percent.

Today, the commitment to equip the Agency Distribution with the right tools and technology to help support and future-proof their business with AIA Philippines is stronger than ever. Driven by their objectives of fulfilling the Save Lives mission and growing the agency force, they rely heavily on the support provided by the Next Gen iPoS and iRecruit.

Next Gen iPoS is an end-to-end digital sales tool that enables agency partners to generate proposals, submit applications and process straight-through e-payments using any mobile device connected to the internet. With Next Gen iPoS launched late in the year, utilization was at 29 percent by end of 2022; but with adoption going up quickly, it is expected to be fully embraced by agency partners by next year.

Another digital enabler for agency partners is the iRecruit platform, a recruitment technology designed to streamline and speed up the end-to-end process of helping new agency recruits go from Recruitment to Training to Licensing of New Recruits. It also comes with a Recruitment Content Hub, a central repository of standard recruitment materials, ready-to-share social content and customizable templates for sourcing and attracting new recruits. Since its launch in February 2021, overall adoption and utilization rates has grown from one percent to 97 percent within the first eight months.





Sustainable Investment

In this section

- 33 Our Sustainable Investment Pillar
- 34 Summary of Strategic Priorities and Progress
- 35 Our Strategic Priorities in Detail

Our Sustainable Investment Pillar

As one of the leading life insurance companies in the Philippines, the AIA Philippines Group has a substantial investment portfolio that can be mobilized in alignment with the AIA ESG Strategy to ensure that long-term sustainable value for policyholders are created.

To ensure that the AIA Philippines Group is able to deliver on its commitment of providing the protection and long-term savings needs of its customers, a long-term risk management perspective in its investment decisions must be taken. Awareness for the potential risk and value impact of ESG factors is slowly becoming a part of the consciousness of the local market, as well as their effect on profitability and investment returns. As such, ESG considerations must be integrated, actively managed and mitigated to create long-term stakeholder value.

But while the AIA Philippines Group is firmly committed to sustainability, making it happen requires expanding its influence beyond its immediate stakeholders. Aside from the internally scored assessment of relevant ESG factors in potential and actual investee companies as one of the factors that affect investment decisions, the Companies will promote, develop and enhance ESG-related business practices through the active engagement with investee companies, rather than resort to outright divestment. That said, in instances where the transition of certain sectors toward a more sustainable or resilient business model is either not possible, or not occurring at the required pace, the AIA Philippines Group will display a certain amount of flexibility where it will consider excluding certain sectors from its portfolio.

Summary of Strategic Priorities and Progress in 2022

Strategic Priorities	2022 Progress
<p>1. Deepening ESG Engagement Deepen ESG engagement with investee companies</p>	<ul style="list-style-type: none"> • The Labor Standards Thematic Engagement Survey currently being conducted, with 83% of investee companies responding to date. • 100% participation in all proxy voting events of companies with active research coverage.
<p>2. Augmenting ESG Training and Capacity Augment knowledge and capacity among investment analysts through dedicated training initiatives</p>	<ul style="list-style-type: none"> • 100% of investee companies scored against AIA-developed ESG Scorecard was implemented to cover all General Account directly managed assets. • Implementation of the internal ESG scorecard for all companies began, with the scorecard published in a timely manner. All analysts attended all the training and ESG briefings to ensure alignment. • ESG restricted names were fully divested, in compliance with AIA ESG Standard for AIA general accounts and legacy investment-linked policy (ILP) funds.
<p>3. Broadening Portfolio Inclusions Broaden portfolio inclusions by specific considerations of green bonds, sustainability bonds, renewable and alternative energy and infrastructure</p>	<p>PHP36 million investment in green bonds.</p>

OUR STRATEGIC PRIORITIES IN DETAIL

Sustainable Investment

As in other years, AIA Philippines continued in 2022 to build on the achievements from the previous year with respect to sustainable investment in the Company's efforts to embed Environment, Social, and Governance (ESG) factors in the investment management process. The Sustainable Investment Pillar of AIA's ESG Strategy mobilizes AIA's substantial investment portfolio to ensure that it creates long-term sustainable value for policyholders.

AIA is committed to supporting the protection and savings needs of customers over many years through the prudent allocation of capital. This inherently requires the adoption of a long-term risk management perspective to investment decisions. Markets are increasingly aware of the potential risk and value impact of ESG factors, and their effect on profitability and investment returns. AIA understands that to create long-term stakeholder value, ESG considerations must be integrated, actively managed, and mitigated.

On the Fixed Income side, engagement with both public and private institutions remains a continuing exercise, as it seeks opportunities to provide financing for renewable energy and other sustainability-related endeavors.

For the Listed Equity side, the full exit from exclusion sectors and stocks have been applied to actively managed investment linked portfolios (ILPs), including those insourced-back from another fund manager by end-2022. The current

stock holdings have also been ESG-rated and ESG scores were applied in coming up with adjusted return expectations for the stock.

Proposed corporate actions continue to be carefully reviewed to avoid granting consent on actions deemed inconsistent with the AIA Group ESG Standards when it comes to proxy voting. Portfolio managers and equity research analysts study all corporate actions submitted to AIA for consent, prior to putting forward a vote. The Company also participated in an AIA Group-wide corporate governance scoring initiative, which involved engaging covered companies and establishing corporate governance scores based on the information received.

AIA's investment decisions include an internally scored assessment of relevant ESG factors in potential and actual investee companies, and the belief that active engagement with investee companies is a more effective mechanism to promote, develop and enhance ESG-related business practices than outright divestment. Key to the investment decision-making process is the research conducted by its analysts on both current and prospective investee companies. In this area, AIA continues to utilize the ESG Rating Scorecard. That said, where AIA determines that the transition of certain sectors toward a more sustainable or resilient business model is either not possible, or not occurring at the required pace, excluding certain sectors from the investment portfolio may

be considered. Research analysts are expected to undergo continuing training, with a target to pass certification exams by year-end 2023, to maximize the resources and tools available to them. All these ensure that each research report contains a thorough assessment of a company's ESG-related risks and opportunities.

As a notable investor in the region, AIA has substantial influence through the capital allocation and engagement decisions made across its investment portfolio. The extensive team of research analysts and investment professionals in the different local markets are deeply committed to further embedding ESG best practices into the investment function to help deliver the long-term sustainable financial outcomes as part of its Purpose of helping people live Healthier, Longer, Better Lives.



People and Culture

In this section

- 37 Our People and Culture Pillar
- 38 Summary of Strategic Priorities and Progress
- 40 Our Strategic Priorities in Detail

Our People and Culture Pillar

For the AIA Philippines Group, its greatest asset is its people. In its over 75 years of operation, it has built an inclusive and engaging environment to support its employees and enables them to thrive.

The key organizational and people priorities for the AIA Philippines Group are: to nurture its culture, build leaders and workforce capability, and support and develop its people to help them realize their potential.

