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**We are Aflac.**

# Catherine Hernandez-Blades

Senior Vice President | Chief Brand and Communications Officer



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# Growing Aflac's Reputation and Measuring Progress

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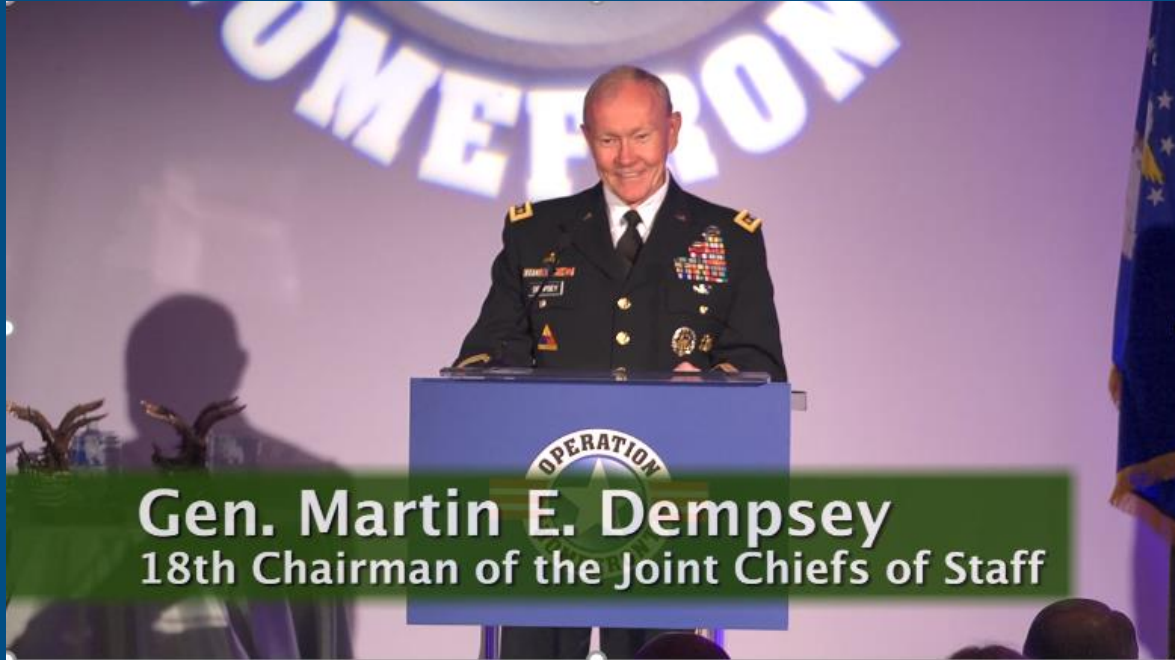
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# Gen. Martin E. Dempsey



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# Return on Reputation and Why It Matters



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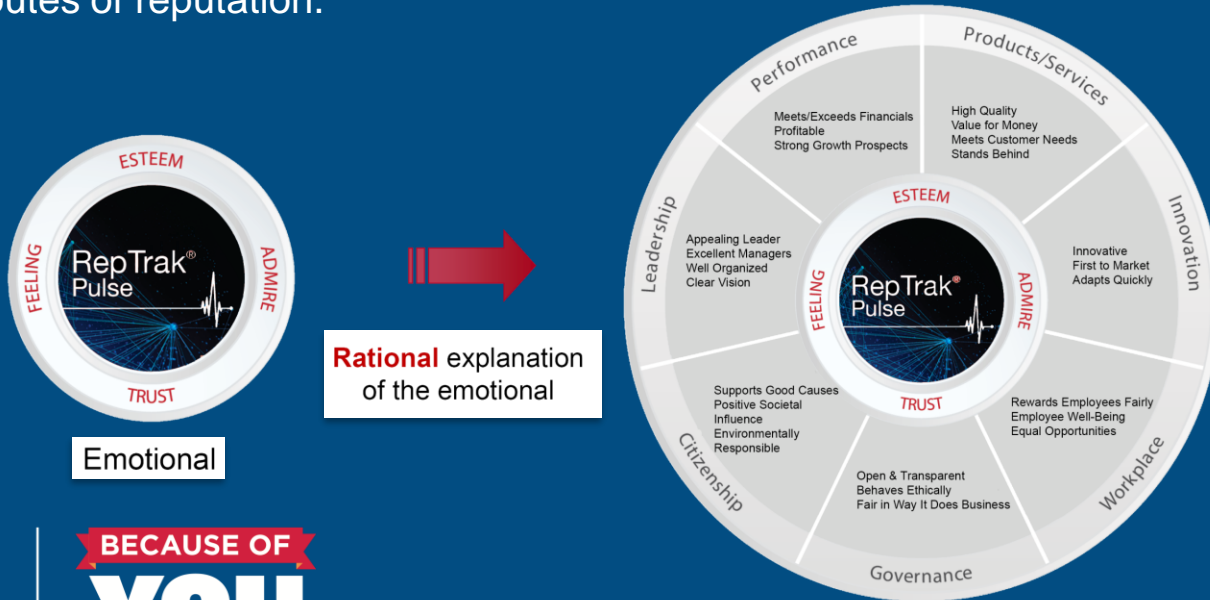
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# RepTrak Methodology

