

Sustaining Profitable Growth

Tony Wilkey

Lilian Ng

Prudential Corporation Asia

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Key Messages

We are in the RIGHT place at the RIGHT time

- Asia is a source of strong growth opportunities with increasing wealth creation and favourable demographics

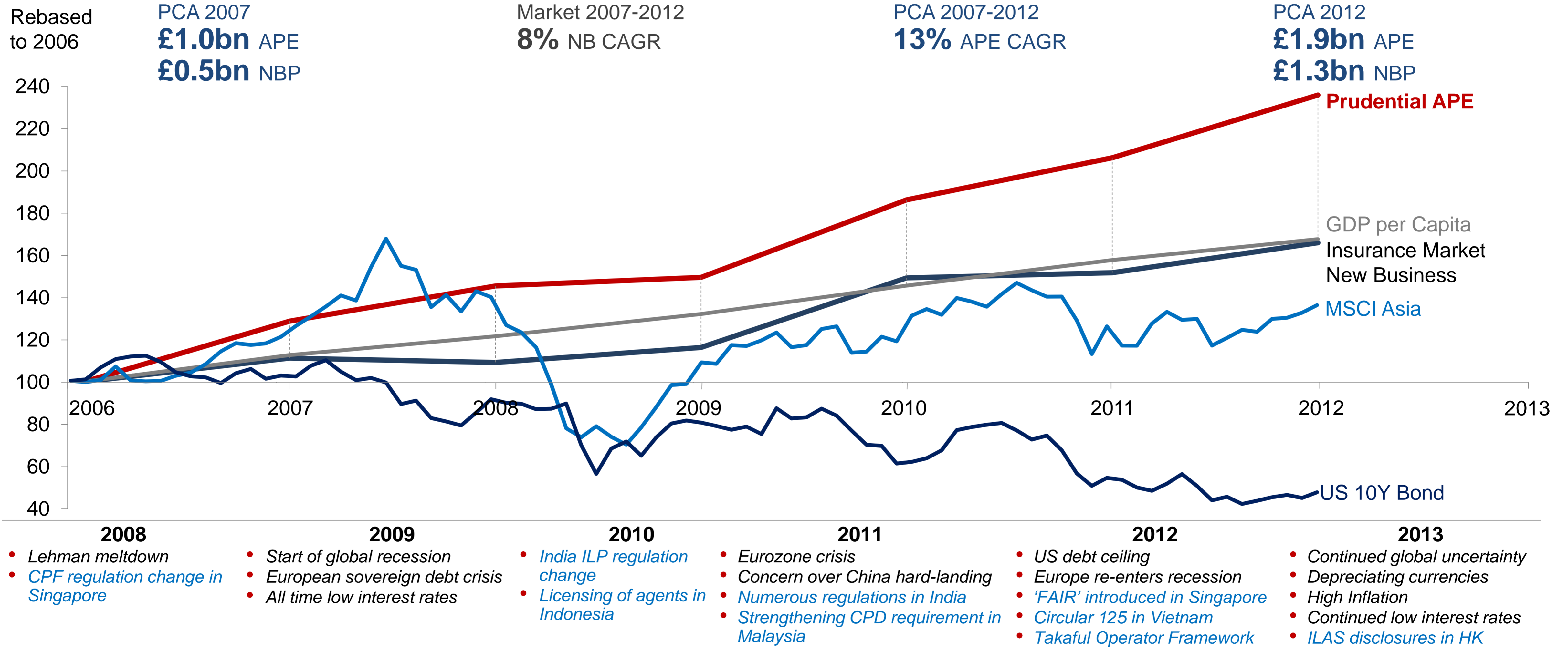
With the RIGHT platform

- Advantaged platform for sustainable growth in Asia given its scale, diversity and leadership positions
- Strategy focused on distribution reach and delivering products for enduring value to customers
- Execution of strategy tailored to individual market to capitalise on our strengths

Most important, the RIGHT people

- Building long term pipe-line with an increased focus on local talent
- Highly disciplined performance management translates into volume and value for shareholders
- Proven track record of delivering multi-dimensional metrics

Thriving through volatilities

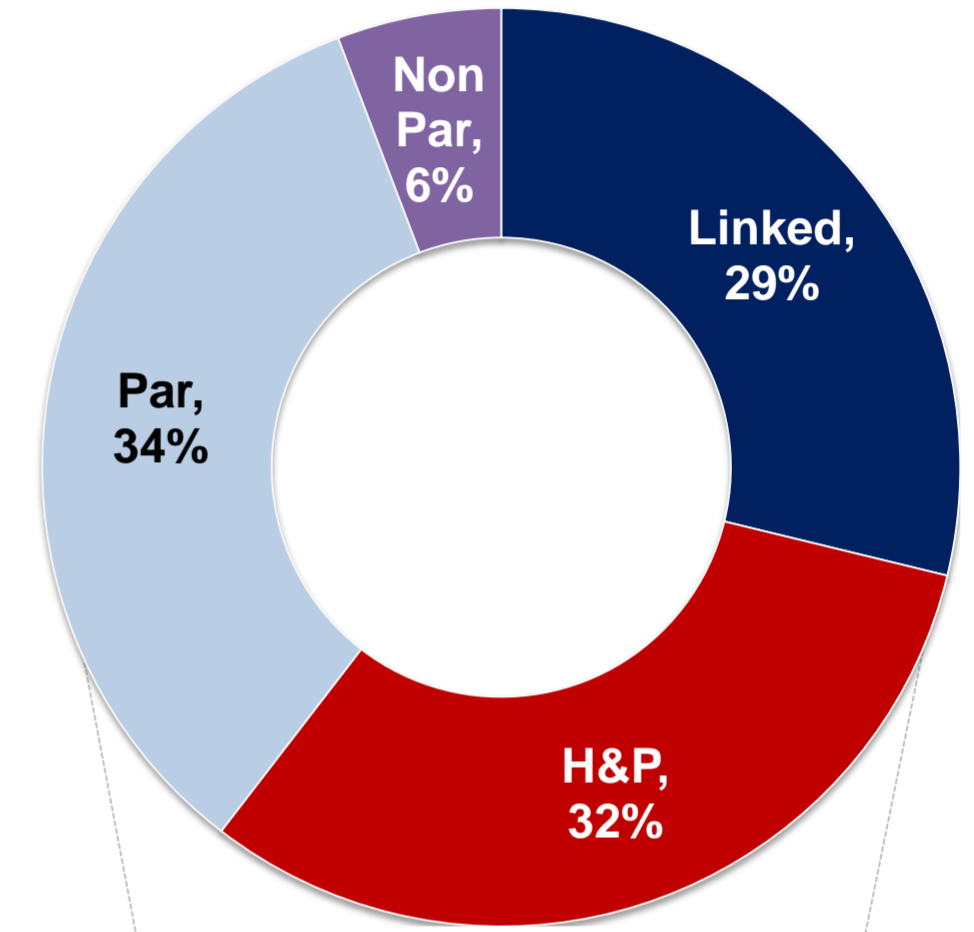
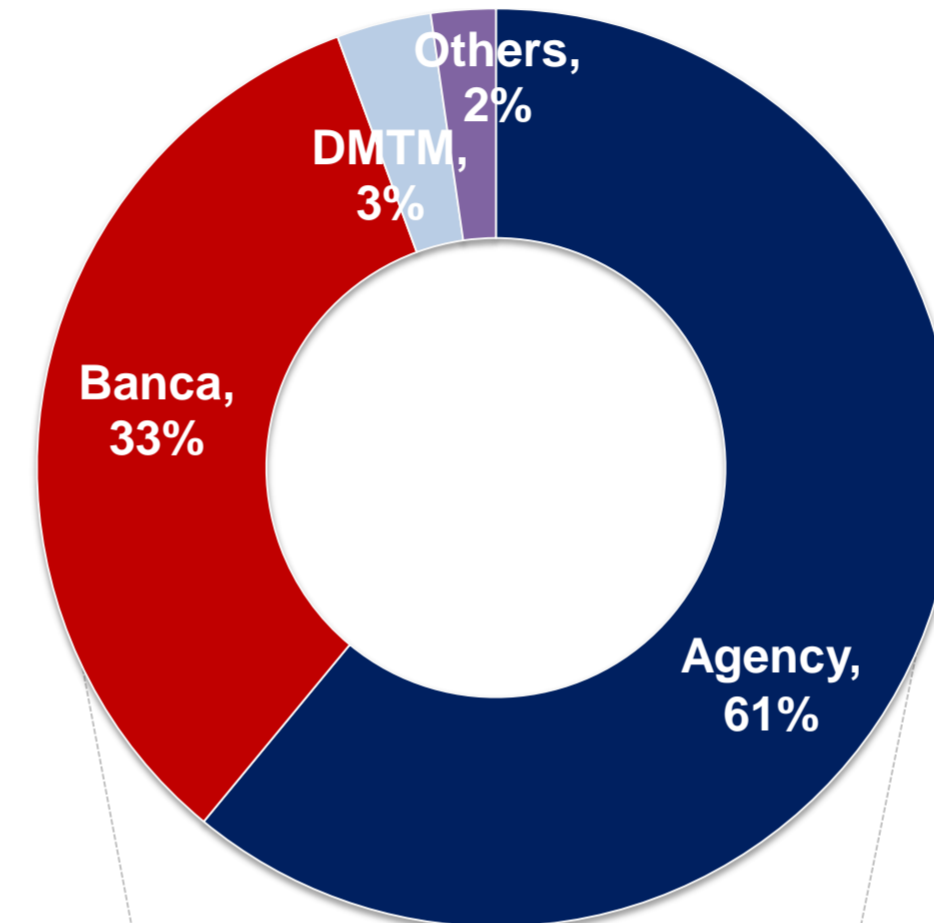
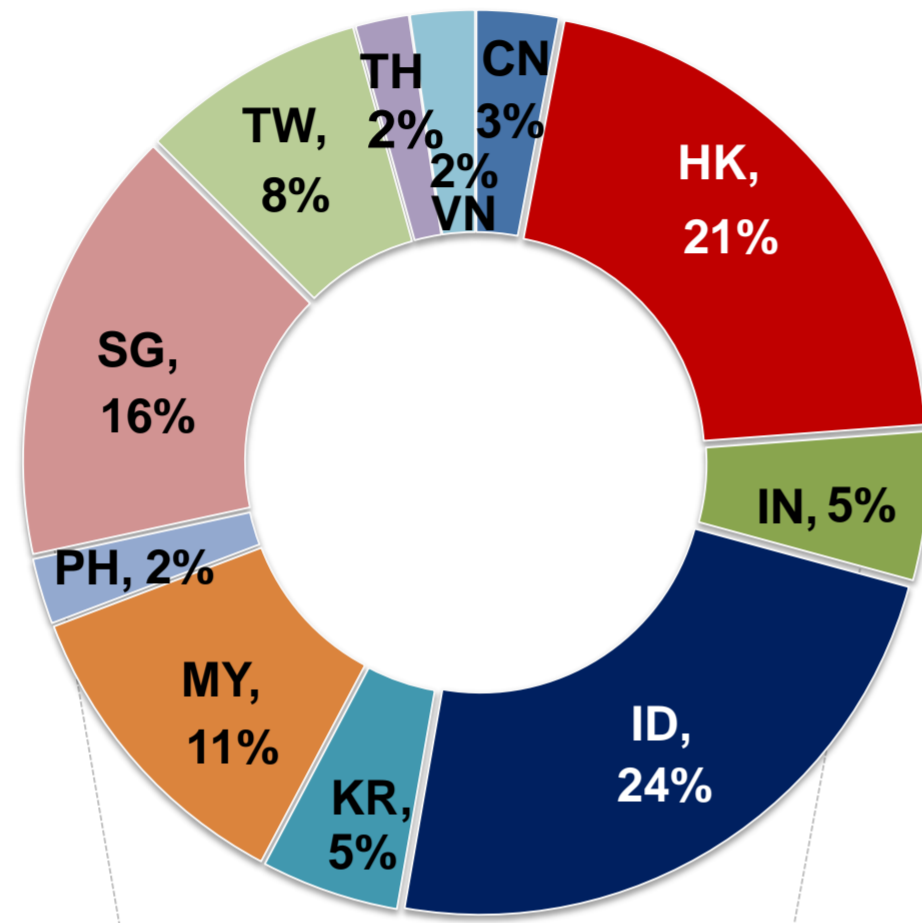


Source: Based on formal (Competitors' results releases, local regulators, insurance associations) and informal (industry exchange) market share data for markets Prudential operates in.

