

Dear Editor,
For immediate release:

Allianz General: Malaysians are not underserved but grossly underinsured

- **15,000 sign-ups for special perils in Jan, post-flood**

Kuala Lumpur, xx January 2022 – The recent flood exposed the country’s shortcomings towards disaster response and urban planning and raised questions on insurance protection and whether Malaysians are underserved.

Currently, insurance for homes or vehicles can be purchased directly from the insurance provider (over the counter or online), through intermediaries such as agents, or via platforms like Pos Malaysia, online insurance marketplaces, or insurtech startups.

“In Malaysia, we have options when it comes to insurance products and how we purchase insurance. So, it is not a question about being underserved. However, we are guilty of choosing to forgo flood cover (home insurance), windscreen or even special perils cover (protection against landslide, flood, and other convulsions of nature) when buying car insurance, all in favour of a cheaper policy. This is what leaves Malaysians grossly underinsured,” said Sean Wang, Chief Executive Officer of Allianz General Insurance Company (Malaysia) Berhad (Allianz General).

“The recent floods vividly confirm that insurance is a need – especially when we have assets that we *need* to protect. There is a need to break the vicious cycle of economising our insurance policy. Either that, or we risk continuing to be underinsured and shortchanging ourselves in the process,” added Sean.

Allianz General revealed that only 11 percent or approximately 123,000 out of 1.11 million customers chose special perils cover as part of their private car comprehensive cover in 2021. However, following the floods last year, the Company saw a take-up rate of 22 percent or approximately 15,000 out of 68,000 customers (new and renewals) between 1 to 17 January 2022 alone. For motorcycle insurance, the Company has built-in special perils cover for its Allianz Motorcycle Plus product, launched in 2019, at no extra charge for customers.

Besides that, following the floods, Allianz General provided towing assistance to 1,590 customers whose vehicles were affected by the floods up until 16 January 2022, with only 193 vehicles (178 private cars and 15 motorcycles) having valid flood cover as part of their insurance policies.

“Our biggest issue is our dependency on the government, NGOs, and even corporate Malaysia to provide a safety net when faced with a widespread calamity like the recent

underserved



floods. But, in truth, when one is faced with a single tragedy, and faced with having no compensation or no means of replacing your damaged assets that the reality of why we need insurance hits hardest,” said Sean.

“It is not a situation that you want to put yourself through. We must address the lethal combination of misconception and ignorance at work here. Malaysians must understand that they hold the responsibility of attaining not just adequate cover, but the right protection for their assets within their means,” added Sean.

To increase insurance adoption, the government launched the Perlindungan Tenang Voucher Programme in September last year, offering eligible Bantuan Prihatin Rakyat (BPR) recipients an RM50 voucher for the year 2021 and subsequently increased the voucher amount to RM75 voucher in 2022 for redemption towards purchasing affordable insurance plans under the Perlindungan Tenang Initiative.

Under the Perlindungan Tenang Initiative, Allianz General currently offers Allianz KampungKu (home insurance for “kampung” houses or household contents against fire, flood, and windstorm risks), Allianz PerlindunganKu (personal accident), and Allianz Kasih Hayat (life insurance).

To learn more about how you can take advantage of the Perlindungan Tenang Voucher Programme with Allianz Malaysia, visit allianz.com.my/personal/whats-new/perindungan-tenang-voucher-programme.html.

About Allianz in Malaysia

The investment holding company, Allianz Malaysia Berhad, a subsidiary of Allianz SE, has two insurance subsidiaries - Allianz General Insurance Company (Malaysia) Berhad (“Allianz General”) and Allianz Life Insurance Malaysia Berhad (“Allianz Life”).



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Allianz General is one of the leading general insurers in Malaysia and has a broad spectrum of services in personal lines; small to medium enterprise business and large industrial risks. The GWP for general insurance business for financial year 2020 reached a mark of RM2.36 billion. Allianz Life offers a comprehensive range of life and health insurance and investment-linked products and for the financial year 2020, Allianz Life recorded a GWP of RM2.95 billion and is one of the fastest growing life insurers in Malaysia. Allianz Malaysia has 32 branches nationwide.

In 2020, Allianz Malaysia was awarded the Industry Excellence Award for financial services at the MSWG-ASEAN Corporate Governance Awards. The Company also ranked seventh amongst the Top 100 Companies for Overall Corporate Governance and Performance (by Rank) and 16th amongst the Top 100 Companies for Corporate Governance Disclosure (by Rank). In 2019, Allianz Life was named The BrandLaureate's Iconic Brands of the Decade Award 2019 for Life Insurance.

To learn more about Allianz Malaysia, visit allianz.com.my

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About Allianz

The Allianz Group is one of the world's leading insurers and asset managers with more than 100 million* private and corporate customers in more than 70 countries. Allianz customers benefit from a broad range of personal and corporate insurance services, ranging from property, life and health insurance to assistance services to credit insurance and global business insurance. Allianz is one of the world's largest investors, managing around 790 billion euros on behalf of its insurance customers. Furthermore, our asset managers PIMCO and Allianz Global Investors manage 1.7 trillion euros of third-party assets. Thanks to our systematic integration of ecological and social criteria in our business processes and investment decisions, we are amongst the leaders in the insurance industry in the Dow Jones Sustainability Index. In 2020, over 150,000 employees achieved total revenues of 140 billion euros and an operating profit of 10.8 billion euros for the group.


*Includes non-consolidated entities with Allianz customers.


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