RepTrak dimensions are the rational explanation of emotional connections.

Track perceptions about your company's ability to deliver on 7 key dimensions and 23 deep dive attributes of reputation.

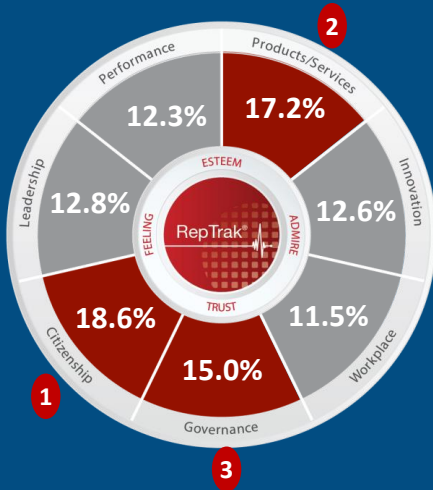


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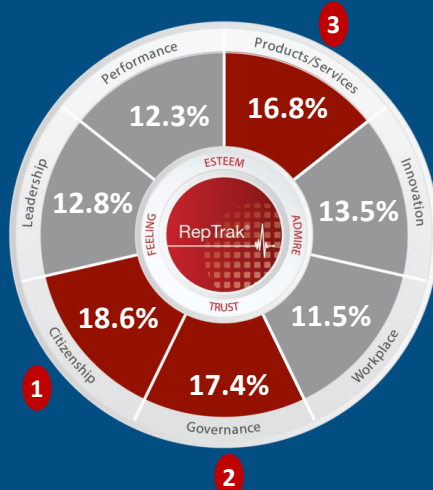
# Reputation Drivers & Scores