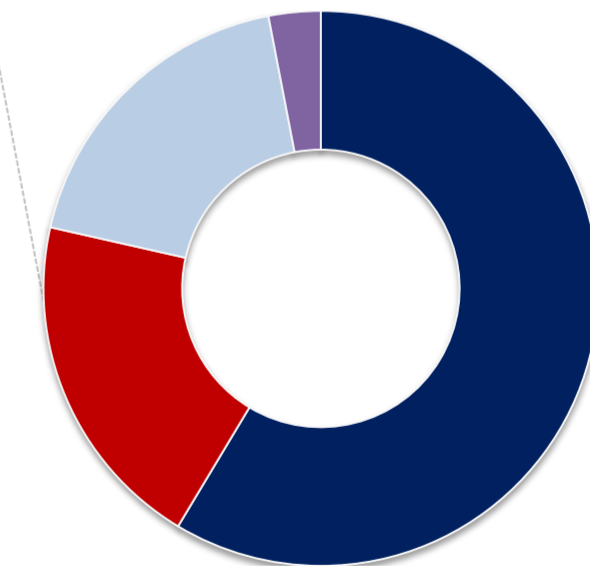
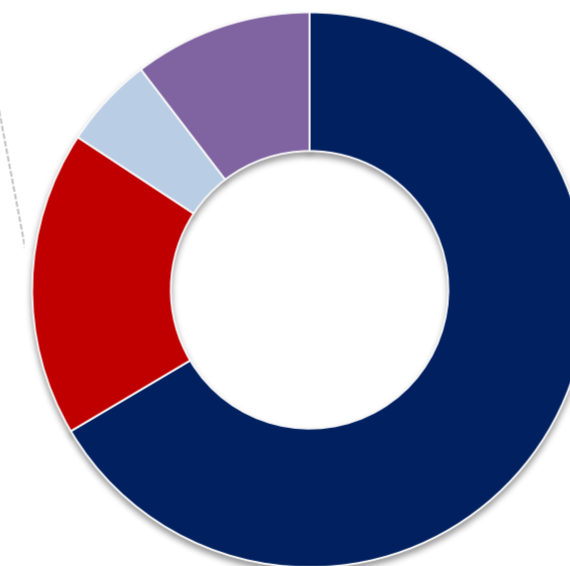
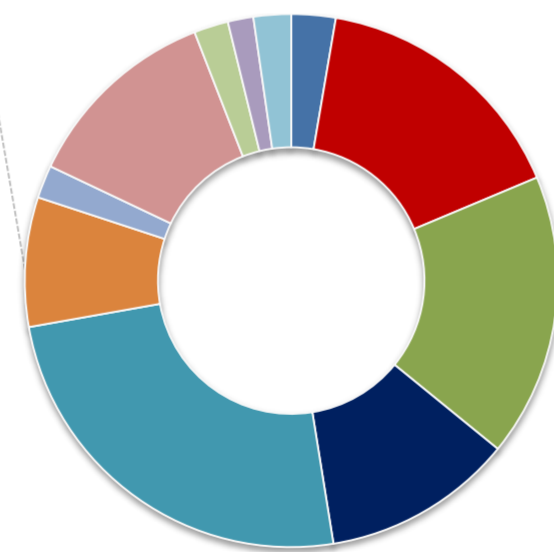
Well Diversified Platform

Diversification by geography, distribution and product is a unique strength

Year 2012
 1.9bn £ APE
 1.3bn £ NBP



Year 2007
 1bn £m APE
 0.5bn £m NBP



Diversified Geography

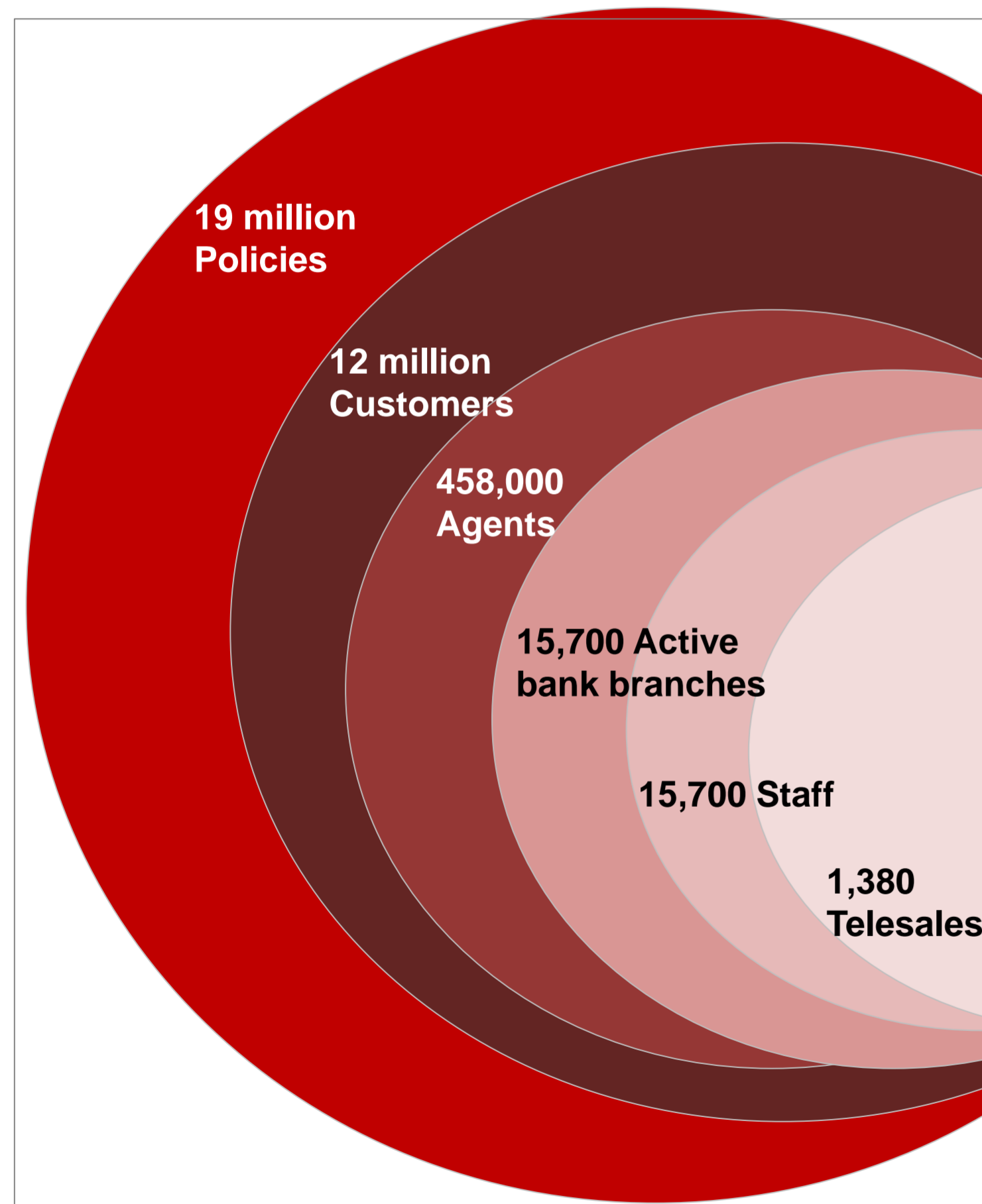
Multi-Distribution

Comprehensive Product Solutions

Note: ex-Japan and Taiwan Agency

Delivering Scale

Increased scale enhances growth opportunities



Operates 13 businesses

Highly Trained Financial Advisors

Value Driven Bancassurance Model

Comprehensive Customer Solutions

Efficient Operational and Servicing Capability

Average per month

254,000 policies issued

161,000 new customers acquired

380,000 calls attended

600,000 website visits

20,000 agents recruited

87,000 claims processed

£169 million APE

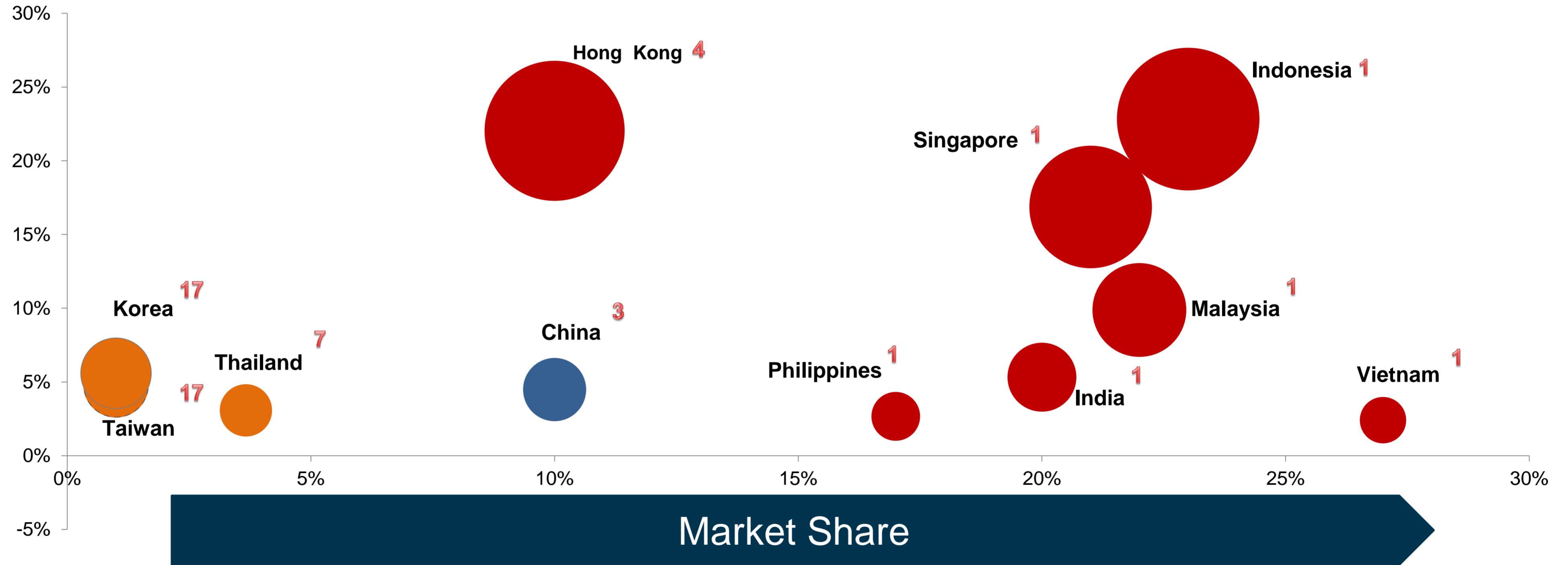
Note: Results for Q3 2013 YTD

Powerful Asian Franchise

Leading the way with strong reputation and brand

2013 APE

Prudential Asia Share



■ Brand recall rate about or above 90%
 ■ Brand recall rate between 60-90%
 ■ Brand recall rate greater than 50-60%

