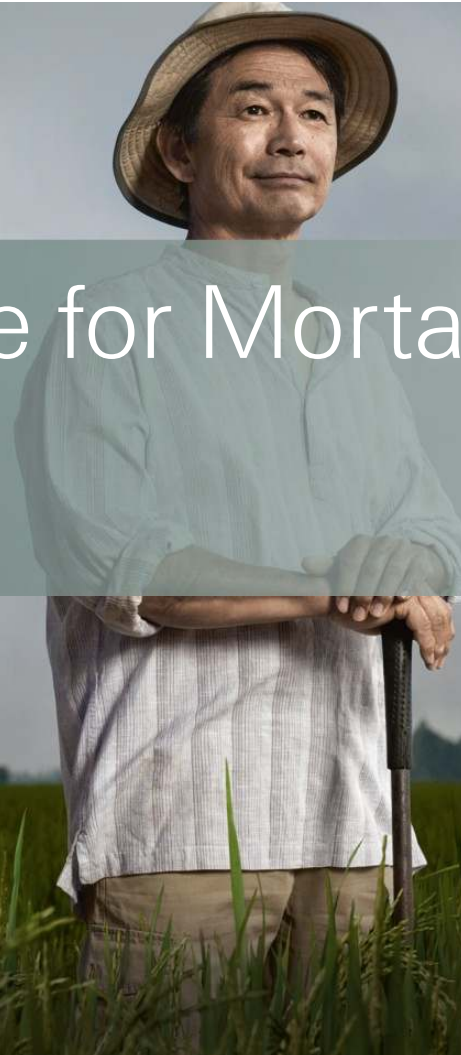


Boosting the Life Force for Mortality Risk

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Asia-Pacific Mortality Protection Gap

| Country or Territory | Sum Insured per Working Person with Dependents (USD) | | Mortality Protection Gap per Working Person with Dependents (USD) | |
|----------------------|--|--------------|---|---------------|
| | 2004 | 2014 | 2004 | 2014 |
| China | 338 | 1,570 | 17,376 | 80,937 |
| Taiwan | 77,549 | 97,409 | 45,747 | 30,762 |
| Hong Kong SAR | 53,756 | 92,821 | 238,914 | 286,512 |
| Singapore | 58,537 | 154,585 | 157,156 | 254,596 |
| Australia | 111,628 | 303,401 | 153,227 | 175,685 |
| Japan | 125,711 | 104,968 | 196,710 | 201,606 |
| South Korea | 29,551 | 49,958 | 208,243 | 402,589 |
| Thailand | 1,257 | 5,843 | 17,714 | 38,416 |
| India | 448 | 2,101 | 13,573 | 35,181 |
| Indonesia | 322 | 1,198 | 8,466 | 12,951 |

Source: Swiss Re – Mortality Protection Gap Asia-Pacific 2015

China's Mortality Protection Gap

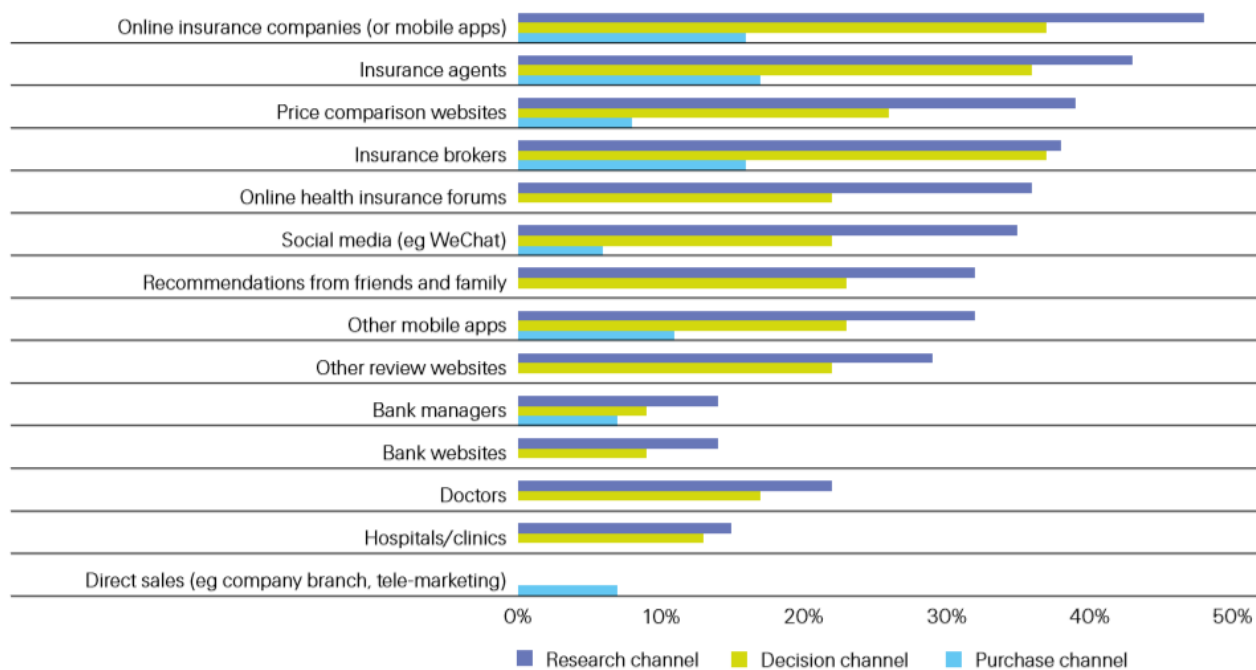
$$\text{Per Capita Income} \uparrow + \text{Per Capita Savings} \uparrow + \text{Average Sum Assured} \uparrow = \text{Mortality Protection Gap} \uparrow$$

- International experience suggests that Chinese *do* buy mortality protection
- Can we make mortality protection a “default” or “habit”
 - Focus on Target Sum Assured (not affordability of premiums)
 - Focus on Loss of Earning Potential (not loss of premiums)
 - Distinguish between Protection and Savings needs (savings products do not fulfil all protection needs)
 - Increased acceptance of Underwriting with improved / accelerated customer journey
 - Improve incentives for sale of protection business

Korean Protection Campaign 보장자산 or 保障資産 or “Asset for Protection”

Filling China's Protection Gap – is online the answer?

How customers research, choose and purchase health insurance policies



Source: Swiss Re Institute – Chinese non-life personal lines – consumer perspectives January 2019



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