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## Media Release

### **AIA CEO, Insurance Commissioner Discuss Protection Gap in the Philippines**

Manila, the Philippines, xx September, 2011 -- In his recent visit to the Philippines, Mark Tucker, Group Chief Executive and President of AIA Group Limited ("AIA" or "the Group"), paid a special visit to Insurance Commissioner Emmanuel Doo, where they discussed several topics, including the "protection gap" in the country.

The protection gap refers to the difference between the insurance cover consumers have and what they should have to be fully financially protected. AIA estimates the gap to be around US\$20 trillion across 15 markets in Asia and it is still growing. AIA recently launched the "Mind the Gap" campaign to raise awareness about the protection gap.

"The protection gap in Asia is an important issue that needs to be addressed for the good of the community," said Mr. Tucker. "We are committed to educating our customers about their protection gap and providing them the support they need to help them bridge it. We are supportive of the government's plan to reduce the protection gap in the Philippines."

AIA and its subsidiaries comprise the largest independent publicly listed pan-Asian life insurance group in the world. It has wholly-owned main operating subsidiaries or branches in 14 markets in Asia Pacific - Hong Kong, Thailand, Singapore, Malaysia, China, Korea, the Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau and Brunei and a 26% joint venture shareholding in India.

The Protection Gap in the Philippines is estimate at xxx and is rising as local healthcare costs continue to rise by xx percent a year. Bla Bla research house says Xx per cent of households in the Philippines are under covered in healthcares cost by x percent.

"Rising health care expense are placing an increasing burden on families as rising healthcare costs widens the gap between existing insurance coverage and the cost of receiving treatment," said Gordon Watson, AIA Executive Vice President and Regional Managing Director for Hong Kong, Korea, Taiwan, Macau, and the Philippines. "As the largest player in the Philippines life insurance market, we continue to invest in our local agency force. We believe by having the best agents we can offer our customers the best protection solution."

The Insurance Commission estimated that only 13 per cent to 14 per cent of Filipinos have life insurance coverage, including those covered by the Social Security System (SSS) and Government Service

Insurance System (GSIS). Focusing on privately-owned life insurance, the penetration rate goes down significantly to about 4 per cent.

“The vision of our founders was to have a Philam Life policy in every Filipino home. We continue to believe in this because we believe in the power of insurance to change lives and make dreams happen,” said Rex Mendoza, Philam Life President and CEO. “As part of AIA, Philam Life has access to a wealth of knowledge, experience, and best practices in life insurance and wealth management from across the Asia Pacific. All of these we will use and harness to empower every Filipino to achieve financial security and prosperity.”



**AIA Group CEO visits Insurance Commission.** Mark Tucker (second from right), Group Chief Executive and President of AIA Group Ltd, shakes hands with Hon. Emmanuel Dooc (center), Insurance Commissioner, in a meeting at the commissioner’s office. Mr. Tucker and Commissioner Dooc discussed the protection gap and the government’s push to make insurance more available to more Filipinos, something AIA supports. AIA is the largest independent publicly listed pan-Asian life insurance group in the world. It has wholly-owned main operating subsidiaries or branches in 14 markets in Asia Pacific including Philam Life in the Philippines. Joining them are Gordon Watson, AIA Executive Vice President and Regional Managing Director (far right), Rex Mendoza, Philam Life President and Chief Executive Officer (second from left), and Rey Centeno, Senior Executive Vice President and Chief Operating Officer (far left).

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### **About Philam Life**

The Philippine American Life and General Insurance Company (Philam Life) is the largest life insurance company in the Philippines and the market leader for over 60 years. Philam Life offers an extensive line of products in the industry that provides solutions to various financial needs including life protection, health insurance, savings, education, retirement, investment, group and credit life insurance. Philam Life has the most extensive network of offices and sales agencies nationwide.

Philam Life is part of the AIA Group Limited, the largest independent publicly listed pan-Asian life insurance group in the world.

## **About the AIA Group**

AIA Group Limited and its subsidiaries comprise the largest independent publicly listed pan-Asian life insurance group in the world. It has wholly-owned main operating subsidiaries or branches in 14 markets in Asia Pacific - Hong Kong, Thailand, Singapore, Malaysia, China, Korea, the Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau and Brunei and a 26% joint venture shareholding in India.

The business that is now AIA was first established in Shanghai over 90 years ago. It is a market leader in the Asia Pacific region (ex-Japan) based on life insurance premiums and holds leading positions across the majority of its markets. It has total assets of US\$115,782 million as of 31 May 2011.

AIA meets the savings and protection needs of individuals by offering a comprehensive suite of products and services including retirement planning, life insurance and accident and health insurance. The Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of more than 230,000 agents and approximately 20,000 employees across Asia Pacific, AIA serves the holders of over 23 million individual policies and over 10 million participating members of group schemes.

AIA 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) being traded on the OTC market (ticker symbol: "AAGIY").

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