Note: APE for Q3 2013 YTD; Market Share data as of latest; India and China ranking and market share among foreign / JV / Private only. Thailand Market share is post acquisition of Tlife; Source: based on formal (Competitors' results release, local regulators and insurance associations) and informal (industry exchange) market share data

Consistent Strategy: Sustaining Profitable Growth

Does exactly what it says on the tin

Top Line Growth

- Strengthen agency scale and quality
- Optimise value from strategic bank partners and acquire new ones with enduring value for both partners
- Explore emerging opportunities in new markets

Profitable Growth

- Refresh & innovate product offerings
- Products for “All Seasons”
- Value and volume

Manage & Protect In-force Value

- Protect long term value: Continuous improvement in PEC¹
- Sustain persistency; Enhance expense position; Reinforce claims management

Enabled by

- Customer management founded on the credo “Always Listening, Always Understanding”
- ‘Best in Class’ Leadership Teams accountable to deliver multi-dimensional results
- Superior compliance and risk management frameworks embedded throughout the organisation

Note: 1. PEC: Persistency, Expense, Claims

Market Profiles: South East Asia



Fast growing economies

Low insurance penetration

Our advantages:

- Large agency forces
- Proven bancassurance
- Service excellence
- Strong Brand



Unrivalled platform of scale and geographic reach

Footprint

327 agency offices
in 137 cities
62% of industry agents

Operational Capacity

5 DMCs in 4 cities



Comprehensive Solutions

Engagement Platform

- General Agency model enables fast and efficient expansion
- Market leading agency management competencies:
 - Effective recruitment, positioning agency as a career
 - Significant investments in training and professional development
 - Clear performance objectives and disciplined management
 - Rewards and recognition promote performance
- Increasing bancassurance contribution; ranked 3rd
- Best-in-class servicing platform leveraging technology

1. Source AAJI, based on first year premium



Best-in-class customer experience

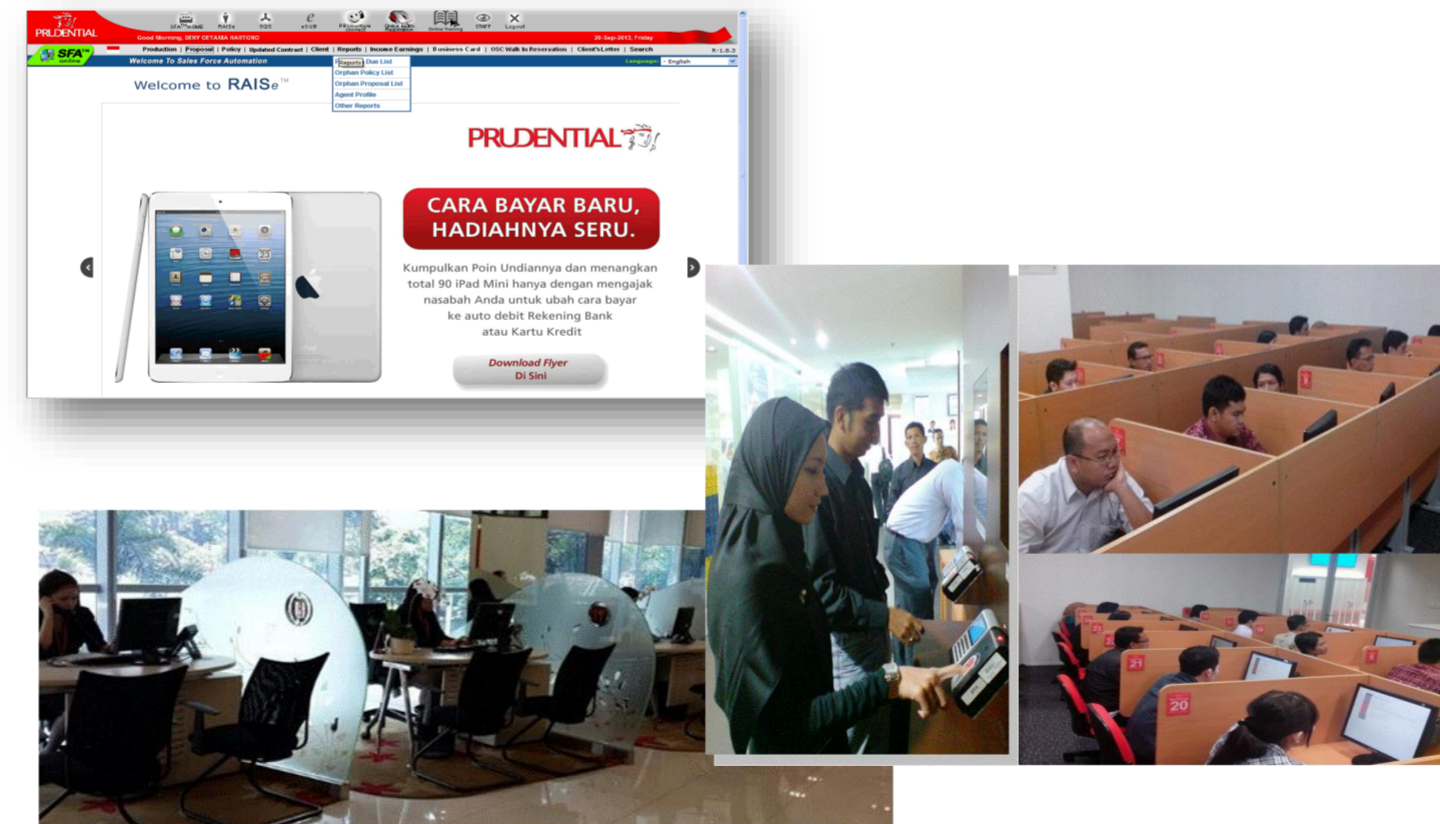
Customer Solutions

- All-in-one solution offering protection, investment and savings
- Range of health and protection coverage for different life stages
- Range of conventional and Shariah fund options



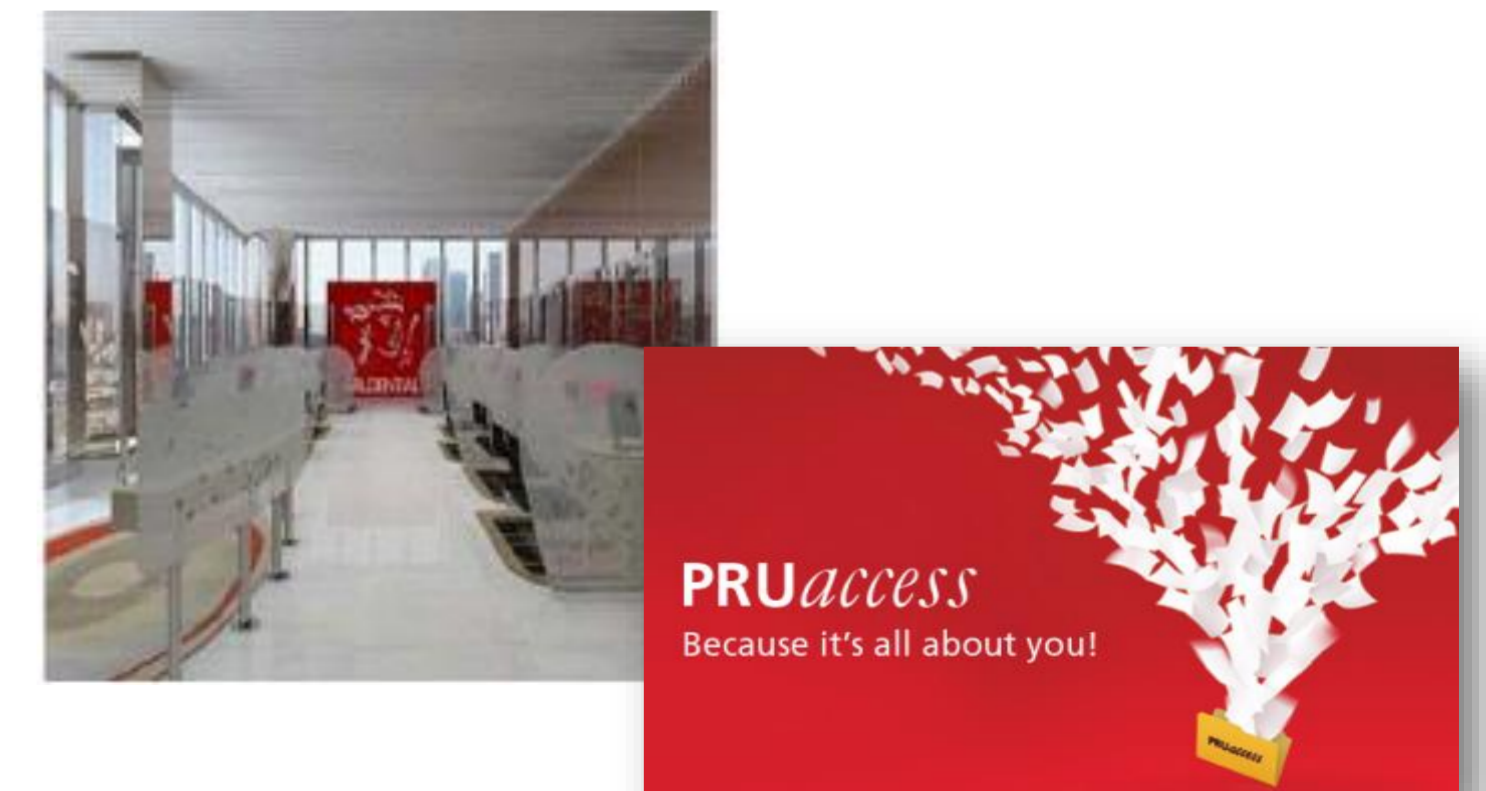
Sales Support

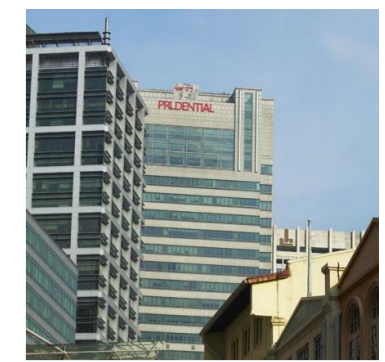
- PRUSales Academy equipped with e-exam sites follow by e-licencing
- 'Walk In' units and call centres servicing the salesforce
- Hub and spoke document management; auto-underwriting and auto-distribution



Value Added Service

- PRUHospital Friends, concierge in hospitals
- PRUaccess mobile for customer self-service
- Centralised complaints management system
- Customer Care "Walk In"