The AIA Operating Philosophy of “Doing the right thing, in the right way, with the right people... and the right results will come” guides the AIA Philippines Group in all its endeavors. Its Companies demand

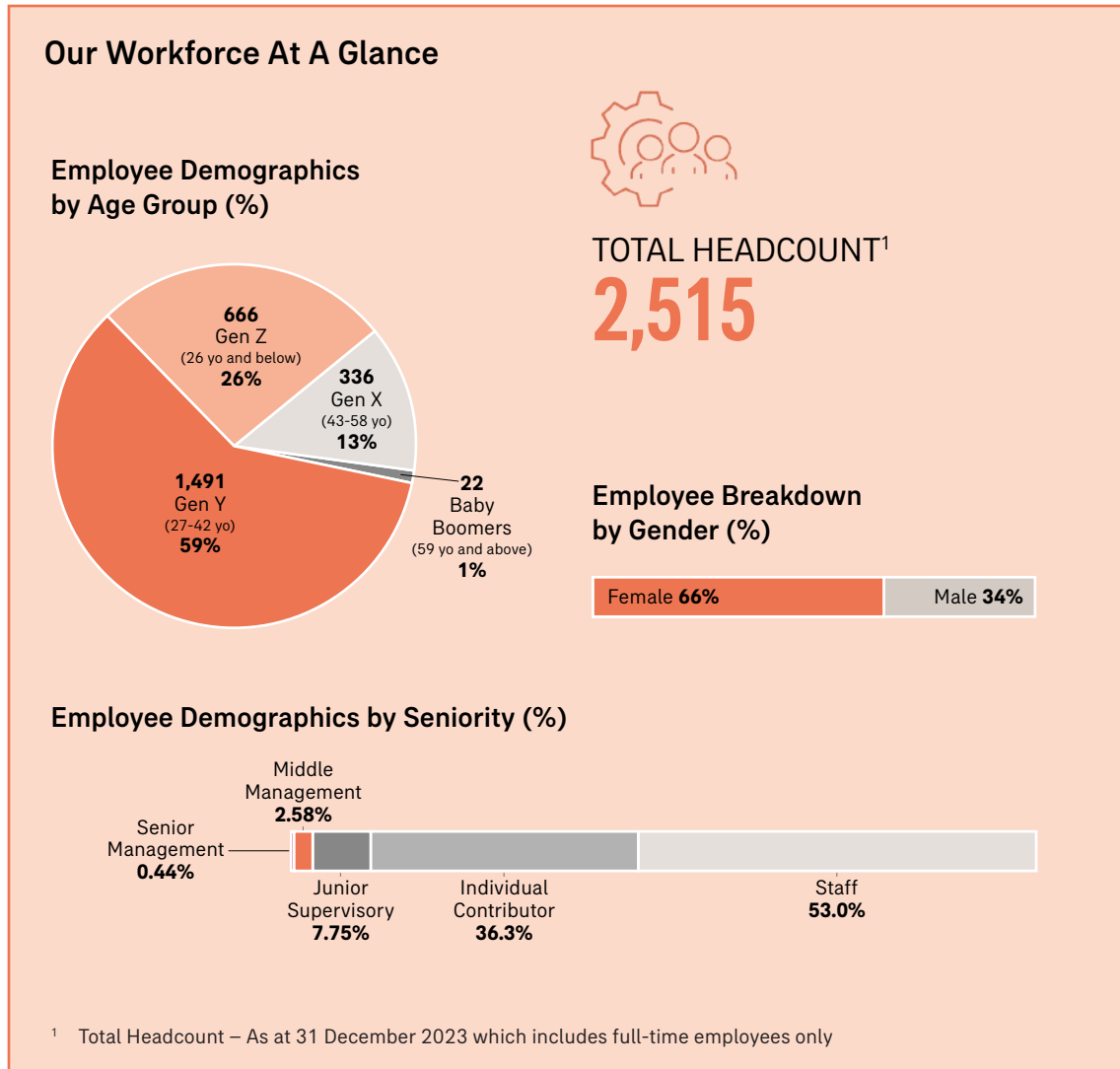
and champion a better way by acting with the deep-rooted Leadership Essentials of Clarity, Courage and Humanity. At the same time, its Purpose of helping people live Healthier, Longer, Better Lives guides the decisions and actions that its people make every day.

The operating model of empowerment within a framework, together with the principles that underpin its culture, create an engaging environment for the employees of the AIA Philippines Group to deliver on its people proposition of Believe in better.

Summary of Strategic Priorities and Progress in 2022

Strategic Priorities	2022 Progress
<p>1. Supporting Development and Career Progression Foster a learning culture that supports the development of our people</p>	<p>Employees spent an average of 26.4 hours individually on capacity building/ upskill training, exceeding the target of 24 hours.</p>
<p>2. Accelerating Progress in Diversity and Inclusion Promote workplace diversity and advance culture of innovation and inclusion</p>	<p>Diversity within the AIA Philippines Group remains strong, with a balanced representation of women across the organization.</p> <ul style="list-style-type: none"> • 61% women employees in the organization. • 42% of senior leaders in the organization are women. • 68% of women have completed/ currently enrolled in leadership programs. • 85% of people managers have completed the Diversity and Inclusion Training.
<p>3. Strengthening Risk Awareness Embed a culture of ethical decision-making and strong risk management</p>	<p>Risk awareness across the organization remain high, with 100% of employees completing the AIA Code of Conduct by end 2022.</p>
<p>4. Enriching and Rewarding Opportunities for All Ensure fair, accountable and equitable processes for employment, progression and rewards.</p>	<ul style="list-style-type: none"> • Launched the WorkWell with AIA Program • Established partnership with a mental health technology company to provide free mental health support to employees.

SUMMARY OF STRATEGIC PRIORITIES AND PROGRESS IN 2022



Our Strategic Priorities in Detail

Strategic Priority 1

Supporting Development and Career Progression

Foster a learning culture that supports the development of its people.

Building a Future-Ready Workforce

Organization of the Future is one of the key enablers which underpin the Ascend 200 strategic priorities. To ensure that its people will flourish through a simpler, faster and more connected organization, the 2022 focus areas for the AIA Philippines Group centered on employee engagement and capability uplift.

Capability Uplift

The companies within the AIA Philippines Group have an array of Core Programs that are targeted for Individual Contributors, People Managers, and Senior Leaders. As the Companies invest in developing its people, its Catalyst for Growth Capability-Building Framework has four focus areas which directly align with the strategic priorities.

Additional programs are also implemented to support the different developmental needs of its people:

New Employee Orientation Online Course. An online course designed for all new joiners to help them navigate their way and facilitate their integration into the AIA Philippines Group. The self-paced course contains modules that will help them learn about the organization’s history, teams, leadership team, and other essential information unique to working in the companies of the AIA Philippines Group.

Your Role in Safeguarding AIA’s Interests. This is a mandatory eLearning course that increases the employee’s awareness of critical regulatory requirements and expected conduct that are key to preserving the brand image, reputation, and transparency of the Companies.

Life Office Management Association (LOMA). An international trade association for the insurance and financial services industry that provides globally recognized educational resources and products that

illuminate new ideas and ignite potential. It helps career advancement and performance development by building a deeper understanding of the best practices in the insurance business.

Enterprise Leadership Program. An executive development program that is designed to help the senior leadership team embrace the AIA Operating Principles and Leadership Essentials, as well as achieve the Companies’ ambitions.