## 2017 U.S. RepTrak Drivers: Finance Industry

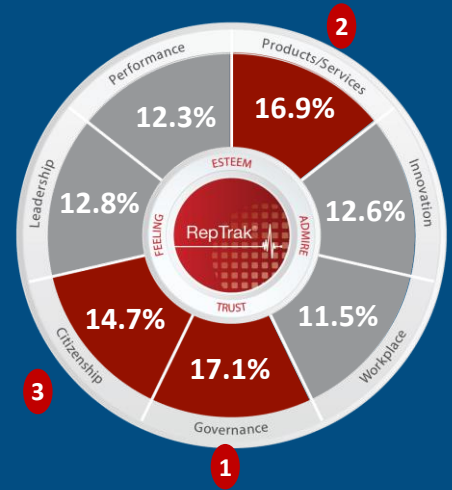
### U.S. Finance Sector in 2017



### U.S. Banking Sector in 2017



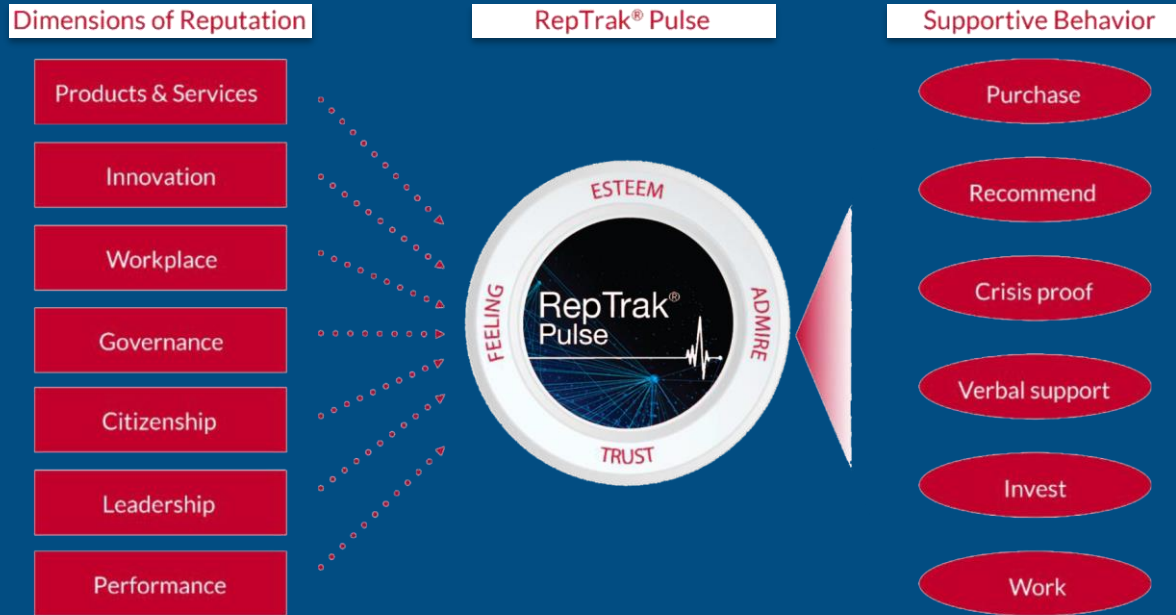
### U.S. Insurance Sector in 2017



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# RepTrak Methodology

Track your reputation with confidence using RepTrak. Connect the emotional bond stakeholders have with your company with rational behaviors.





# What's the return on reputation?

- **Benefit of the doubt in a crisis** - 54% vs 20%
- **Improve recommendation** - goes up by 6.5% for each 5-point reputation RepTrak® score improvement
- **Propensity to buy** - goes up over 5% for each 5 point RepTrak® score improvement
- **Attracting the best talent** - a good company reputation is a top 5 driver for new hires

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# There is a strong link between reputation and stock price (U.S.)

The chart on this slide demonstrates that the RepTrak Portfolio has outperformed the S&P 500 Index since 2006. It has also done so by an increasingly wide margin since the financial crisis of 2008. An investment of \$100 in the RepTrak Portfolio would be worth \$250 in 2013, whereas investing in the S&P would net approximately half of that, at ~\$140.