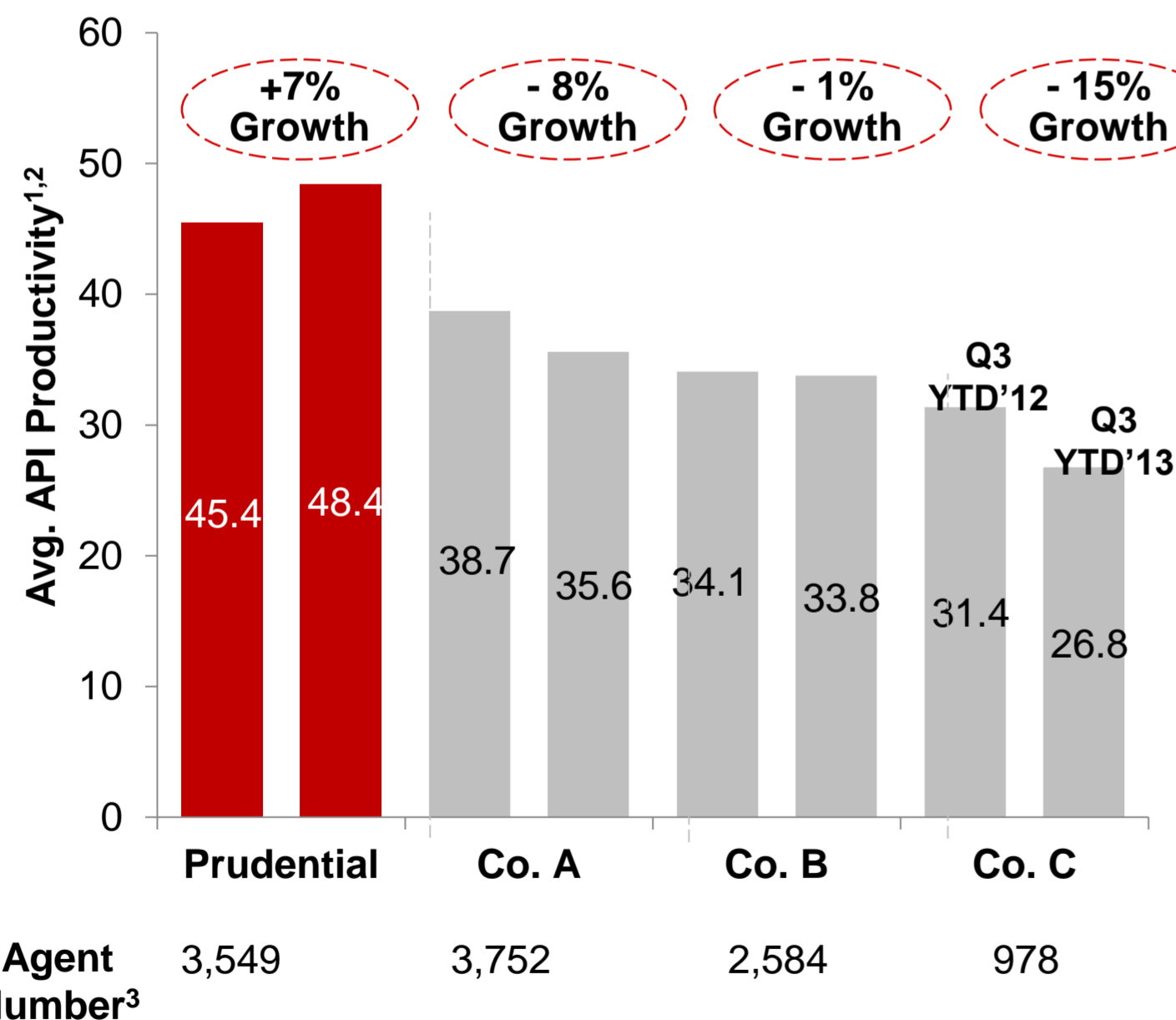




Professional agency complemented by a unique range of bank partners

Leadership in agency

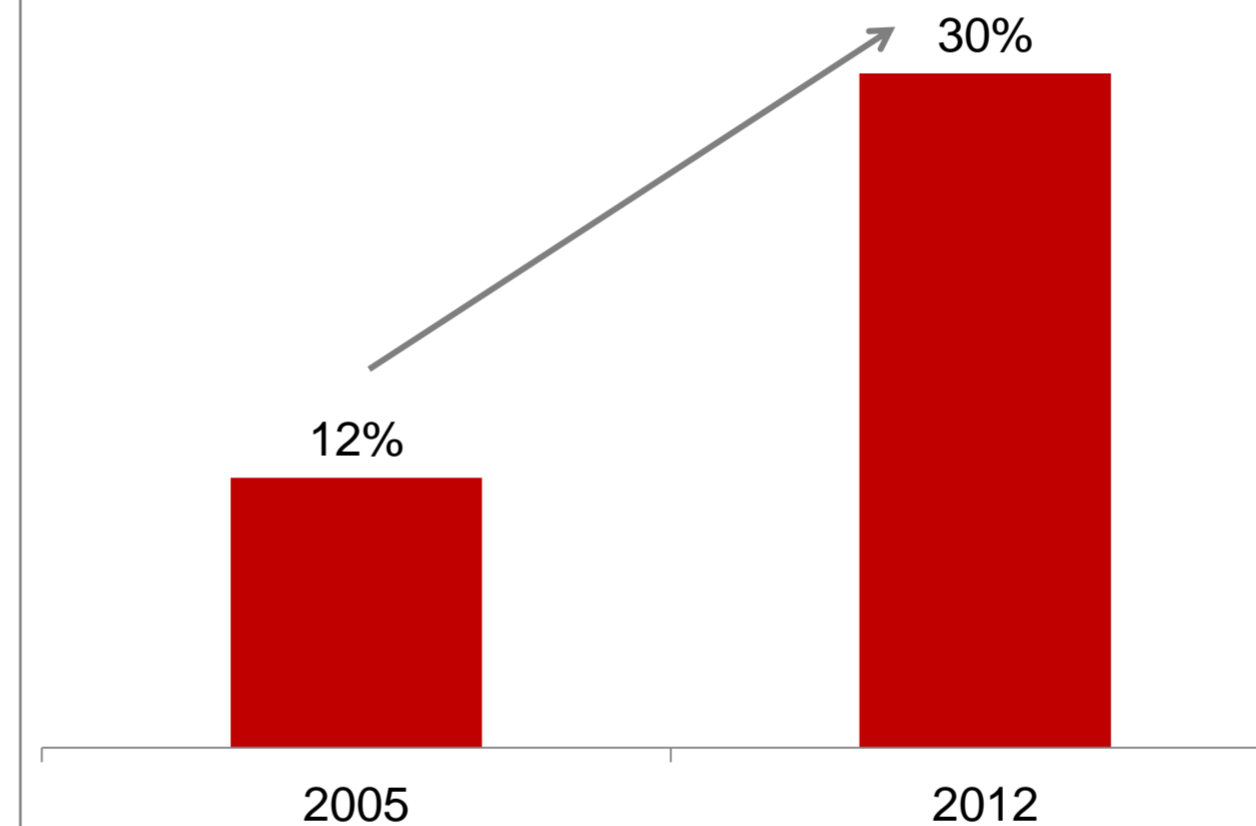
Agency Productivity and Scale (Q3 YTD 2013)



- Most productive¹ agency
- One of the highest number of recruits¹
- Strengthening “wealth manager” segment
- Well positioned for FAIR

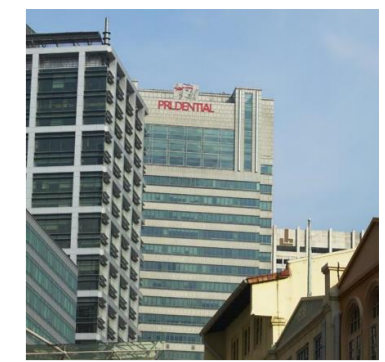
Proven track record with multi-partners

Bancassurance New Business Share



- Diverse range of partners
- Broad distribution reach: +160 branches; +180 FSCs and +1600 bank sales staff
- Dedicated account management
- Tailor-made engagement model by partner
- Market out-performance

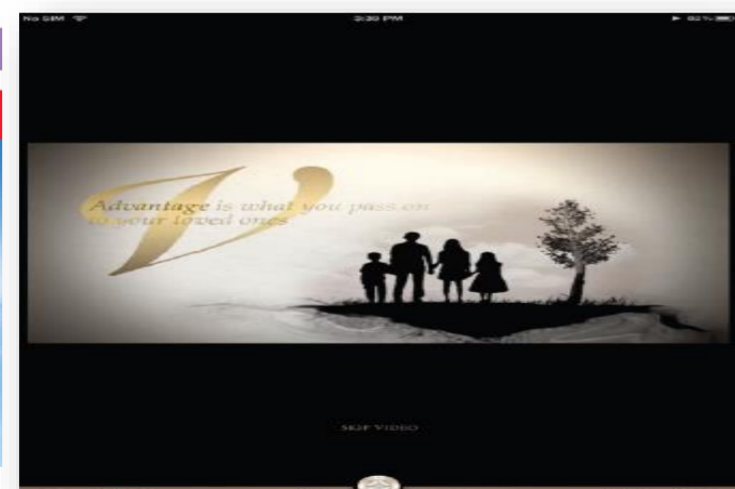
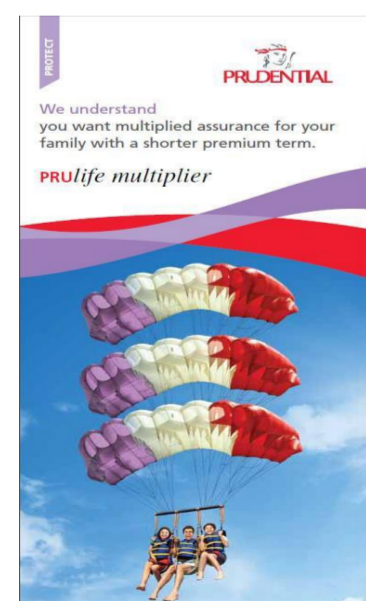
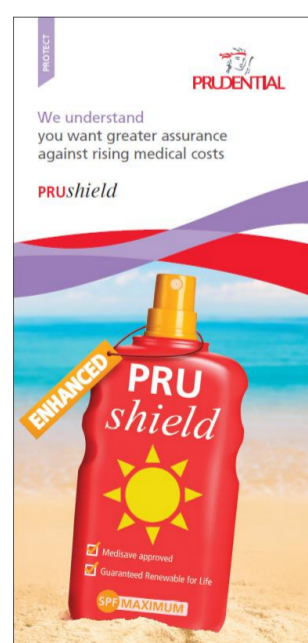
Note: 1. As at Q3 YTD'13; 2. By API per average no. of agent. Excludes impact of market shield product re-pricing in 2013.; 3. At end of Q3