LinkedIn Learning through Workday Learning. Integrated in Workday, HR’s software system, are online learning courses accessible to employees anytime, anywhere through their desktop computers, laptops, or mobile phones. More than 16,000 LinkedIn Learning courses on creative, business, technology, and management are made available to address different learning needs of employees.

Udemy for Business. An online platform specifically designed for employees with technical development needs as they work on different projects related to technology, digital, and analytics. Employees can earn online certifications and take short courses from reputable institutions and subject matter experts.

Coffee and Conversation with Leaders. A regular informal session that gives Senior Leaders (ExCo) a venue to engage the employees of the AIA Philippines Group in a dialogue where they share the priorities of their function.

The AIA Philippines Group regularly updates its employees about various learning and development opportunities through numerous internal communication channels. The Companies value its people and is committed to help them develop their skills and capabilities to succeed in their role as they achieve personal and professional growth.

Through these combined approaches, the AIA Philippines Group achieved a target average of 26.4 learning hours in 2022.

CATALYST FOR GROWTH



OUR STRATEGIC PRIORITIES IN DETAIL

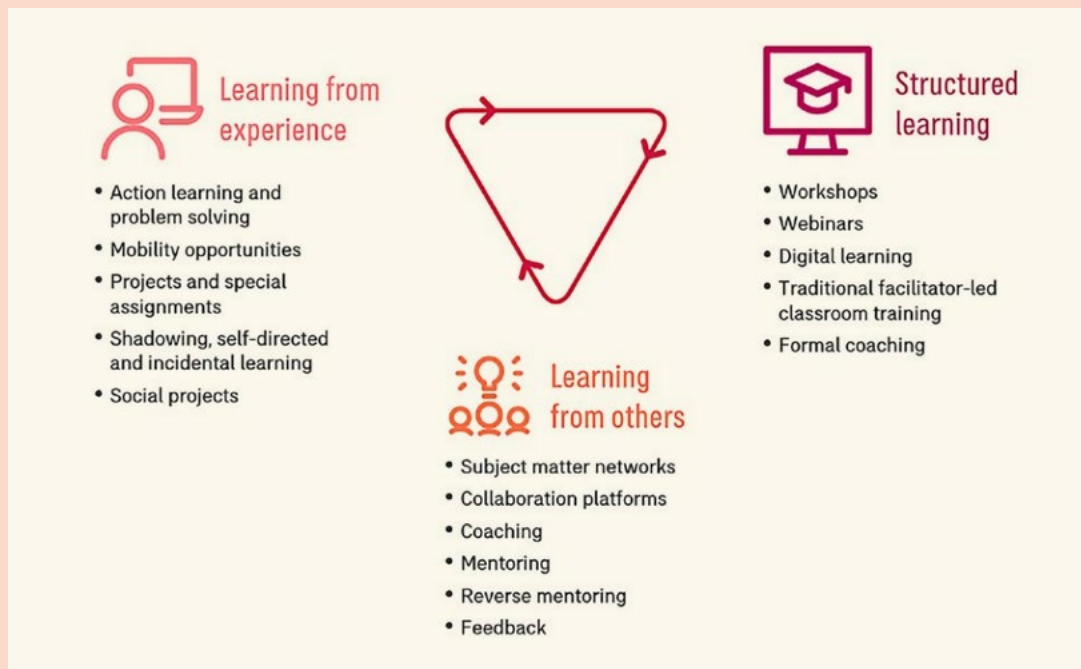
Fostering a Culture of Learning

The AIA Philippines Group subscribes to a comprehensive and holistic development in the belief that each employee can make a difference. Its holistic development opportunities ensure a proportionate way for employees to make the best out of their learning journey.

The difference that the organization makes starts with every individual within the AIA Philippines Group. Its people are empowered to be the best they can be, and make a difference in their own unique way. They are provided with growth opportunities through appropriate and relevant training, development, and experience that will enable them to have a prosperous and fulfilling future in the organization.

Learning From Experience. The best learning opportunities come from providing employees on-the-job experience such as experiential learning, new project exposure, and job rotation and mobility to broaden their perspective and support their career aspirations.

Learning From Others. Peer learning is an effective way for employees to learn from others. Coaching is a critical aspect of managers' development of their teams. In addition, conferences, company events, networking opportunities, brownbag sessions and regular team meetings can be venues where they can share their knowledge and expertise, creating a natural setting for peer learning and leveraging subject matter experts (SME) within the Companies.



Structured Learning. Workshops, eLearning courses, certifications, and training programs can help bridge the gap in skills and capabilities. The companies within the AIA Philippines Group have invested in providing different online learning platforms that make learning accessible and contribute to the overall development of employees.

OUR STRATEGIC PRIORITIES IN DETAIL

Cadetship Program for Interns

With the Innovation Lab in place, it was a natural progression for the initiative to become a breeding ground for young talent to cultivate their natural inclination towards technology. In 2021, the Cadetship Program was launched, in partnership with universities to deliver innovation and automation use cases in the fields of automation (through bots), artificial intelligence (delivering AI models), and data visualization (with the creation of business dashboards).

The program is a three- to six-month assignment for university students which allows them to work on actual projects or use cases on automation, AI, and data visualization for use in the day-to-day work of employees. Cadets are mentored and trained by the subject matter experts in AIA Philippines, after which they become certified by Microsoft based on their track of choice (AI, Azure, or Power Platform).

The cadets are treated like full-time employees. They provide valuable insights from their hands-on experience with their knowledge from the academe to help transform into usable tools the automation, AI, and data visualization requirements of AIA employees.

Some notable use cases that the cadets have supported into production include the following:

- Early versions of Toby, the transfer of business bot
- Payme bot, responsible for payroll validation
- Next-Best-Offer AI retraining model
- Geospatial analysis of market based on social class
- Data Visualization on sales analysis for Pamilya Protect, BPI AIA's low-cost protection product available through Facebook Messenger

At the end of their program, the cadets are asked to evaluate their experience. To date, the program has received a 4.5 out of 5 rating.

There were 20 students who participated in the first run of the program, with another 20 expected to join this year.

OUR STRATEGIC PRIORITIES IN DETAIL

Strategic Priority 2

Accelerating Progress in Diversity and Inclusion

Promote workplace diversity and advance a culture of innovation and inclusion.

Diversity and Inclusion in Action

The diversity of people across the AIA business units which encompasses talented people from a range of backgrounds is one of its strengths. For the AIA Philippines Group, an inclusive workplace that fully embraces and celebrates differences, and encourages open, constructive dialogue is cultivated, based on the belief that these result to greater innovation, better decision-making, increased adaptability and improved problem-solving.

Among the initiatives that ensure that all employees are aware of the AIA culture, it is the AIA Code of Conduct that indoctrinates the organization's approach to inclusion and non-discrimination. New employees are required to complete the training as part of their onboarding, which also covers the anti-

harassment policy and e-learning, outlining expected workplace conduct and professionalism, including channels for escalation. AIA has zero tolerance for harassment or discrimination in any form, including those based on race, color, religion, gender, nationality, age, disability, military service, marital status or sexual orientation.