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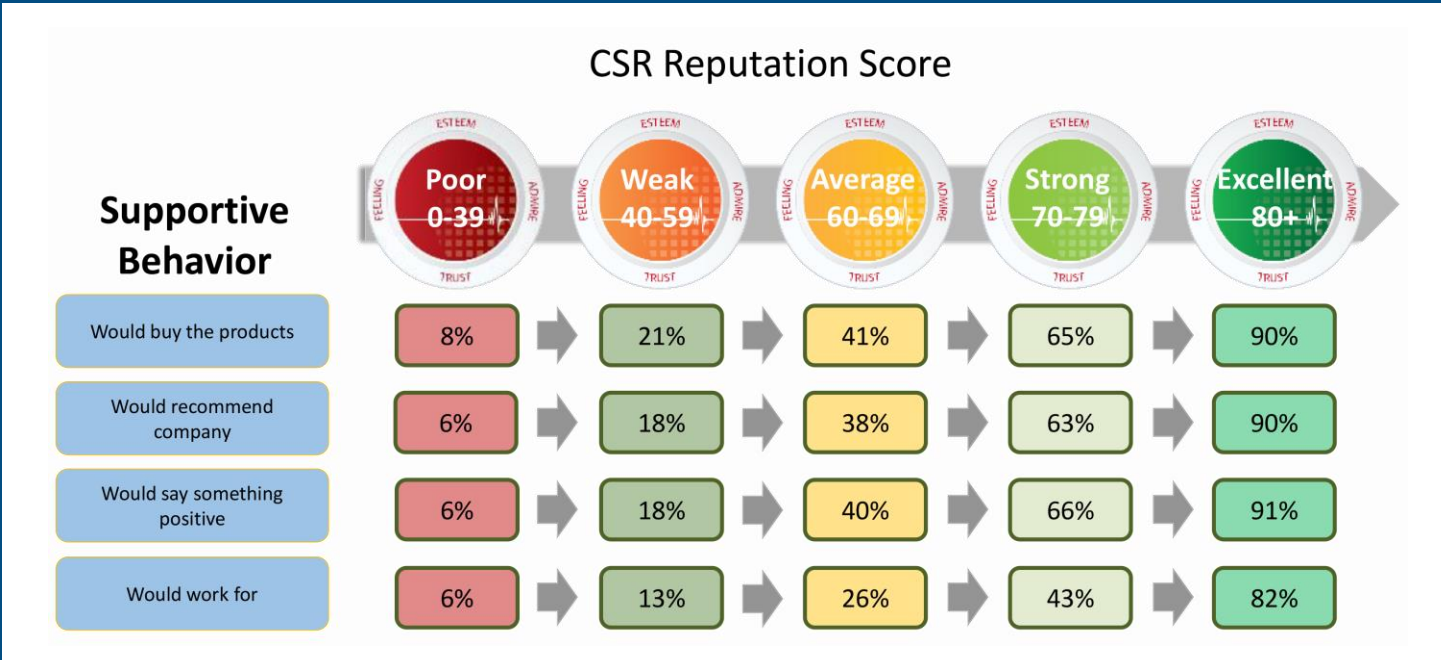
# RepTrak Methodology

How corporate reputation links to stakeholder support. Companies with excellent or strong reputations get significantly more support from the public.



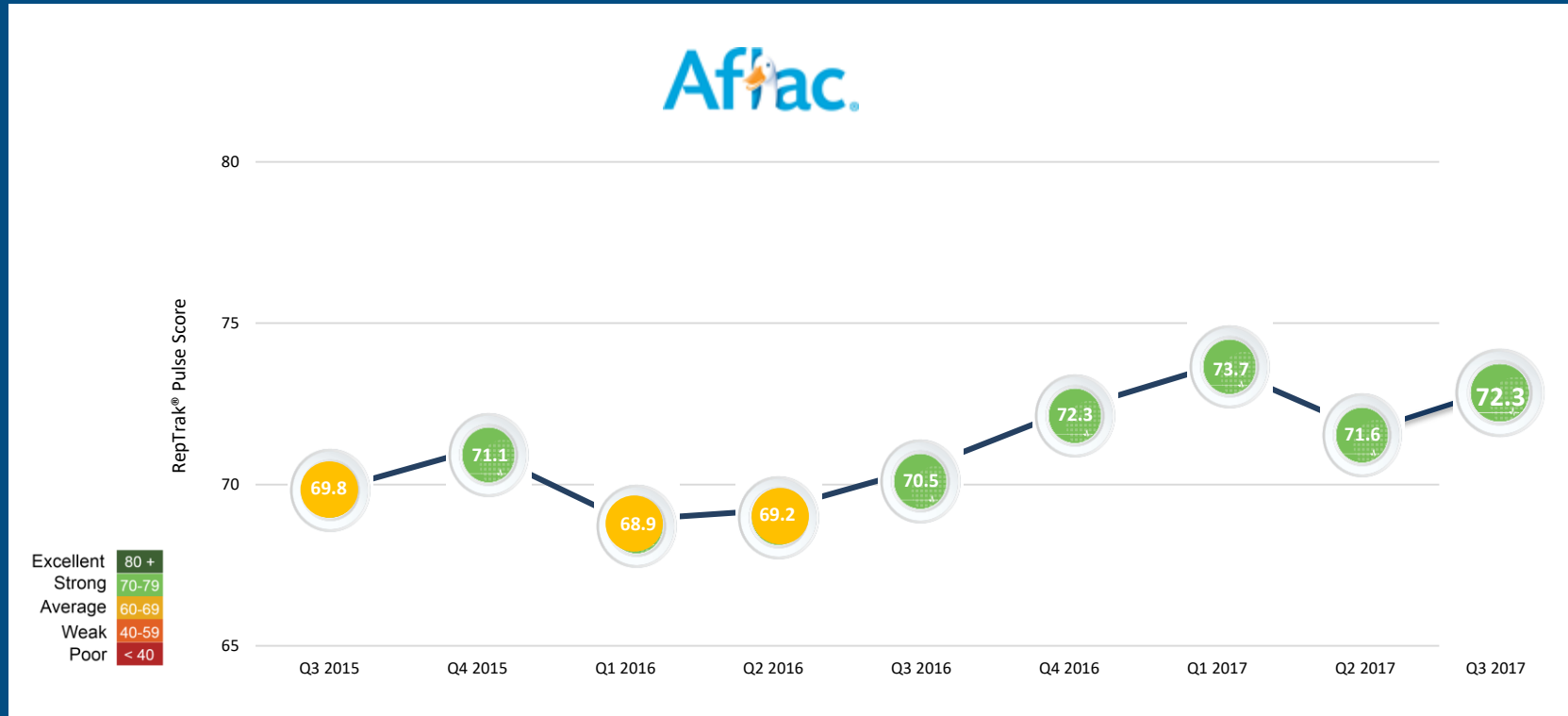
# Does CSR Matter?