Product & service innovation for customer value

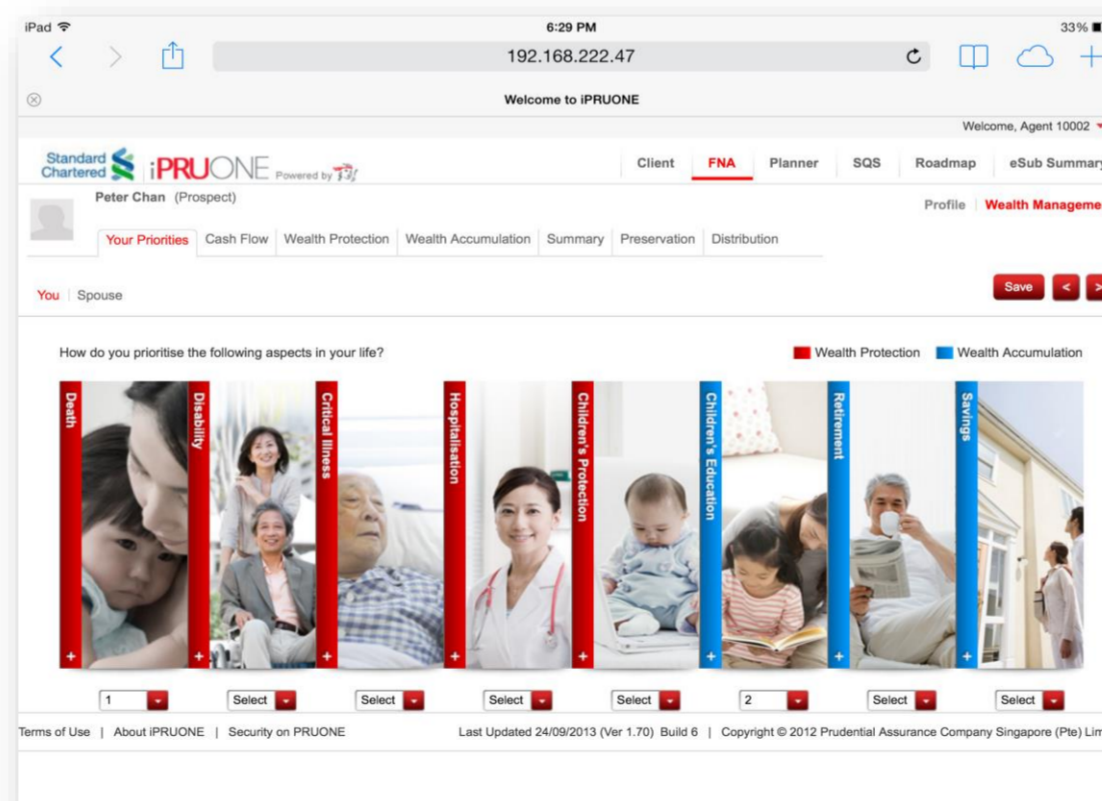
Customer Solutions

- Comprehensive range for target segments
 - Protection: **PRUShield** for acquisition; focused innovation (70% to existing)
 - Accumulation: diverse range for capital accumulation for various risk appetites
 - HNW: uniquely branded **PRU Vantage Series**



Sales Support

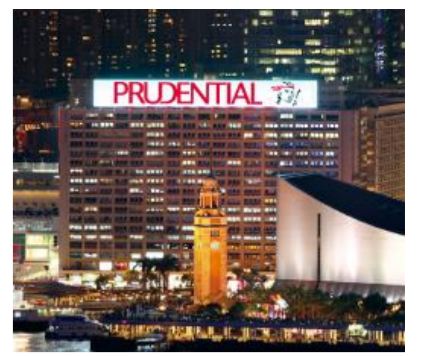
- PRUOne**: on-line from needs based advisory, illustration, application to submission
- e-coach: automated salesforce performance tracking
- Customised apps for target segment (iPad app for **PRU Vantage**)



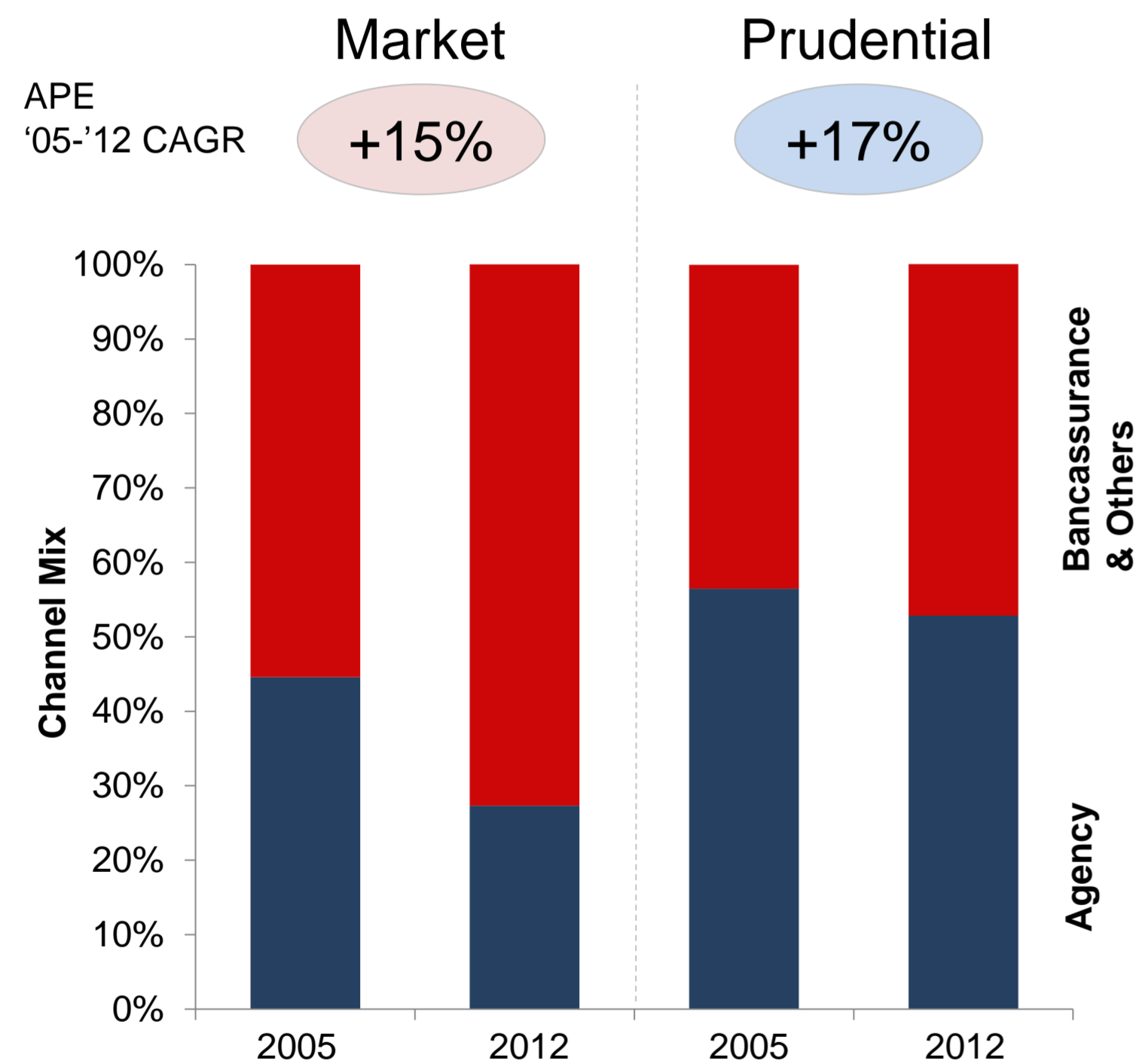
Value Added Service

- i-quotation: self-help on-line
 - review premium sufficiency
 - illustration of future policy values
 - fund switching for unit linked plans
- Exclusive HNW lounge area
- Exclusive access to Portfolio Designer





Resilient and unmatched multi-distribution platform



Note: Based on OCI, Pi report and Market intelligence

High Caliber Agency Force

- Highly professional : #1 in productivity and #2 in manpower
- Disciplined recruitment via selection, profiling and activation
- Comprehensive training and professional development from rookies to leaders
- Experienced agency leadership team with >20 years in the business
- Well positioned to capture HNW segment

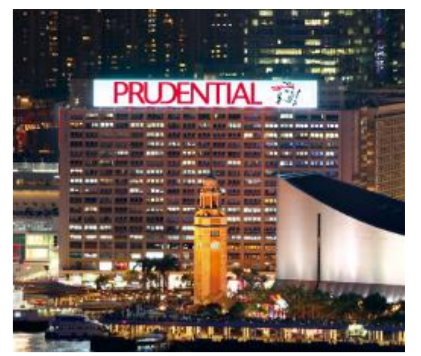


First Mover in Partnership

- 15 years of successful partnership
- Multi-channel to penetrate various customer segments in bank
- Unique IS complement by in-branch model
- Professional and structured training
- Integrated management and business development



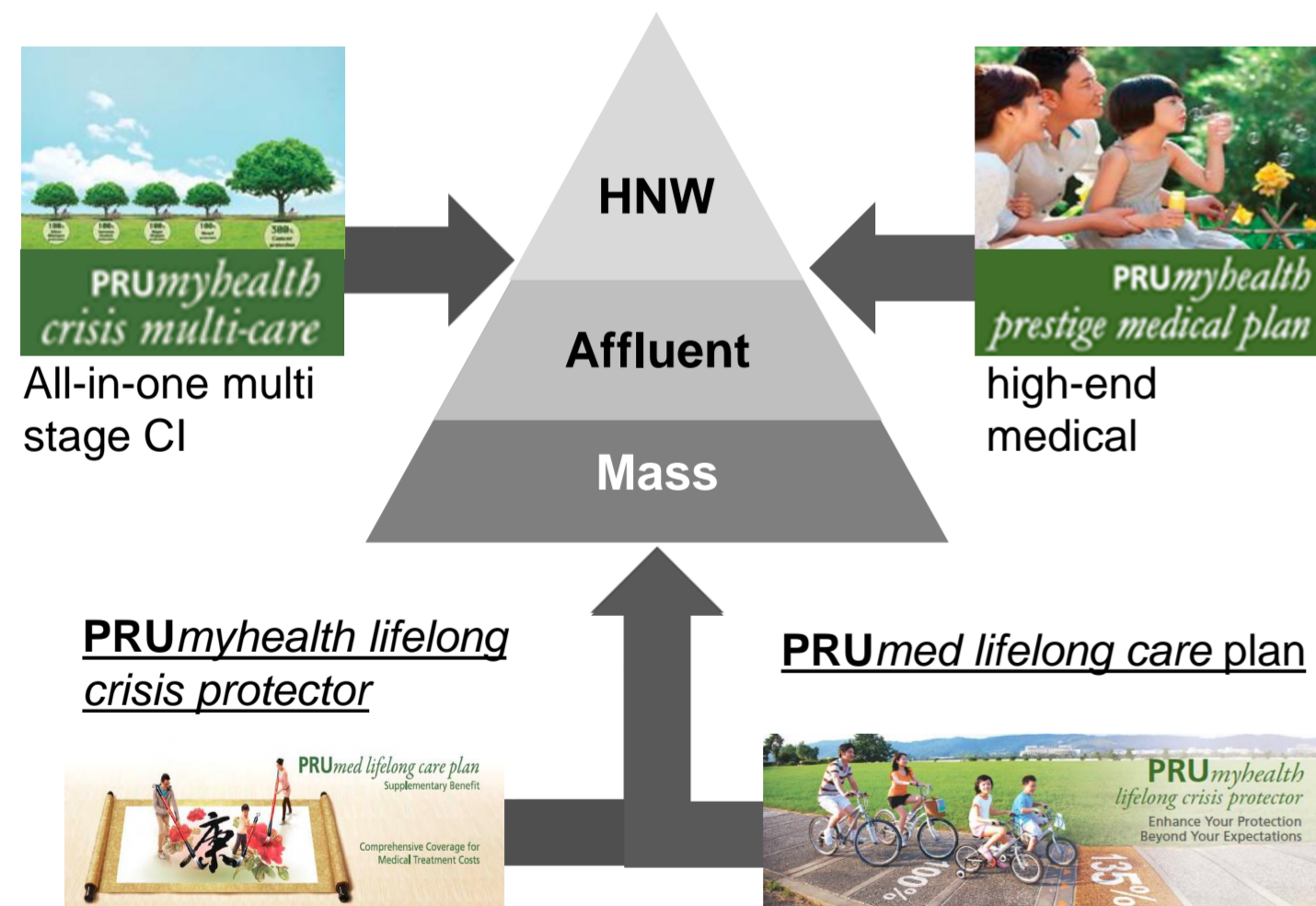
渣打、英國保誠攜手給您安穩保障，就是最好



Delivering value across customer segments

Customer Solutions

- Progressive & innovative product portfolio
- Solutions for different customer segments
- Integrated thematic websites



