



**HEALTHIER, LONGER,
BETTER LIVES**

AIA Australia Limited
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Media Release

AIA launches TPD CORE to deliver greater certainty in disability protection

Melbourne. Monday 31st August 2026. In response to the increasing complexity of disability claims, leading life, health and wellbeing insurer AIA Australia has launched a new retail TPD product, TPD CORE, to give customers and advisers greater clarity and consistency in how severe and permanent disability is assessed.

TPD CORE retains the features customers and advisers value in traditional TPD insurance: the benefit is paid as a lump sum, and for physical, objectively assessed conditions, there is no fundamental change.

Where TPD CORE differs is in using clearer requirements for mental health, chronic pain and fatigue conditions, so there is greater transparency around what evidence is needed, how severity is assessed and how permanence is determined.

Traditional disability cover was designed for claims with clear and observable physical impairment; however, the modern claims landscape is markedly different, and as a result, traditional TPD is under growing strain. Mental health conditions now account for around one-third of TPD claims paid across the industry and more than \$2 billion in annual payouts, almost double the level of five years ago.

TPD CORE was developed to address this challenge while maintaining meaningful protection for customers. Rather than relying predominantly on diagnosis alone, TPD CORE places greater emphasis on functional impairment and whether a condition has resulted in severe, enduring and permanent disability consistent with the purpose of TPD.

Damien Mu, Chief Executive Officer and Managing Director of AIA Australia, said that Australia's worsening mental health crisis required insurers to think differently about their product set and how they best support people.

"We need to rethink how we view mental health conditions, because a diagnosis is not a life sentence. We want to focus on supporting people to live and work while effectively managing their mental health, which includes encouraging early intervention, as well as recovery and return-to-work where this is possible for someone.

"TPD CORE plays an important role in our overall approach to playing a more active role in the mental health of our customers, so that we can ensure that claimants with severe, permanent and work-ending conditions are paid a lump sum, and less severe, episodic mental health issues receive other types of support", said Mr Mu.

TPD CORE has been designed to work alongside income protection cover, and wellbeing and recovery support through AIA Embrace, to provide customers with comprehensive disability coverage.

TPD CORE was developed through collaboration across AIA Australia's product, medical, claims and pricing teams and incorporated consumer and adviser research.

The design has been extensively tested against historical claims experience to support both clinical integrity and long-term sustainability. This work has enabled the introduction of a five-year rate guarantee, providing greater certainty for customers and advisers.



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TPD CORE is available for AIA's Retail Customers from 31 August 2026. More information, including the product disclosure statement, is available at <https://www.aia.com.au/en/adviser/business-growth-hub/resource-library/tpd-core-designed-for-today>.

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About AIA Australia

AIA Australia is a leading life insurance specialist with over 50 years' experience and a purpose to make a difference in people's lives. In 2014 the company launched AIA Vitality, a world leading, science-based health and wellbeing program, to the Australian market. In July 2017, AIA and its partners launched AIA's health insurance business, now known as AIA Health Insurance.

In 2021, CommInsure Life was integrated into AIA Australia. The lives of more than 3 million Australians are protected and enhanced through AIA Australia's unique value proposition of life, health and wellbeing. Our vision is to embrace shared value in championing Australia to be the healthiest and best protected nation in the world.

In pursuit of this, AIA Australia has developed AIA Embrace- a comprehensive wellbeing ecosystem of world-class products, programs and partnerships. These are designed to help customers, partners and the broader community to embrace better health and wellbeing.

In offering a broad range of health and wellbeing services to its customers, partners and broader community, AIA is proudly helping people lead healthier, longer, better lives.

AIA Australia is proud to have become a participant of the UN Global Compact in 2025, joining other like-minded organisations who are committed to supporting the sustainable development goals and ensuring a healthier, happier future for all.

AIA Australia has been recognised with multiple awards, including the ANZILF Life Insurance Company of the Year (2024, 2023, 2022), GoodCompany Award – Top 40 (2024), Women in Finance Employer of the Year Award (2018, 2019), Super Review's Best Insurer of the Year (2018, 2019), FSC Life Insurance Industry Awards Innovation in Group Life Insurance (2021), Shared Value Awards Organisation of the Year (2020) and Shared Value Project of the Year (2021).

Further information at www.aia.com.au.

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