



HEALTHIER. LONGER.
BETTER LIVES

AIA ESG Summary Report 2023

Healthier planet, healthier communities.



Sustaining Healthier, Longer, Better Lives

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

Our Environmental, Social and Governance (ESG) Strategy is about delivering on our Purpose, creating value for all stakeholders and futureproofing our business through making our ESG philosophy integral to how we do business.

Our ESG Report 2023 provides an overview of the actions we are taking to address our key ESG topics through our five-pillar strategy and the significant progress we have made.

By integrating ESG strategy across our business, we are building our momentum, continuing to mature our approach and enhancing our contribution every year.



A woman with dark hair and glasses, wearing a yellow jacket, is seated at a table in a meeting. She is looking down at a document she is holding. In the background, other people are partially visible, including a man in a grey suit and another man in a white shirt. The setting appears to be a professional office or conference room.

Contributing to a healthier planet and healthier communities across Asia

We recognise the pressing need for action to champion sustainability and are proud to see the impact of our efforts as an insurer, investor and a responsible business. By doing so, we aim both meet regulatory requirements and go beyond by actively seeking opportunities for innovation and collaboration that further advance sustainability in all its dimensions.

We take a leading role in contributing to the sustainable economic and social development of Asia by leveraging our scale, influence and reputation as a responsible business.

OUR LEGACY OF TRUST

Built over 100 years of operations in Asia.

OUR SCALE

An opportunity to positively impact millions of lives through more than 25,000 employees, our large network of agents, hundreds of partners, numerous joint ventures and millions of policyholders.

OUR INFLUENCE

The majority of our US\$250 billion investment book is invested in Asia.

STATEMENT FROM THE GROUP
CHIEF EXECUTIVE AND PRESIDENT

“We are guided by our Purpose of helping people live Healthier, Longer, Better Lives as we collectively focus on delivering value for our stakeholders through our efforts across our ESG strategic pillars.”

Lee Yuan Siong,
Group Chief Executive and President



Our ESG Strategy

AIA's Purpose – helping people live Healthier, Longer, Better Lives– guides our ESG Strategy and reflects the integral connection between a healthy planet and healthy communities.

Our ESG Strategy focuses on creating long-term value for our stakeholders. We strive to address emerging challenges and identify new opportunities across our five ESG Strategy pillars – Health & Wellness, Sustainable Investment, Sustainable Operations, People & Culture and Effective Governance.

OUR ESG STRATEGY PILLARS

PRIORITIES

	Health & Wellness directs AIA's resources to engaging, inspiring and delivering better health outcomes, championing financial inclusion and expanding access to quality care, producing a wider, fairer impact on society.	<ul style="list-style-type: none">• Engaging Communities Across Asia• Improving Access to Quality Healthcare• Building Better Integrated Health and Wellness Outcomes
	Sustainable Investment delivers long-term value by allocating capital to companies that commit to sustainable outcomes, investing for the future and lowering our exposure to the risk of stranded assets in a future low-carbon economy.	<ul style="list-style-type: none">• Deepening ESG Engagement• Augmenting ESG Training and Capacity• Broadening Portfolio Inclusions• Enhancing Portfolio Exclusions• Our Portfolio and Climate Disclosures
	Sustainable Operations aims to improve the environmental performance of AIA's operations as well as to incorporate ESG factors into sourcing considerations.	<ul style="list-style-type: none">• Ensuring Greener Buildings• Improving Our Environmental Performance• Advancing Digital Transformation• Encouraging Good ESG Practice
	People & Culture empowers our people to succeed through fostering a learning environment, ensuring equitable and fair processes for employment and progression and a diverse, inclusive and supportive culture.	<ul style="list-style-type: none">• Supporting Development and Career Progression• Accelerating Progress in Diversity and Inclusion• Strengthening Risk Awareness• Enriching and Rewarding Opportunities for All
	Effective Governance ensures that AIA continues to operate to the highest standards of business practices, both in terms of its engagement with stakeholders and how we manage risks. This provides the necessary management oversight, incentives and organisational accountability, data governance systems and transparent reporting to enable us to succeed.	<ul style="list-style-type: none">• Board Governance• Ensuring Effective Risk Management and Responsible Business Practices• Promoting Best ESG Practices• ESG Ratings and Index Inclusions