*Companies with excellent or strong CSR reputations have significantly higher stakeholder support. CSR reputation has an even larger impact on support than overall reputation.*



# Q3 '15 – Q3 '17 Aflac Reputation Pulse Score Trend:

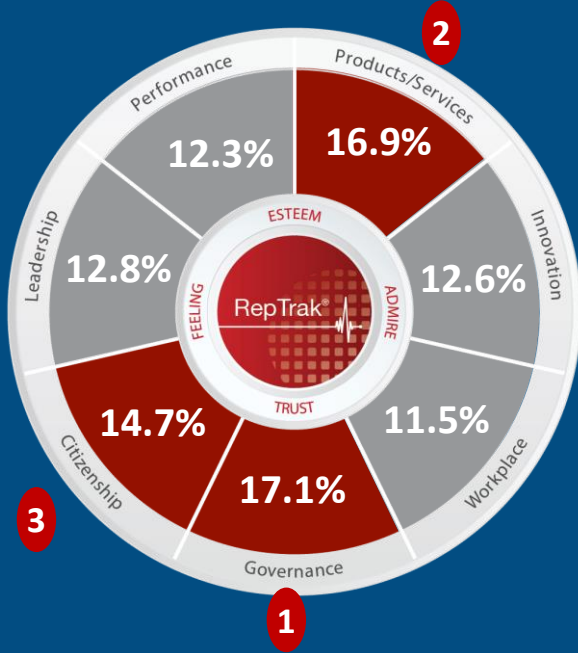
*Aflac has earned consistent reputation improvements since Q2 '16 and has remained in the strong range for the last five quarters.*



# Dimension Analysis:

Aflac earned strong improvements across dimensions; Citizenship & Leadership continues to strive.

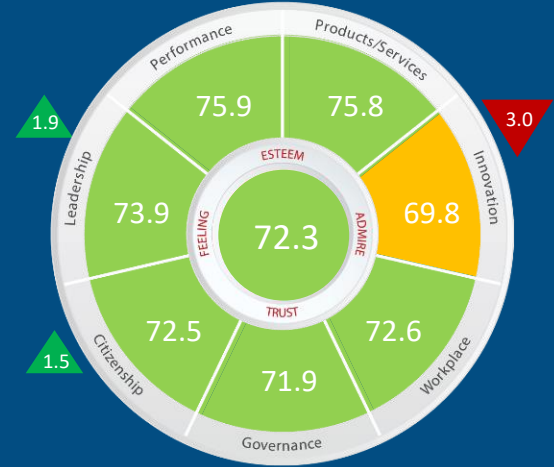
2017 U.S. RepTrak® Drivers:  
Insurance Industry