To further strengthen the culture of diversity and inclusion, a mandatory e-learning module for managers on unconscious bias was launched in 2022. This was part of the effort to create and maintain a positive environment where individuals are treated with respect and are free from all forms of discrimination, bullying or harassment.

OUR STRATEGIC PRIORITIES IN DETAIL

Strategic Priority 3

Strengthening Risk Awareness

Embed a culture of ethical decision-making and strong risk management.

Prioritizing Strong Risk Management

Building a purpose-driven culture of trust is key to effective risk management, which in turn shapes how the employees of the AIA Philippines Group navigate the challenges and opportunities that relate to its license to operate. Trust underpins the products and services that its Companies provide customers and is the foundation of all interactions in the workplace, and with all other external stakeholders.

The AIA Philippines Group holds itself to the highest professional standards as defined in its Code of Conduct, which outlines how this trust is maintained and reflects its Operating Philosophy of “Doing the Right Thing, in the Right Way, with the Right People... and the Right Results will come”.

In addition, AIA’s Operating Philosophy and Code of Conduct identifies expected risk awareness and

channels for employees to report on potential risks. Frequent training and internal communications ensure that all employees are familiar with the appropriate reporting options, which typically start with an employee’s manager or through internal or external hotlines.

Employees must certify annually their compliance with the Code of Conduct and other key policies, such as the whistle-blower policy. This enables its Companies to check if employees understand their obligation to speak up and report any potential risks. The degree to which employees are confident that ethical matters they raise will be appropriately handled is assessed, and whether their manager cultivates an environment where they are comfortable to raise concerns about risk.

OUR STRATEGIC PRIORITIES IN DETAIL

Strategic Priority 4

Enriching and Rewarding Opportunities For All

Ensure fair, accountable and equitable processes for employment, progression, and rewards.

Rewarding Performance

The AIA Philippines Group provides a dynamic work environment that encourages employees to bring their best to work each day. In return, the Companies offer a Total Reward program, including growth opportunities and a comprehensive package of pay and benefits, which aims to give employees the choice and flexibility to meet their individual needs.

The Reward Philosophy espoused by the AIA Philippines Group is built on the principle of providing an equitable, motivating, and market-competitive total remuneration package that fosters a strong performance-oriented culture. Its strong pay-for-performance culture is aligned with AIA Group’s Operating Philosophy of “Doing the Right Thing, in the Right Way, with the Right People... and the Right Results will come.” It aims to ensure that individual rewards and incentives relate directly to the individual’s performance, the function in which they work, and the overall performance of the business.

The Short-Term Incentive (STI) Plan is designed to reward employees for achieving individual objectives and contributing to AIA’s annual business performance. It is an incentive scheme intended to link reward directly with the individual’s and AIA’s overall business success.

The Long-Term Incentive (LTI) Plan is a discretionary plan intended for key executives and selected critical talent, based on their individual performance and potential. It is based on the GCB (Group Career Band), the criticality of the nominee’s job, and the individual’s performance and long-term potential at AIA.

The Employee Share Purchase Plan (ESPP) is another important element of the Total Reward program which offers a convenient and attractive means for employees to further benefit from the Company’s future success through its one-for-two share matching.

Recognition for Happy Hacks, Above and Beyond, and Super Synergy also serve to reward performance. To promote the right behaviors, recognition is given to employees who have given quantifiable contributions while exhibiting the Leadership Essentials. These include: innovating or simplifying processes, going above and beyond one’s job to delight customers, or promoting cross-functional collaboration and challenging the status quo.

OUR STRATEGIC PRIORITIES IN DETAIL

Caring for Employees' Health and Wellbeing

The AIA Philippines Group has its own health and wellness program that allows employees to take charge of their total health and wellbeing through the WorkWell with AIA Program. Powered by AIA Vitality, employees are encouraged to lead a healthier lifestyle so they can live better and get more out of life. Initiatives that encourage and motivate employees in their journey towards

wellness in a fun and collaborative way are also implemented to help them live healthier, longer, better lives

Live Well

Physical wellness is cared for by promoting health screenings, physical activity, good nutrition, and

access to quality health services through our people's health and wellness journey

- Weekly wellbeing day: Yoga, Zumba, HIIT, Cardio Boxing, Circuit Training, Pilates etc.
- Flu Vaccination to all employees and qualified dependents
- Random Drug Testing
- Covered RT-PCR testing for all COVID-symptomatic cases and close contacts

Think Well

Focus on mental wellness by fostering awareness of the mental health of employees, providing tailored solutions in the form of education, self-help tools, coaching, counselling, and access to preferred mental health providers.

- In 2022, the AIA Philippines Group partnered with MindYou, a mental health technology company that provides companies access to preventive and unlimited therapy sessions with licensed psychologists to make professional help accessible anytime and anywhere. The partnership was launched to provide employees access to psychological support through unlimited mental health counselling sessions, escalation policy and full coverage of referred high-risk cases, free educational campaigns,



OUR STRATEGIC PRIORITIES IN DETAIL

wellness webinars, employee mental health check and psychometric reports.

- Mental Health Month Celebration geared towards promoting emotional wellbeing and mental health for employees through a series of offerings spread throughout the month. These included a gratitude corner through “thank you” messages on ice cream cups, comfort pillows for all attendees, 20-minute massages, art attack painting, cooking healthy recipes, chair yoga and meditation, and talks on building stronger relationships, work-life balance, and raising mentally healthy children.

Plan Well

The AIA Philippines Group ensures that employees’ financial wellness is looked after, with self-help tools and solutions provided to augment their financial literacy. On a need basis, employees have access to professional help for planning and managing finances across different life stages.

Several talks on money management were conducted for employees throughout the year as part of the Plan Well pillar:

- Money management tips in the post-COVID era by Francis Kong, which covered what money is all about, its intrinsic worth vs. price, time and relevance with money, false beliefs about money, and factors that govern attitude towards money.

- Five core principles of money by Jayson Lo, which covered writing a game plan, spending less and earning more, getting out of debt, investing the difference, and leaving a legacy plan.

Feel Well

The companies within the AIA Philippines Group espouse an inclusive work environment and supportive network that foster a sense of belonging to a wide community, with focus on social wellness that also promotes purpose and resilience among its people.

Various communities that address the various interest of employees were launched, creating a social circle where common interests are shared:

- Sports Community – Encourages physical wellbeing through sports, positively impacting mental wellbeing.
- Music Community – Serves as an outlet for members to express emotions through music.
- Fur Parents – Pet-owner employees get together in the spirit of companionship, loyalty, and service best exemplified through their fur babies, whose company helped with their mental health, especially during the pandemic.
- Arts and crafts Community – Arts and crafts, whether as a hobby or a profession, provides a



platform to release emotions for those who use art for self-expression.

- K-Drama and K-Pop Community – A community for employees who are avid followers of Korean drama or Korean pop, use these as an outlet to provide relaxation and a momentary break from reality.

First Aiders were identified in all offices nationwide to reinforce emergency preparedness on medical cases and be prepared for any eventuality.