Sales Support

- PRUcompass** integrating advice, sales and servicing
- PRUchannel** for 24 hour learning
- Smart leads: analytics to improve conversion and penetration



Value Added Service

- PRUmyhealth Zone**: on-line platform for health assessment and coaching
- PRUprestige**: invitation-only programme for VIP customers
- e+Purchase & e+Policy Services

Enjoy Health, Wealth and Wisdom with

PRUprestige
尊尚會

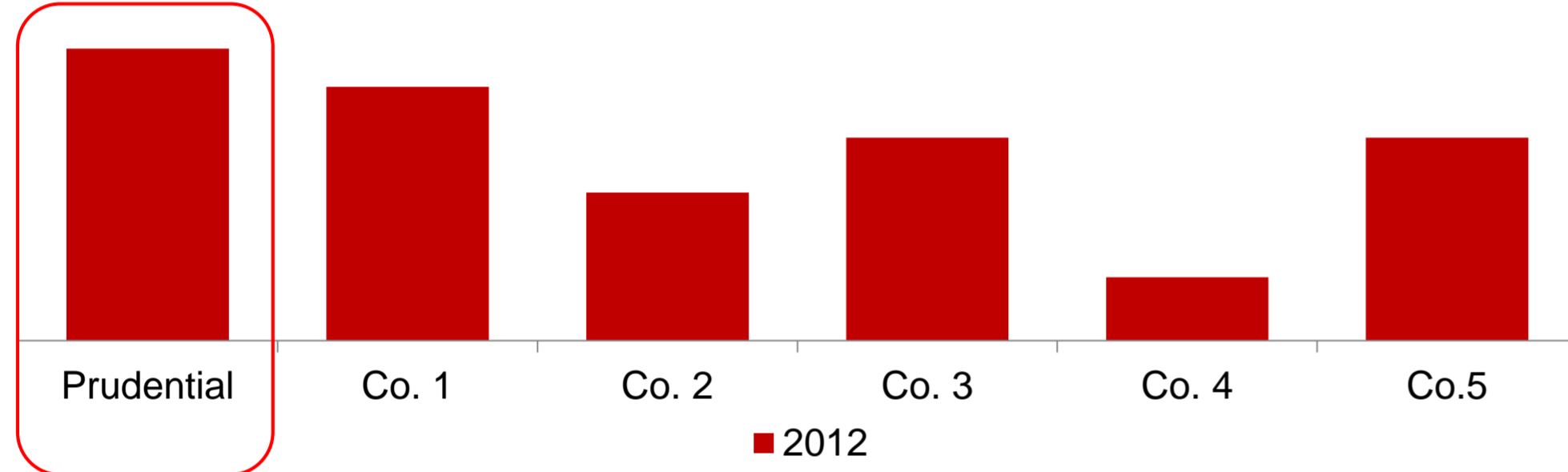




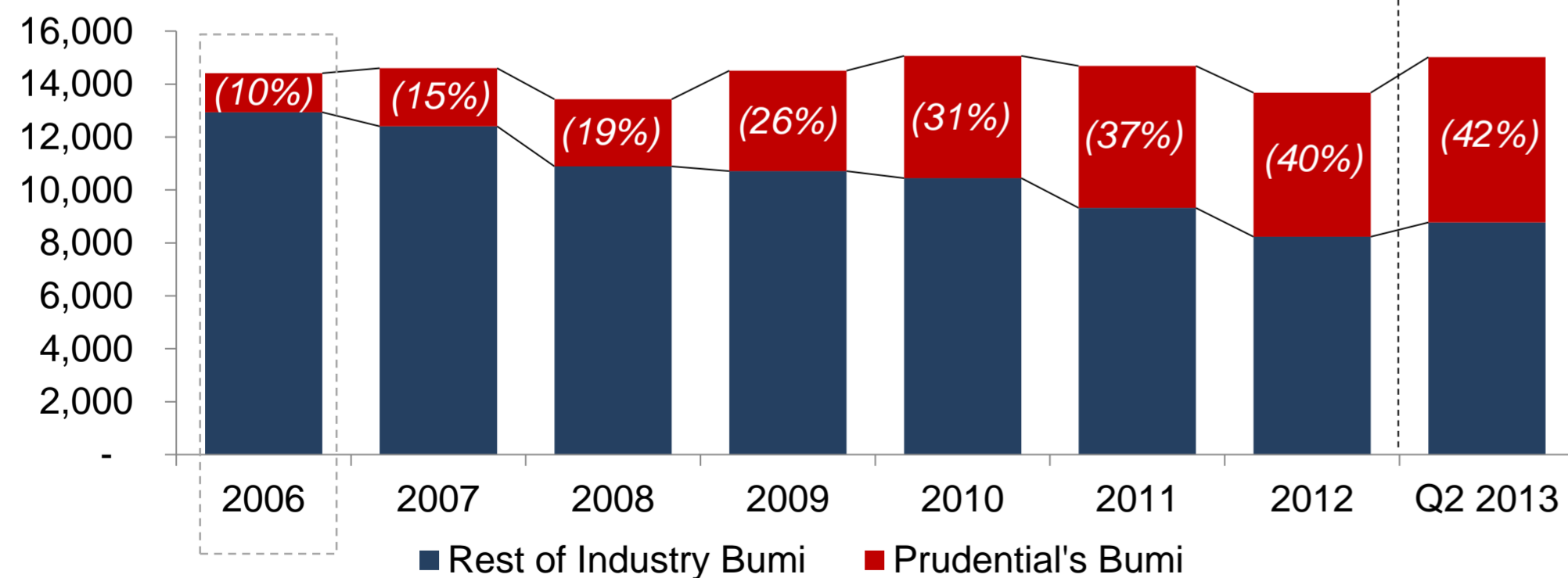
Well established and highly productive agency force

Average Agents¹ Productivity

APE per agent RM '000



Proportion of Bumi Agents¹



Note: 1. Conventional only; 2. YTD Q2 2013

- Built a high quality agency
 - training roadmap: **PRU** Starter to **PRU** Wealth Planner
 - agency leadership programs: Million Dollar Agency
 - stringent maintenance of contract requirement
 - performance management: multiple career path for over-achievers

- **PRU's** first mover advantage in Bumi segment
 - Bumi agents contribute one third of agency sales
 - established 'Faculty of Takaful Business'
 - 42%² of the industry Bumi agents with Prudential



Product innovation to meet evolving customer needs

Customer Solutions

- One stop shop for evolving needs
 - PRUMyChild with pre-natal coverage
 - HealthEnrich with lifestyle positioning
 - PRULink Million for HNW
 - Ummah: savings, protection and spiritual fulfilment all in one

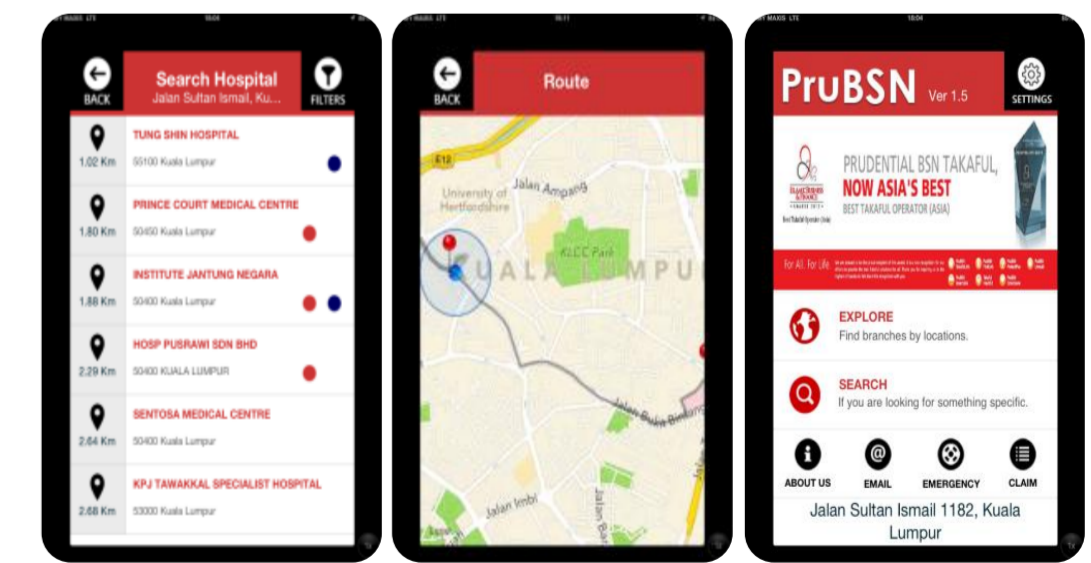
Sales Support

- PRUway: mobile point-of-sales tool
- Takaful Mobile Net: track applications
- RAISE: advisor platform for training registration and recruitment events