Our ESG 2023 Highlights

Climate Action

AIA becomes the **FIRST PAN ASIAN LIFE AND HEALTH INSURER** to get Science based targets validated for operations and investments

AIA Published its **FIRST EVER CLIMATE TRANSITION PLAN**

At COP28, AIA Chairman of ESG Committee was called to discuss the 'Just energy transition to net-zero' at **"CARING FOR CLIMATE"** organised by United Nations Framework Convention on Climate Change, United Nations Environment Programme, United Nations Global Compact for our work on climate

At COP28, AIA presented our Climate Transition Plan together with SBTi CEO, Luiz Amaral, at the Singapore Pavilion

Sustainable Operations

100% of all new buildings and redevelopments to be green certified

94% DIGITAL SUBMISSIONS achieved from our buy, service, and claims transactions, reducing paper usage across our operations

91% electronic submissions for claims

Health & Wellness

US\$21 BILLION paid in total benefits and claims, which is an increase of US\$2 billion on a comparable basis*

AIA serves the holders of more than **42 MILLION** individual policies and over **18 MILLION** participating members of group insurance schemes

387 MILLION people engaged through AIA One Billion by the end of 2023

* The benefits and claims for 2023 includes the Unit-linked contracts under IFRS 17. On a comparable basis the 2022 claims and benefits were US\$19 billion.

People & Culture

SECOND year recognised with the **GALLUP EXCEPTIONAL WORKPLACE AWARD**

41.6% women in senior leadership

TOP QUARTILE in Gallup's global finance and insurance industry benchmark of employee engagement for a seventh consecutive year

AIA'S FIRST FLAGSHIP ESG 101 fundamentals education programme rolled out to over 25,000 employees, over 24,000 employees have completed the programme

Sustainable Investment

Maintained **100%** coverage of general account investments against in-house ESG Rating Scorecard

FIRST company globally to mandate the **CFA INSTITUTE'S CERTIFICATE IN ESG INVESTING** qualification for our in-scope investment professionals

US\$6.3 BILLION invested in Green, Social, Sustainability Bonds

Effective Governance

AIA recognised as **ESG INDUSTRY** and **REGIONAL LEADER** by Sustainalytics

All AIA Group Limited Board members are Independent Non-executive Directors (INED's) aside from Group Chief Executive and President

MSCI **ESG RATING OF AA** for three consecutive years

RANKED FIRST on ESG and Most Honored Company Overall by Institutional Investor Research in their Asia Pacific (ex-Japan) Executive Team Rankings*

* A total of 6,474 investors, portfolio managers and analysts from 1,646 voter firms participated in this survey.

Net Zero Commitments

2016

Became a signatory to the UNGC.

2018

Confirmed support for the Paris Agreement and launched first Climate Statement.

Endorsed the Task Force on Climate-related Financial Disclosures (TCFD).

2017

Began reporting on emissions and energy use arising from our direct operations.

Engaged with CDP.

2019

Joined the Climate Action 100+.

Joined the Principles for Responsible Investment (PRI).

One of the first Asian asset owners to carbon footprint listed equity investment portfolio.

Initiated portfolio analysis and engagement on climate change.

2021

Committed to net-zero emissions by 2050 and signed up to SBTi.

Completely divested entire directly-managed listed equity and fixed-income exposure to coal mining and coal-fired power businesses.

Became a signatory to the UNEP Principles for Sustainable Insurance (PSI).

2022

Participant of the UNGC's Think Lab on Just Transition.

Became a member of the Asia Investor Group on Climate Change (AIGCC).

2023

Validation for our near-term science-based targets by Science Based Targets Initiative.

Launched our first Climate Transition Plan (CTP).

2030

-46.2% reduction of Scope 1 and 2 GHG emissions.

-49.3% per MWh reduction of emissions from in-scope power generation sector portfolio.

-58.5% per sqm reduction of emissions from in-scope real estate sector portfolio.

2025

31% of in-scope portfolio setting SBTi-validated targets.