OUR STRATEGIC PRIORITIES IN DETAIL

A Safe and Secure Workplace

The areas occupied by the companies within the AIA Philippines Group are Safe, Healthy, and Secure Workplaces. The Companies observe Occupational Safety, Security, and Health Standards being promoted by the Department of Labor and Employment, and conducts business in a manner that protects the health, safety, and security of its employees and customers.

Promptly reporting to management or to the appropriate Corporate Security Personnel the situations that may pose health, safety, security, and environmental hazards is mandated. Employees are encouraged to notify management or Corporate Security of any issue that may impact the company's security, fire and life safety, or emergency readiness.

Using, selling, possessing, or working under the influence of illegal drugs is strictly prohibited. At the same time, the use of alcohol while conducting business is also prohibited.

The AIA Philippines Group abides by local labor and employment laws including those addressing discrimination and harassment. Its Code of Conduct also mandates that employees treat each other with respect, including valuing each other's differences and respecting each other's opinions.

Physical security systems reduce the risk of incursions. Entry controls are implemented to ensure the Companies' safety, security, and protection. The wearing of ID cards is strictly observed.

The AIA Philippines Group respects the personal information and property of employees. Employees expect the Companies to carefully maintain the personal information they provide. Employee trust must not be compromised by disclosing this information other than to those with a legitimate need to know.

Access to personal information or employee property is given only to authorized personnel with a legitimate reason to access such information or property.

From time to time, the Companies may access and monitor employee internet use and communications to assess compliance with laws and regulations, policies, and behavioral standards. Subject to local laws, employees will have no expectation of privacy with regard to workplace communication, and especially when using the information technology resources of the Companies.



Effective Governance

In this section

- 50 Our Effective Governance Pillar
- 51 Summary of Strategic Priorities and Progress
- 52 Our Strategic Priorities in Detail

Our Effective Governance Pillar

The AIA Group, and consequently, the AIA Philippines Group, holds itself to the highest ethical standards, with a clear and comprehensive framework of industry leading practices, policies and requirements. To ensure that these translate to implementation in the day-to-day operations, it is supervised by robust management and Board oversight, ensuring that responsible business practices are adopted as an

important part of the organization’s culture. Since the integration of ESG into business practices, the governance framework has continued to adapt, with the end goal of sustainability becoming deeply embedded into the organization.

Cultivating sustainable stakeholder value is rooted in strong governance processes. With these in place,

there is clarity, transparency and accountability for business decisions made, ensuring that the AIA Philippines Group is in the best position to deliver on its promises to customers and communities, while contributing to a healthier planet.

Summary of Strategic Priorities and Progress in 2022

Strategic Priorities	2022 Progress
<p>1. Board Governance Foster business integrity and sound decision-making through a diverse and highly qualified Board</p>	<ul style="list-style-type: none"> • Management succession planning, a process called Organization People Review (OPR), was conducted, completed and presented to the Board. The process was done to increase the succession planning rating of the AIA Philippines Group. • With reporting to government agencies with oversight on the business a big part of corporate governance practices and policies, it is essential to ensure the timeliness of the submission of mandatory requirements. By year end, the timelines for the 2022 Annual Corporate Governance Report were finalized and cascaded to the rest of the organization to ensure compliance with the deadlines. • All newly elected members of the board are given a comprehensive orientation on the Companies. They are also required to complete the IC-mandated Annual Continuing Board Training on Corporate Governance. In 2022, 100% of board members attended the annual training, or its equivalent in a separate occasion. • Regular updates are currently being made to the Board on ESG-related activities, policies, and strategies, with the ESG Report to the Board conducted on a quarterly basis for both AIA Philippines and BPI AIA.
<p>2. Ensuring Effective Risk Management and Responsible Business Practice Effectively manage ESG-related risks and opportunities throughout the business</p>	<p>A review of ESG risks is currently being conducted to identify and refresh key ESG risks and risk tolerance. The results will be available by the third quarter of 2023.</p>

Our Strategic Priorities in Detail

Strategic Priority 1

Effective Board Governance

Foster business integrity and sound decision-making through a diverse and highly qualified Board

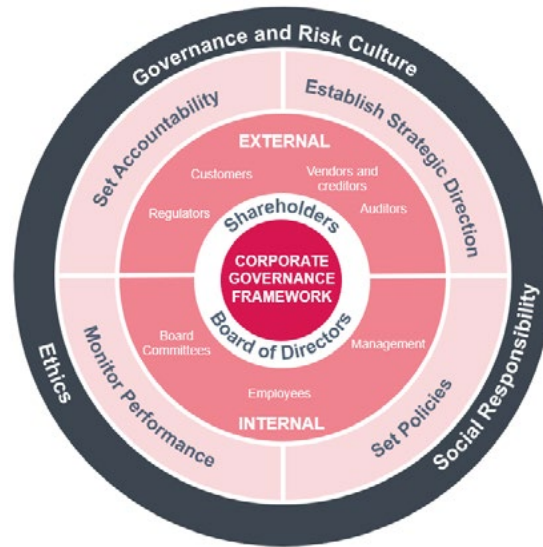
Strong corporate governance is essential both to the delivery of sustainable value and to maintaining a culture of business integrity. The AIA Philippines Group is committed to high standards of corporate governance, which sets the foundation upon which the Companies are able to grow the business, realize its Purpose, and help people live Healthier, Longer, Better Lives. Aligned with the AIA Group’s ESG Strategy, the commitment to effective governance is demonstrated in the section below. Readers are encouraged to refer to the Corporate Governance Report of the Annual Report 2022 for further details.

The AIA Philippines Group uphold its reputation through its commitment to the highest ethical standards and responsible business practices.

Corporate Governance

The AIA Philippines Group (comprising AIA Philippines, BPI AIA, AIA Investment Management Philippines, and all of its subsidiaries in the Philippines) confirms its compliance with the Code of Corporate Governance. Its commitment to the highest standards of corporate governance is rooted in the belief that a culture of integrity and transparency is essential to the consistent achievement of its goals. Creating a sustainable culture, where trust and accountability are as vital as skill and wisdom, steers the Board towards achieving long-term value for shareholders and customers, and strengthens confidence in the institution.

Corporate Governance Framework



Corporate Governance Policy

The Corporate Governance Policy that the companies under the AIA Philippines Group adheres to places on the Board the ultimate responsibility for the sustainable performance of the Companies, including its consistent achievement of business plans and compliance with statutory and corporate obligations. To fulfill such responsibility, the Board adopted a policy of adherence to all legislations, regulations,

and statutory standards as may be applicable and relevant to the Companies and mandates all directors, senior management and employees to abide by the principles of good governance and the AIA Code of Conduct.

The corporate governance framework of the AIA Philippines Group underpins its commitment to corporate governance principles and leading practices.

Board Independence and Diversity

The Board of Directors has a balanced composition of executive and non-executive directors, such that, no individual or small group of individuals can dominate the Board’s decision-making. The Board will determine whether a director is independent in character and judgment, or there are relationships or circumstances which are likely to affect the director’s judgment.

The Board also recognizes the benefits of having a diverse Board as an essential element in maintaining a competitive advantage and achieving optimal decision-making. The Board considers diversity in age, gender, ethnicity, culture, race, skills, regional and industry experience and background, and other distinctions in determining the composition of the Board of Directors.