Q3 '16 Dimension Scores



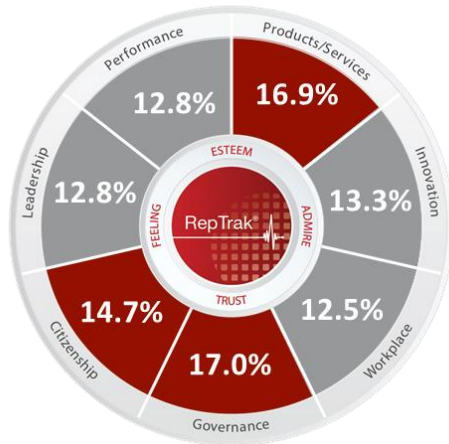
Q3 '17 Dimension Scores



# Q3 2017 Reputation Dimension Comparison:

Aflac leads all benchmarks in 6 of 7 dimensions. Aflac led in only two dimensions in Q1 '16.

U.S. Insurance Sector in 2017



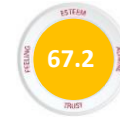
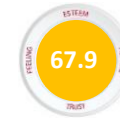
## Q3 2017

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Company X

Company Y

Company Z

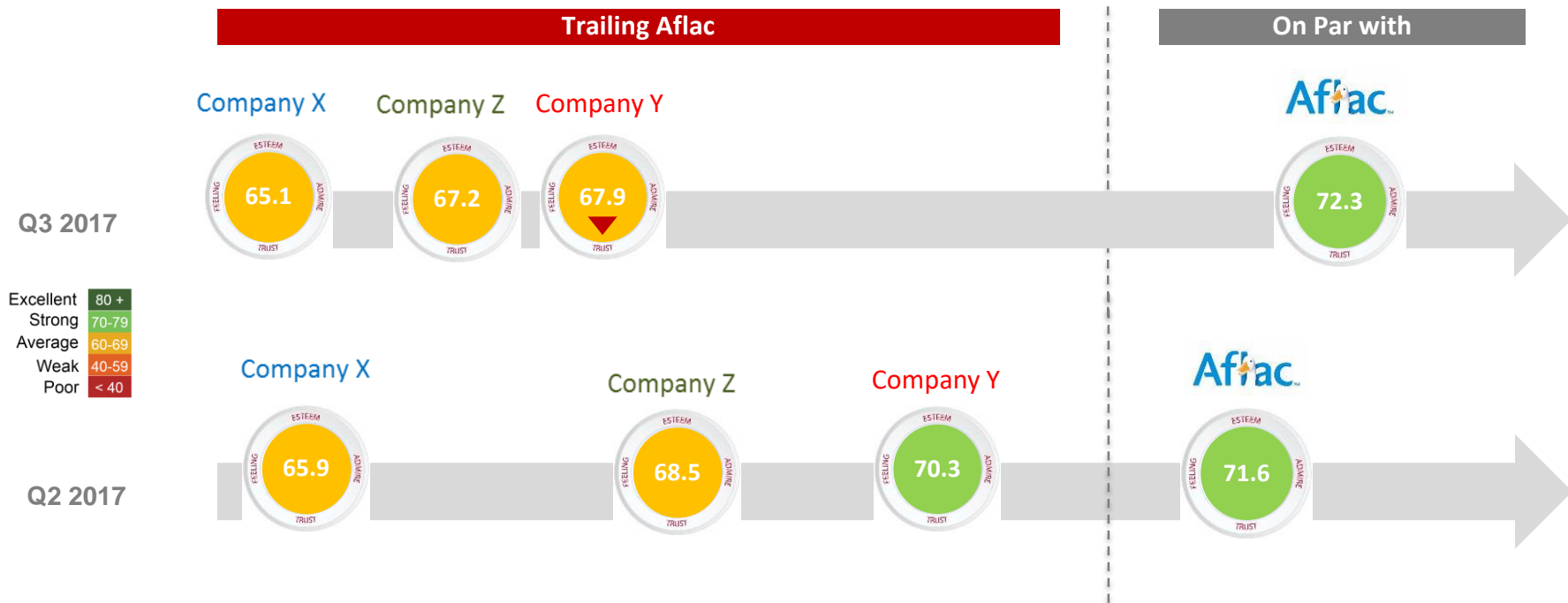


- Products
- Innovation
- Workplace
- Governance
- Citizenship
- Leadership
- Performance