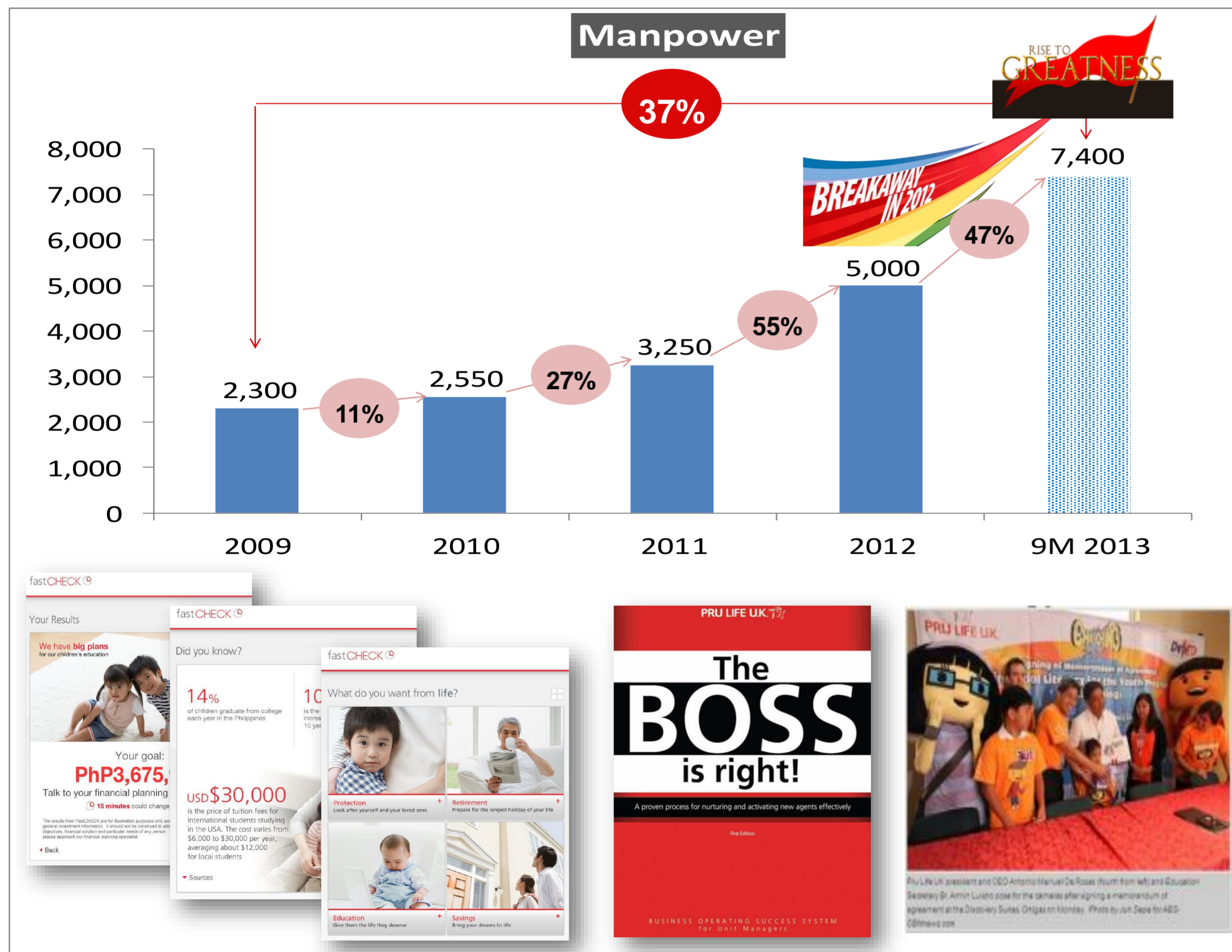
Value Added Service

- Navigator: mobile app for hospitals' locations
- Healthcare Ambassadors – client visit in panel hospitals and review service quality
- Personalised arrangement for HNW's medical examination

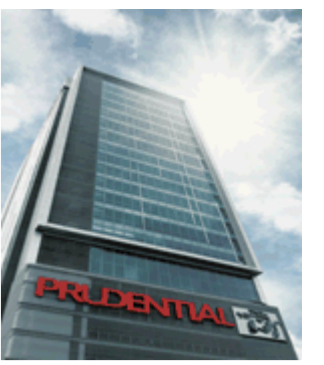




Driving distribution efficiently



- Scale up agency: Build-Your-Business programs
- Champions driving activation, productivity, training and development
- iPad Fastcheck sales tool for financial need analysis
- Expanding reach: three business centers, four more to open
- Increasing scale of business with improved efficiency with c. 80% processed 'straight through'
- Capitalising on ILP Protection leadership; expanding health and protection coverages and funds selection
- Giving back to the communities



Fast and effective activation of partnership



Rapid Activation

Creating immediate value

- Trained 4,000 bank sales staff pre-launch
- KPIs in place across all sales staff
- 15 products ready on the first day
- 7,000 policies issued in the first month



Significant Outperformance

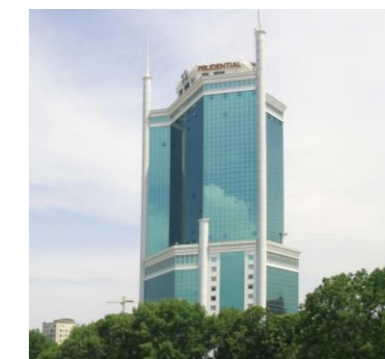
- Achieving c30% above an ambitious plan
- Delivering incremental revenue to both partners



Dedicated Account Management

- Exclusive sales support team
- Further 1,600 bank staff trained over four months
- Integrated campaigns launched





Maintain leadership for long term franchise value

Expand Agency

High recruitment with disciplined on-boarding

- Targeted recruitment seminars
- Active rookie management and on-boarding

Grow Core

- **PRU-Elite** Club for agents
- **PRU** Masters and Champions programs for core leaders



- Upheld No.1 since 2007¹
- Largest agency force
 - 49k+ agents⁴ (32%+ of total agents)^{2,3}; recruiting 4.1k/month⁴
- Strong growth in core agency (45%+ sales mix)⁴

Build Bancassurance Platform

Explore exclusive partnerships to optimise value creation

Grow Insurance Specialist Model

- Increase distribution width through branch expansion and penetrate customer base
- Strengthen profitability and sales management capacity

- Ten year exclusive partnership deal with Maritime Bank
- 8 active partners with 264 FSCs in 260 branches⁴ 
- Leading position in Bancassurance, especially JSCB sector⁵

Note: 1. Industry sharing data; 2. AVI, including servicing agents; 3. At H1'13; 4. At Oct'13; 5 Joint Stock Commercial Banks



Strong start to build foundation for the future

Solid Start

- First to achieve 1000 and 2000 policies
- First claim paid in Q2 2013
- Average case size (c.US\$335) with 42%+ attaching protection¹



Multi-Distribution Platform

- Exclusive partnership with ACLEDA Bank- with 238 branches
- Life Insurance Consultant channel launched; activating recruitment
- Multi-channel with wide geographical reach (c.30% of policies sold outside of Phnom Penh)



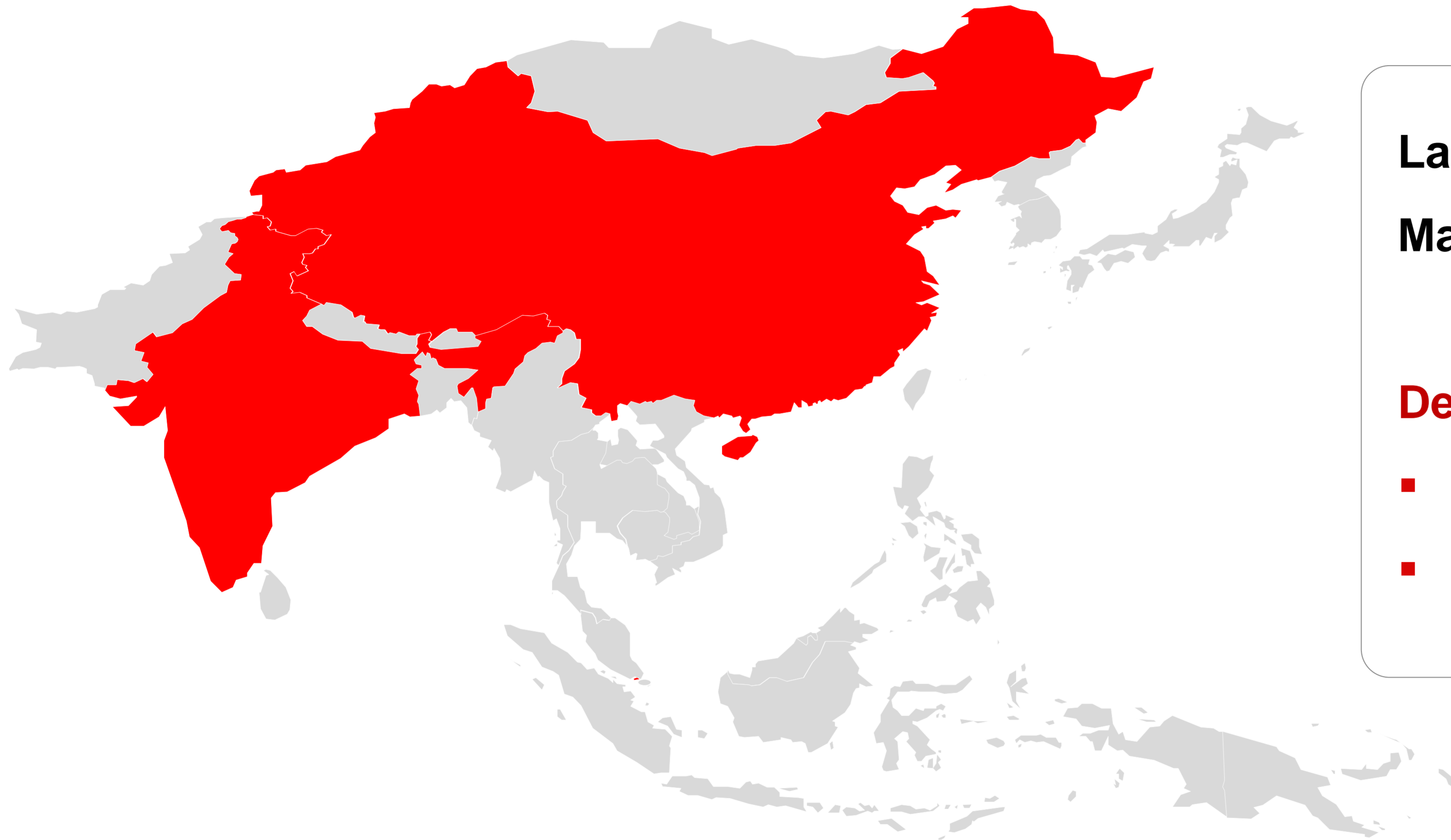
Execution Focus

- Training and sales management expertise
- Product packages for various customer needs
- Execute a consistent and robust service infrastructure
- Build and develop “Team PRU” to deliver long term growth



Note: 1. At Oct'13

Prudential's Joint Ventures

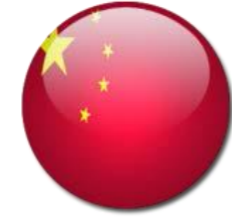


Large populations

Market dominated by locals

Defensible Advantage:

- Building sustainable scale
- Solidify leadership positions

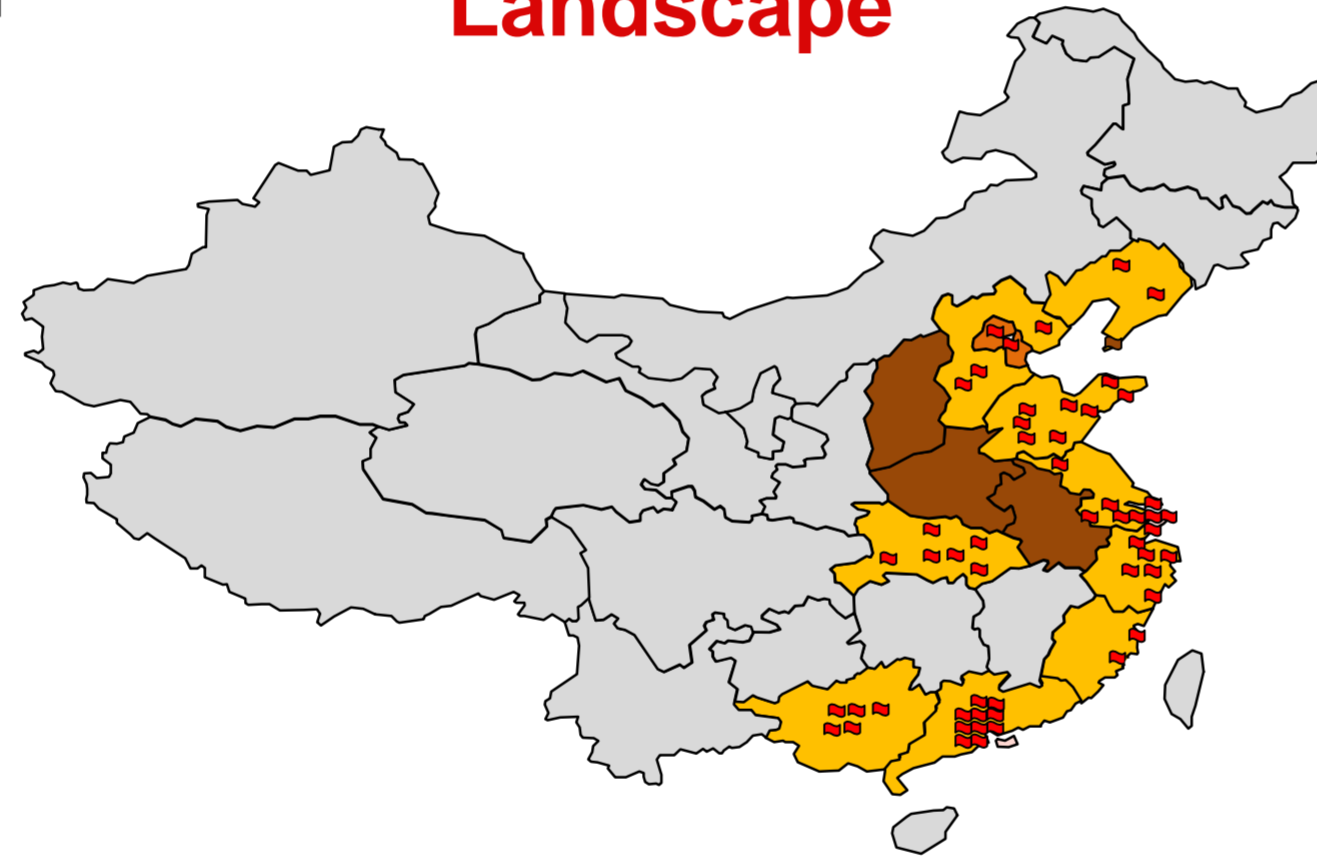


Continued geographical expansion with multi-distribution platform for sustainable growth

Geographical Expansion

- Progressive liberalization of regulations regarding joint venture
- Efficient set up of sales offices
- Deepening reach with existing branches

CITIC-PRU's Landscape



- In-depth geographic expansion; 13 branches and 53 sales offices
- 15 branches by 2014

Multi-Distribution Platform

Agency

- Focus on recruitment & on-boarding for retention
- Improve sales activities and strengthen training
- Enhance branch effectiveness

Bancassurance

- Deepen relationship with key banks and leverage resources from CITIC Group
- Maintain balanced and profitable product mix

- # 2 in Agency² (foreign) with 11,000+ manpower¹
- # 2 in Banca² (foreign) with 2,300+ outlets¹
- Balanced distribution: 49% Agency / 48% Bancassurance¹
- 74% regular premium in Banca (SP dominated in market)¹

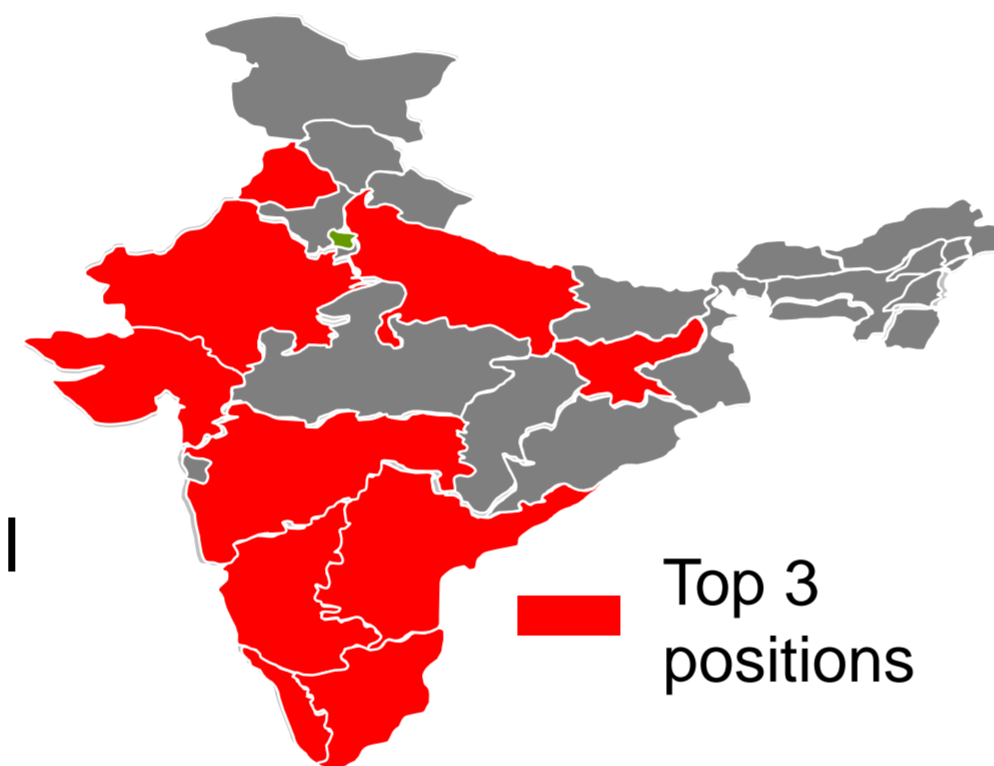
Note: 1. YTD Sep 2013; 2. Industry sharing data; only for J/V foreign market



Focused approach to quality growth amidst significant challenges

Market Leadership

- Consistently maintained private leadership position since inception
- Customised geographic strategy
- Empowerment of regional teams to take on complete accountability of all business metrics



- 10.9%¹ growth while industry declined 8.0%
- Increased market share¹ to 7.2% from 5.9% LY
- Increase private sector market share¹ to 19.9% from 18.3% LY

Execution Focus

- Agency** focused on improving productivity
- Partnerships** focused on greater integration for both new business and servicing
- Customer Centric Product Design** solutions based approach
- Optimising efficiency** leveraging technology / automation
- Persistency management**, integration with compensation and performance management philosophy

- Balanced channel mix² (50% banca/ 32% agency/ 18% others)
- Balanced product mix³ (59% linked / 41% Non Linked)
- Stable Profit Stream (£173m Stat Profit for Fiscal Year 2012-13⁴)

1.Retail weighted basis for H1-FY2014 (Fiscal Year 2013-14)

2.Data for H1-FY2014 basis APE (Fiscal year 2013-14)

3.Data for H1-FY2014 basis retail APE (Fiscal year 2013-14)

4.Exchange rates used - H1-FY2013: 1 £ = ` 86.2 | FY2013: 1 £ = ` 85.9 | H1-FY2014: 1 £ = 90.9

North Asia: Focus on Profitable Niches



Large insurance markets

Dominated by domestic players

Crowded product space with guarantees

Defensible Advantage:

- Focusing on niche segment
- Self sufficient business in a LARGE market
- Value over volume

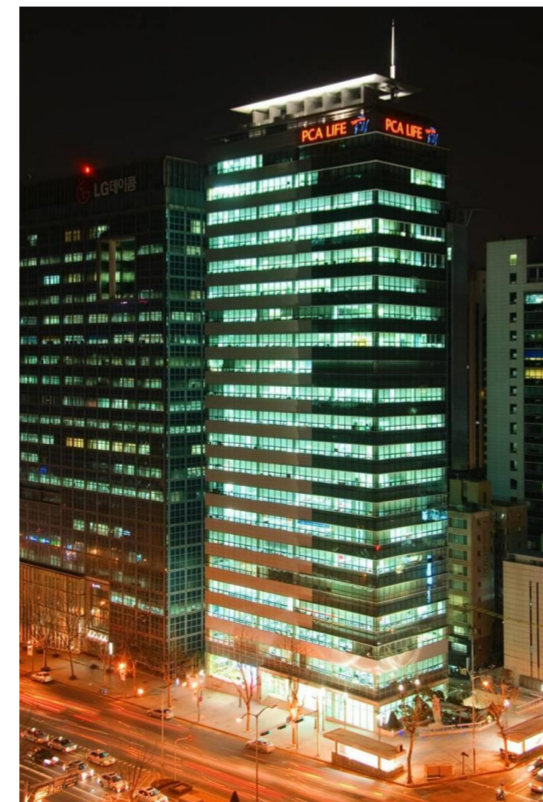
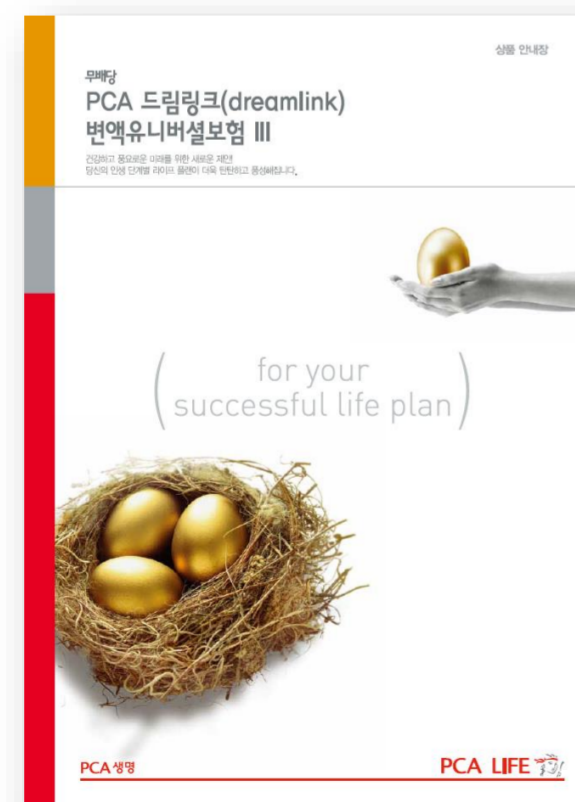
Niche Markets

Maintaining a self-sufficient and disciplined business in a large market

Korea



- Self sufficient niche player in Asia's 3rd largest insurance market
- Multi-channel: full time professional agency force; selective engagement of partners (GA and Banca)
- "Value over volume" focusing on VUL proposition ; over half of Banca VUL market¹



1. YTD Sep 2013

Taiwan



- Partnership platform with bancassurance growing 42% p.a. (2007-12)
- Increased contribution from non-strategic partners to 14% of Banca APE¹ (vs 8% LY)
- Top 3 telesales player in the market focusing on RP protection (whole life medical)
- Repeat sales ratio at 50%¹



Summary – Consistent Delivery

1

Multi-channel
DISTRIBUTION

2

Market leading
TRAINING &
DEVELOPMENT

3

Innovative, diverse
PRODUCT SOLUTIONS &
Marketing



**Always Listening, Always Understanding.
Always Delivering**

4

Efficient, customer focused
OPERATIONS &
SERVICES

5

Superior COMPLIANCE and
RISK MANAGEMENT
frameworks

6

Best-in-Class People