The Board also ensures that each director does not have, directly or indirectly, a financial, legal or other relationship with the companies under the AIA Philippines Group that would reasonably interfere with the exercise of independent judgment in carrying out his or her responsibilities.

OUR STRATEGIC PRIORITIES IN DETAIL

Board Committee Composition

For AIA Philippines, each of the three (3) Board committees - the Audit and Related Party Transactions (RPT) Committee, the Corporate Governance Committee (formerly: Governance, Nomination and Compensation Committee), and the Board Risk Committee, is chaired by an Independent Director. The Audit and RPT Committee is composed of all the three Independent Directors of the company. The Corporate Governance Committee is composed of majority Independent Directors and Non-Executive Director. The Board Risk Committee includes the Chief Executive Officer as its only Executive Director while majority members are Independent Director. The inclusion of the Executive Director is to ensure that the Risk Committee has the benefit of detailed financial and operational information to ensure appropriate oversight in support of ensuring the sustainability of the company's operations.

For BPI AIA, its Audit and RPT Committee and Corporate Governance Committee are headed by two different Independent Directors. No Director of the company chair two or more committees to ensure that the Committee Chairpersons can devote their time to the Committee they are leading.

ESG Governance

The Board's membership includes expertise in the management of ESG matters, with various members demonstrating deep fluency in ESG issues and trends, while bringing valuable experience and perspectives gained from their previous positions serving on ESG or sustainability committees of various companies, locally or abroad.

The Companies augment the Board and management's ESG knowledge and skills by providing ESG- focused trainings. For its 2022 Annual

Continuing Board Training, the topics concentrated on ESG, covering topics such as ESG and the Role of Internal Audit and Sustainable Finance for Insurance Companies. The training further provided the Board and Senior Management with an overview of sustainability, benefits of sustainability reporting, and developments on sustainability.

OUR STRATEGIC PRIORITIES IN DETAIL

Setting The Bar High for Corporate Governance

Industry Recognition for Effective Governance

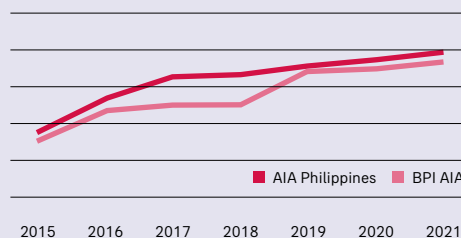
Garnering a score of 100 and 95, AIA Philippines and BPI AIA were awarded Three Golden and Two Golden Arrows, respectively, by the Institute of Corporate Directors (ICD) in partnership with the Insurance Commission (IC) last 23 September 2022. The Golden Arrow award is given to select insurance companies hailed to have outstanding corporate governance practices after closer scrutiny is performed by the ICD on the public disclosures of insurance companies.

AIA Philippines and BPI AIA were also named as top performing insurance companies in the Philippines under the 2021 Corporate Governance Scorecard by the ICD and IC.

Year-on-Year Improvement

The year-on-year improvement of the Annual Corporate Governance Report (ACGR) score of both AIA Philippines and BPI AIA is a testament to the commitment of the AIA Philippines Group to good corporate governance, deeply rooted in the AIA operating philosophy of “Doing the Right Thing in the Right Way with the Right People, and the Right Results will come.” This drives the way business is conducted, and forms the foundation on which the risk and compliance policies and guidelines are built on.

Annual Corporate Governance Report (ACGR) ICD Score



Board Evaluation Survey Results

The Board of Directors of the various companies under the AIA Philippines Group do not just mandate tone from the top, they walk the talk and set a good example by setting high standards of governance across the organizations.

In 2022, a board evaluation survey was conducted for AIA Philippines and BPI AIA, with the objective of identifying areas in which the board could perform better, as well as assess if the board’s skills and expertise match the strategic direction that the companies are taking.

The board evaluation survey on AIA Philippines was facilitated by the Institute of Corporate Directors (ICD), with the findings summarized as follows:

- Composed of very competent and professional directors with diverse experience;
- Very much engaged in strategy execution, formulation and monitoring of policies and accountability;

- The Board discussions are collegial and very dynamic;
- The Board is strongly committed to ethical business practices; and
- There is very good collaboration and working relationship between the CEO and the independent directors.

Similarly, in the board evaluation survey conducted by the Good Governance Advocates and Practitioners of the Philippines (GGAPP), the following conclusion on the BPI AIA board was shared:

- Directors are experienced and knowledgeable in matters relating to the Company’s operations and also possess the diversity needed to encourage and support independent, effective and informed discussions;
- Directors feel that the Company’s Board sufficiently performs its general duties and responsibilities in a manner that is aligned with corporate governance best practices.
- The Company’s Board is guided by the necessary supporting policies, such as a Corporate Governance Policy and Procedure Manual and a Code of Conduct.
- Meetings are regular and frequent enough that the Board is able to fully perform its duties and functions.
- The Company’s Board meetings are purposeful and pre-arranged, which gives directors more time to prepare, as well as formulate strategies relating to the matters to be taken up.

OUR STRATEGIC PRIORITIES IN DETAIL

Continuing Training for the Board of Directors

The members of the board of the companies within the AIA Philippines Group are regularly provided with refresher trainings to ensure that they are updated with the latest knowledge on topics mandated by the Insurance Commission (IC).

Newly elected directors, with the assistance of the Corporate Secretary, are given an orientation to familiarize themselves with the companies that they are elected to. The orientation program covers corporate governance and an introduction to the company's business, Articles of Incorporation, By-Laws, and Code of Conduct. It also includes a discussion on the organizational profile, policies and procedures of the company. It should be able to meet the specific needs of the company and the individual directors and aid any new director in effectively performing his or her functions.

Once they become members of the board, they are provided with annual continuing training to promote effective board performance and continuing qualification of the directors in carrying out their duties and responsibilities. The annual training is aimed at providing the board with continuous information of the developments in the business and regulatory environment, including emerging

risks relevant to the company. The training program includes Insurance Commission (IC)-mandated topics on corporate governance, specifically:

- Code of Corporate Governance for IC-regulated companies
- ACGS and IC Annual Corporate Governance Report
- Board Responsibilities
- Illegal activities of corporations/directors/officers
- Protection of minority shareholders
- Liabilities of directors
- Confidentialities
- Conflict of interest i Related-party transactions
- Enterprise risk management
- Case studies and financial reporting
- Audit

The annual board training also includes other courses and coverage that the Board may deem appropriate for its training and development needs.

Since 2020, the companies within the AIA Philippines Group have been sponsoring its own four-hour IC-Mandated Annual Continuing Board Training on Corporate Governance where various topics were covered and discussed by competent speakers who are experts in their field. Outside of these training opportunities provided to the board, directors are encouraged to attend continuous professional education programs such as the Professional Directors' Program of the Institute of Corporate Directors.

OUR STRATEGIC PRIORITIES IN DETAIL

Strategic Priority 2

Ensuring Effective Risk Management and Responsible Business Practice

Effectively manage ESG-related risks and opportunities throughout the business.