	Aflac	Company X	Company Y	Company Z
Products	75.8	70.1	67.7	65.7
Innovation	69.8	65.4	64.5	63.0
Workplace	72.6	68.4	67.8	66.5
Governance	71.9	67.2	65.0	63.9
Citizenship	72.5	67.4	67.7	65.0
Leadership	73.9	70.8	67.7	67.1
Performance	75.9	73.0	70.2	69.6

# Reputation Comparison: Aflac vs. Benchmarks – Q2 2017 vs Q3 2017

*Aflac has increased its reputation and moved into the lead compared to benchmarks.*





# Aflac Reputation by Key Demos: Q3 2017

  
Overall General  
Population

Overall



  
Gender

Female



Male



  
Age

25-34



18-24



45-64



35-44



35-44 Increased  
Significantly over Q2

  
Income

Low



High



Middle



  
Region

West



Midwest



Northeast



South



Excellent 80 +  
Strong 70-79  
Average 60-69  
Weak 40-59  
Poor < 40

  
Customer

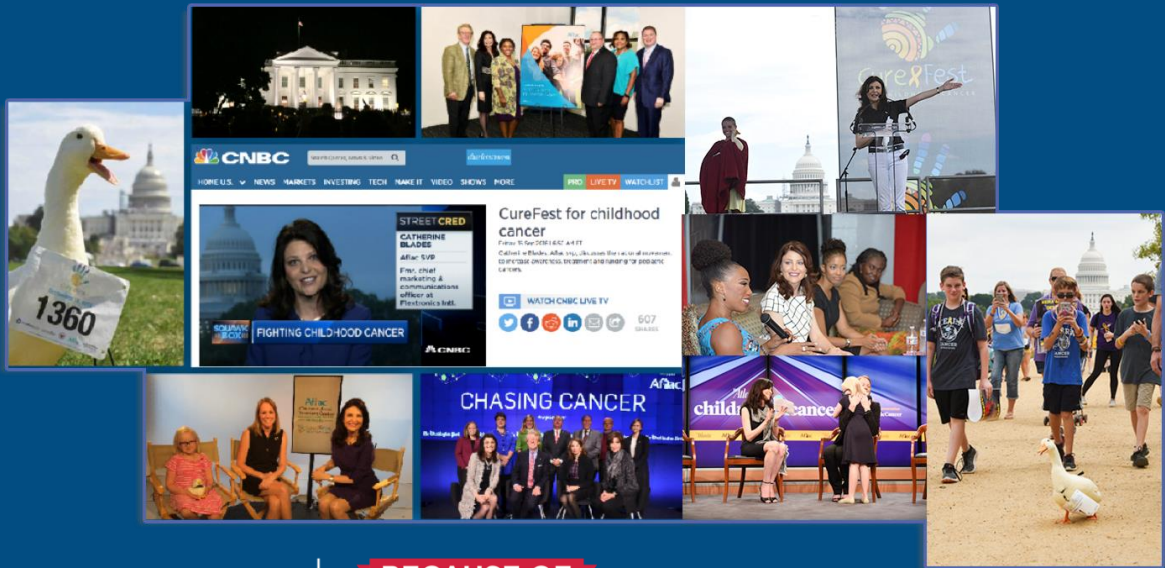
Non-Customer



Customer



# Turning Data into Action



- Media Survey on CSR
- CSR Survey (3)
- CureFest (2)
- Chasing Cancer (Washington Post)
- Children and Cancer (Atlantic Media)
- Washington Ideas Forum (Atlantic Media)
- Power Forum 2018 (New York Moves)

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# What Keeps Me Up At Night

**“Houma student arrested for social media threat”**

- headline on WWL-TV after a 14-year-old Junior High School student was ARRESTED by police after posting threats on social media; told police it was a joke

**“As many of you know, I have not posted much about politics. The DNC parading the mothers of slain thugs on their stage has made me furious.”**

- wrote FORMER Ft. Work KTVT, KDAF and KRLD meteorologist Bob Goosmann



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# Thank you



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# Q & A



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