



AIA Singapore

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Media Release

AIA Singapore embarks on initiative to help Singaporeans gain better understanding of their insurance coverage

2 in 5 customers are not familiar with the details of their insurance policies, AIA Singapore's latest study finds.

SINGAPORE, 19 August 2024 – AIA Singapore today announced its initiative to help customers better understand their insurance policies, improve their financial literacy in a continued bid to bridge the nation's protection gap. Through this initiative, the organisation aims to encourage more Singaporeans to attain adequate protection.

Alarming, a recent study commissioned by AIA Singapore found that over 2 in 5 customers are not familiar with the details of their insurance policies¹. The survey also found that the majority of customers are most likely to selectively read their policy documents. Accordingly, customers' top three reasons for skimming or not reading their policy documents are — that the information is difficult to understand, lack of time for a more thorough read, and ease of tapping into their insurance representatives for advice.

“Minimising jargon in our policy documents and simplifying them will enable everyone to better understand what their policies cover and don't cover, allowing them to identify their protection gaps.”

“Enhancing financial literacy and holistic wellness can go a long way with clear communication, and we hope this initiative serves as an effective step in that direction”, said Ms Irma Hadikusuma, Chief Marketing and Proposition Officer of AIA Singapore.

Bridging Singapore's Significant Protection Gap, Particularly Among the Younger Demographics

AIA Singapore's initiative is set against the backdrop of significant protection gaps in the country. There exists a 74% gap in critical illness protection and 21% gap in mortality protection, according to the 2022 Protection Gap Study by the Life Insurance Association, Singapore².

While young adults aged 20 to 24 and fresh graduates face significant protection gaps, external research shows that they have an interest in purchasing insurance but lack the necessary knowledge to make informed decisions³.

Moreover, the survey found that the use of simple and plain English enables most consumers to feel more confident about purchasing insurance policies on their own⁴.

¹ AIA Singapore Plain English Study. N=500.

² 2022 Protection Gap Study – Singapore (Sep 8, 2023). Life Insurance Association, Singapore. Available at: https://www.lia.org.sg/media/3974/lia-pgs-2022-report_final_8-sep-2023.pdf

³ 'Singapore youth want to buy insurance – but have no idea how' (Apr 5, 2019) Insurance Business Magazine. Available at: <https://www.insurancebusinessmag.com/asia/news/breaking-news/singapore-youth-want-to-buy-insurance--but-have-no-idea-how-164059.aspx>

⁴ AIA Singapore Plain English Study. N=500.



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“Compared to more matured generations, younger consumers tend to be more active online. In fact, our study⁵ found that over half of them are likely to explore digital touchpoints to expand their knowledge about insurance.”

“Alongside our efforts to continuously enhance the skills and competencies of our insurance representatives, this initiative serves as an avenue for us to enable our customers to proactively protect themselves against financial uncertainties — especially amid rising costs of living and healthcare”, Ms Irma added.

AIA Singapore’s commitment to enabling customers to better understand their insurance policies, will be implemented through a multi-phased approach, starting with AIA HealthShield Gold Max (AIA HSG) policy materials. Customers with AIA HSG plans will be informed progressively from 27 July 2024.

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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 SAR⁶, Thailand, Singapore, Malaysia, Australia, Cambodia, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China), Vietnam, Brunei and Macau SAR⁷, and a 49 per cent joint venture in India. In addition, AIA has a 24.99 per cent shareholding in China Post Life Insurance Co., Ltd.

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\$286 billion as of 31 December 2023.

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 42 million individual policies and over 18 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 codes “1299” for HKD counter and “81299” for RMB counter with American Depositary Receipts (Level 1) traded on the over-the-counter market under the ticker symbol “AAGIY”.

⁵ AIA Live Better Study 2023 was conducted from November 2022 with more than 500 Singapore consumers each quarter, from aged 18 to 55+.

⁶ Hong Kong SAR refers to Hong Kong Special Administrative Region.

⁷ Macau SAR refers to Macau Special Administrative Region.



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