Responsible Business Practices

The AIA Philippines Group takes pride in its long history of successful operation, and value the reputation it has earned of being reliable and trustworthy and acts with integrity. It believes that delivering on its Purpose of helping people live Healthier, Longer, Better Lives depends critically on the constant pursuit of integrity, accountability, and transparency at all levels.

AIA Philippines Group serves millions of customers and their families, providing financial security and protection across multiple generations. As it takes steps to further embed its ESG Strategy, it continues to maintain only the highest standards of responsible business practices across its operations.

AIA Code of Conduct

AIA employees hold themselves to the highest standards of integrity and ethics in everything they do. In doing so, the trust placed by customers are protected, maintaining and enhancing the foundation of long-term sustainability and success. AIA's Code of Conduct defines how this trust is maintained and reflects the Operating Philosophy of "Doing the Right Thing, in the Right Way, with the Right People and the Right Results will come."

The AIA Code of Conduct is designed to give AIA officers and employees a practical understanding of how to make the right decisions in their day-to-day work. It provides clear guidance on important issues and outlines how employees should behave and conduct business at all times and under all circumstances.

As part of the AIA Group, AIA Philippines Group employees adhere to the same Code of Conduct. To ensure that all AIA employees are aware of the provisions of the AIA Code of Conduct, an annual certification program is conducted where all employees confirm their knowledge, understanding, and practice of the rules and guidelines written in the Code.

Every employee is expected to take personal responsibility for observing standards of integrity and to report any suspected violation of the Code of Conduct. Employees are empowered to identify and escalate any issues without fear of retaliation. Non-compliance with the Code is subject to disciplinary action, which can include dismissal, where appropriate. AIA's business partners, including its agents, distribution partners and suppliers are expected to follow the same responsible practices as employees.

Preventing Bribery and Corruption

A zero-tolerance approach on bribery and corruption is adopted by the AIA Philippines Group. Under its policies, employees and other persons representing AIA are prohibited from offering, accepting, paying or authorizing any bribes or participating in any form of corruption in any business interaction that involves AIA and government officials, customers, or employees.

Anti-corruption training is compulsory for all employees. Reviews are conducted from time to time to monitor compliance with the Anti-Corruption Policy, which outlines the roles and responsibilities of employees.

Preventing Fraud

The AIA Philippines Group adopts a zero-tolerance approach to fraud and expects all employees and third parties to act with honesty and integrity. The policy is intended to reinforce management procedures designed to aid in the prevention, detection, and investigation of fraud, thereby safeguarding the Companies' assets and providing protection from the legal and reputational consequences of fraudulent activity. All suspected cases of fraud are investigated, and disciplinary procedures enforced, including prosecution and termination.

The Anti-Fraud Policy was submitted to the Insurance Commission following the requirements of IC Circular 2016-50. The Insurance Commission wants to ensure that all companies are prepared and ready to combat insurance fraud for its own protection and for the welfare of its stakeholders and the insuring public.

OUR STRATEGIC PRIORITIES IN DETAIL

Whistleblower Protection Program

The AIA Philippines Group does business with integrity and follow the highest ethical principles in its transactions. Any employee (or anyone else) may raise concerns of misconduct or wrongdoing within AIA and the AIA Philippines Group that can allow investigation to fix any problems. The Whistleblower Protection Policy applies to all employees of the AIA Group including companies with the AIA Philippines Group. This Policy guides all employees on how to raise ethical concerns, and guides managers on how they should respond when this happens.

‘Whistleblower’ refers to someone (an employee for any of the companies under the AIA Philippines Group, business partner, agent, consultant, vendor, customer, or other party) who informs AIA or any of the Companies of suspected illegal or improper ways of doing business involving violation of laws, regulations, AIA or the AIA Philippines Group policies, and other unethical actions that might negatively impact AIA’s and any of the AIA Philippines Group reputation.

Employees who are aware of possible wrongdoing within AIA and the AIA Philippines Group have a responsibility to disclose that information to management. Reports are taken seriously and investigated confidentially. Employees or other individuals will not suffer retaliation for reporting suspected wrongdoing in good faith.

Speak up culture is encouraged and widely promoted in the Companies. Regular reminders are distributed to promote reporting whenever employees see or suspect potential misconduct or fraud. A hotline and a link are made available and the employee may choose to report issues anonymously.

An AIA Ethics line (<https://www.aiaethicsline.com>) was developed to support the program. It is an independently managed website and hotline (telephone) service, receiving reports in local language, 24 hours a day, and seven days a week. AIA and anyone from the AIA Philippines Group can communicate with anonymous whistleblowers via a secure platform using the AIA website. The report may also be made by using the AIA Group Ethics and Compliance Hotline.

In 2022, the Program received reports on a broad range of issues, including customer complaints, human resources and work grievances, matters relating to individual circumstances such as conflicts of interest, matters of workplace respect, matters of unethical conduct and questions about business practices. Among investigations completed in calendar years 2021-2022, 44 percent covered allegations which were at least partly substantiated.

Anti-Money Laundering and Counter Terrorist Financing (AML/ CTF) Program

AIA does not permit the use of its products and service for money laundering and terrorist financing purposes. The AIA Philippines Group formulated its respective AML/ CTF program in accordance with the Anti-Money Laundering Act of 2001, as amended. The AML/ CTF program also aligns with the AIA Group AML/ CTF Policy. In addition, the AIA Philippines Group also adopted the AIA Group Economic Sanctions Policy, which sets out standards to manage the risk of dealings with governments, individuals, and entities subject to sanctions programs.

The AML/ CTF Program includes a risk-based approach to conducting customer due diligence, ongoing monitoring, suspicious activity reporting, training, and record-keeping.

All new employees are required to complete the AML/ CTF training. The management, officers, and staff remain vigilant in the fight against money laundering and financing of terrorism and collectively oppose any effort to violate or flaunt the anti-money laundering laws.

In 2022, the AIA Philippines Group reviewed and revised many of its processes and tools to comply with new regulations and to make its AML/ CTF program more effective, efficient, and sustainable.

OUR STRATEGIC PRIORITIES IN DETAIL

Commitment to Customers

As a reliable and caring partner, the companies within the AIA Philippines Group are dedicated to protect every Filipino family and empower them to achieve healthier, longer, and better lives.

The Customer Service Standards of the AIA Philippines Group demonstrates its commitment to effectively address customer needs and fulfill its promise of providing financial and wellness solutions at key milestones in their lives.

The drive for service excellence is anchored on three things: providing personalized solutions, seamless experience and consistency in delivering on committed promises to customers.

Personalized Solutions. The AIA Philippines Group makes sure that its product solutions are anchored on customers' needs, risk profile and financial capacity with the use of the Financial Needs Analysis tool, as embedded in its Sales Process. Through the use of data and policy transaction records, the nurturing and engagement initiatives including communications are also tailored to the likely service needs of customers, guiding them towards the next best action for their insurance policies.

Seamless Experience. To ensure that there is a clear understanding of the customers' sentiments, the Companies put on the customer's lens, thinking cap and walk their path in the development of journey maps for all potential customer interactions. The objective is to foster delightful and frictionless experience to customers at all times --- from buying a policy to claiming a benefit. Customers are also empowered to manage their insurance policies anytime and anywhere through a secure online portal, My AIA.