2040

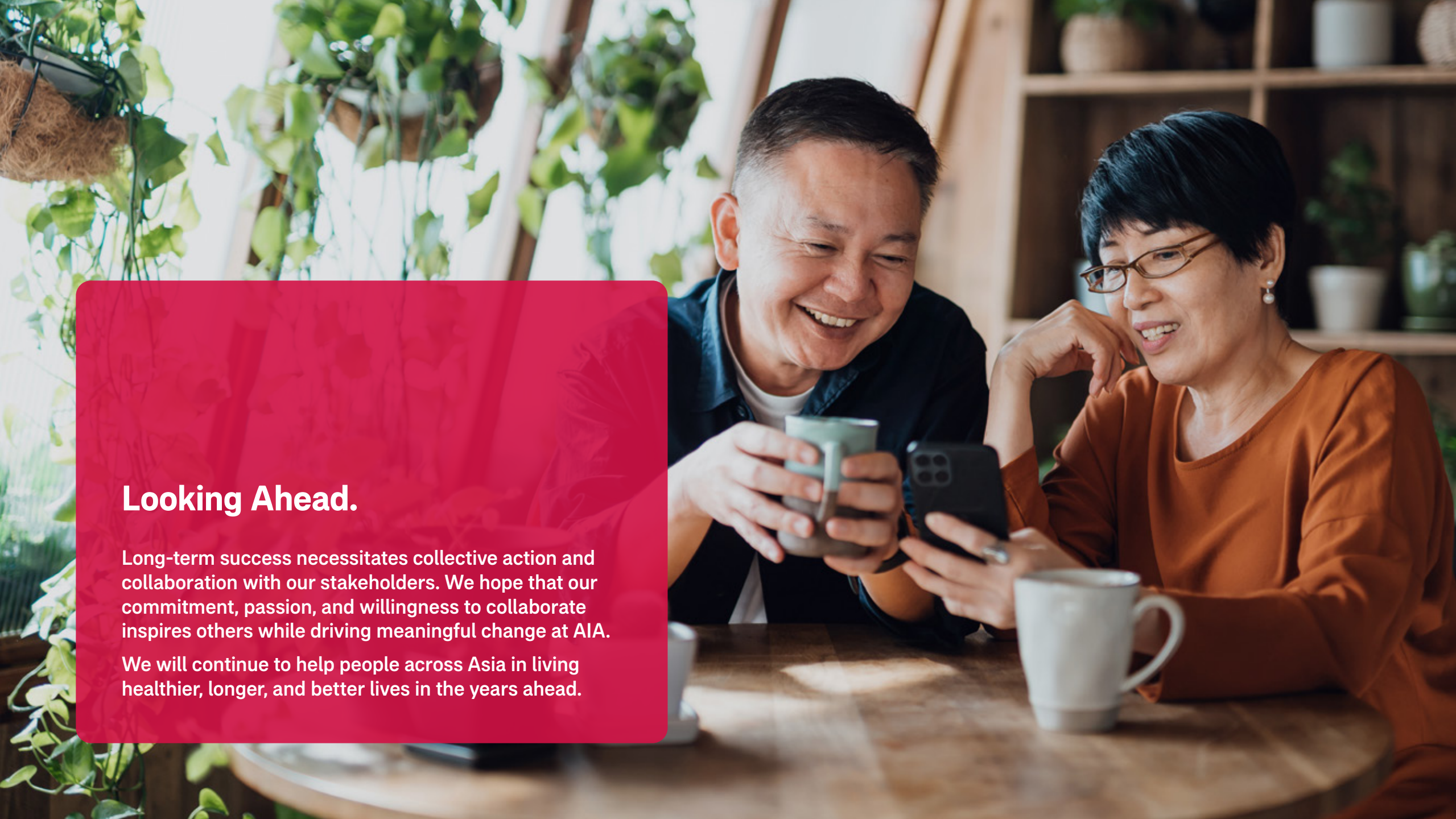
100% of in-scope portfolio setting SBTi-validated targets.

Net-Zero 2050

Net-zero Scope 1 and 2 emissions.

Net-zero GHG emissions from in-scope power generation sector portfolio.

Net-zero GHG emissions from in-scope real estate sector portfolio.



Looking Ahead.

Long-term success necessitates collective action and collaboration with our stakeholders. We hope that our commitment, passion, and willingness to collaborate inspires others while driving meaningful change at AIA.

We will continue to help people across Asia in living healthier, longer, and better lives in the years ahead.



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Discover more about ESG at AIA

www.aia.com/ESG