Consistency in Delivering Promises. Service levels and standards are set for the various policy services offered to customers. Inquiries and requests are fulfilled within service standards and in a timely manner. The Financial Advisors and frontline servicing staff have been equipped with the necessary information and tools for a first contact resolution.

OUR STRATEGIC PRIORITIES IN DETAIL

Securing Customer Information

Data Privacy

The AIA Philippines Group recognizes its responsibilities in protecting the personal data and sensitive information of all its stakeholders including employees, customers, intermediaries, business partners, and third-party service providers. The Board of Directors, management, and employees of the companies within the AIA Philippines Group commit themselves to adopt and adhere to the Data Privacy Policy provisions to ensure protection of personal information and sensitive data collected and shared.

The Data Privacy Program of the AIA Philippines Group is aligned with RA 10173, the local Data Privacy law. It contains 11 Data Privacy Principles aimed to guide and establish the necessary controls to safeguard the privacy of the personal information in the hands of the companies within the AIA Philippines Group and its employees.

To strengthen corporate governance, the AIA Philippines Board of Directors appointed a Data Protection Officer for the AIA Philippines Group who is tasked to oversee the implementation of its Data Privacy Program based on the issued Implementing Rules and Regulations of the local law and ensure that appropriate operational controls are implemented across all units or departments.

The AIA Philippines Group's Data Privacy Policy provides guidance to all employees, intermediaries, and third parties on how personal data should be collected, used, stored, transferred, and disposed. It further clarifies the roles and responsibilities of the employees and intermediaries about the relevant

standards and procedural controls expected to be observed to secure and protect personal data.

The local Data Privacy law and the Data Privacy Policy require the business to conduct Privacy Impact Assessment (PIA), a risk assessment process used to evaluate certain business activities' impact on data privacy for the purpose of avoiding or minimizing such adverse impacts and to ensure adequate safeguards are in place. PIAs are conducted before any business initiatives and projects that may impact personal data. It is also conducted and reviewed on an annual basis of major processes.

The Data Privacy Program of the AIA Philippine Group is subject to regular review and evaluation.

Data Protection and Cybersecurity

The AIA Philippines Group is committed to protecting the interests of its customers, partners, employees and stakeholders, ensuring high standards of information security. Information security policies and standards consistent with those of leading companies globally was developed to ensure that its systems, processes and information are secure.

A dedicated information security team oversees the implementation and operation of cybersecurity controls across the AIA Philippines Group. The team is focused on protecting AIA from cyber threats by detecting any anomalies, effectively responding to cybersecurity issues, enhancing defensive controls and investing in security analytics. This includes focusing on key systems that process customer data and support business processes.

The AIA Philippines Group strongly believes that cybersecurity is the responsibility of every employee.

Therefore, employees and external contractors are educated about how to protect themselves and AIA from cyber threats through web-based awareness and readiness training and by conducting regular cyber-defence assessments including ethical hacking and incident management drills.

Protecting Intellectual Property Rights

The AIA Philippines Group works hard to protect its brands from misrepresentation and misuse. All of its intellectual property is protected by registering trademarks or patents ("Marks") either locally for specific business unit use or across all jurisdictions for cross-jurisdictional use. Its Marks are registered under one entity, AIA Company Limited, for effective control and oversight.

The extensive trademark portfolio is managed centrally by the AIA Group Legal to ensure consistent application of use guidelines and avoid dilution resulting from inconsistent usage. To enhance this process, an external provider is engaged to monitor, report and prosecute unauthorized use of all owned Marks across all jurisdictions. At the same time, registration and management of Marks are done locally to protect the exclusive right to its use as well as to add value to locally available products and services.

Historically significant Marks are proactively maintained to sustain goodwill and foster consumer recognition. AIA maintains written agreements with its business partners detailing the ownership rights of its owned Marks and allowing for specific use by its business partners while the agreements are in effect.

OUR STRATEGIC PRIORITIES IN DETAIL

Responsible Use of Artificial Intelligence

Following AIA's commitment to Responsible Artificial Intelligence (AI), AIA Philippines extends this further into an AI Governance standard. The standard aligns the Company deeper with AIA's operating philosophy by covering project lifecycle frameworks, model management, and risk and compliance principles specific to AI while still aligning with its Responsible Use of AI Standard. The Standard emphasizes fair and proper use of Artificial Intelligence, while maximizing benefits through standardization and best practices.

AIA Philippines has also established a Community of Practice in AI that dedicates itself to the upskilling, knowledge sharing, and evangelization of Data Analytics. The community allows the Company to flow-through practices taken and developed from the Standard to the rest of the organization. The Data Science team is now establishing processes and automation based on the Standard to ensure compliance.

Cultivating a Culture of Innovation

Innovation plays a massive role in any organization's success, which is why the AIA Philippines Group is working hard to improve and create new platforms which will be used by customers and the workforce. As a leading player in the life insurance industry, it must be able to keep up with the changing landscape, particularly in terms of product development and how these are served to customers. However, change doesn't come easy, especially for an organization that has been in operation for nearly eight decades. Because of this, a conscious effort must be undertaken to create a culture of innovation among its people.

The AIA Philippines Group innovates and develops solutions to bring ease and convenience to the ecosystems it serves through its Innovation Lab—its framework of innovation that encompasses its workforce, ecosystem, and culture. It helps empower employees to be at the forefront of change, regardless of tenure, age, position, or gender. It is an enabler which allows the AIA Philippines Group to continuously transform.

The Innovation Lab is the AIA Philippines Group's way of working across technology, digital and analytics projects. It has paved the way for various game-changing projects, including the AYA chatbot for AIA Philippines, the Bessy chatbot for BPI AIA, and workflow protocols which revolutionized the Companies' ability to provide customers with convenient access to products and services through the corporate websites, as

well as give distribution partners efficient tools that help them with their work, such as the Coffee Closing, iPoS, iServe and iRecruit platforms.

The Innovation Lab is part of efforts to provide revolutionary holistic solutions to benefit people and customers and eventually, more Filipinos. The program aims to use technology to support the shift of insurance to become more personalized and humanized.

All projects conceptualized by the innovation team undergo extensive research and development, applying human-centered design principles to ensure that the brand's website, apps, or internal programs are user-friendly.

Ideas first go through the assessment phase, where the team determines if the project falls under the three pillars: viability, desirability, and feasibility.

In the Design and Test phase, the team tests and continuously improves each prototype to know the best way forward before investing heavily in it.

In the final stage—Operationalize and Improve—projects are fine-tuned to produce the best output possible. These phases ensure that all the solutions created within the AIA Philippines Group are relevant, easy to use, provide better service to customers, and enable its people and distribution partners.



**HEALTHIER, LONGER,
BETTER LIVES**

AIA Philippines Life and General Insurance Company Inc.

23/F AIA Tower (formerly Philam Life Tower), 8767 Paseo de Roxas, Makati City

Tel: (632) 8521 6300 / (632) 8526 9200 Email: customerservice.ph@aia.com Web: aia.com.ph

Customer Hotline: (632) 8528 2000

    AIA Philippines