# GLOSSARY OF TECHNICAL TERMS

***In this document, unless the context otherwise requires, explanations and definitions of certain terms used in this document in connection with our Company and our business shall have the meanings set out below. The terms and their meanings may not always correspond to standard industry meaning or usage of these terms.***

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| "AI" | artificial intelligence, an area of computer science that focuses on machinery simulation of intelligence displayed by humans and other animals; |
| "AI agent" | a system or program that utilizes AI to perform tasks and achieve goals autonomously on behalf of a user or another system; |
| "AI model" | mathematical algorithms which can take unstructured data as input and transform them into informative outputs through its "intelligence," namely, the capability of perceiving the world, transcribing and organizing information, enhancing or generating content, or making decisions; |
| "algorithm" | a procedure or formula for solving a problem, based on conducting a sequence of specific actions, especially by a computer; |
| "API" | application programming interface, a set of predefined rules, protocols and tools that allow users to integrate AI capabilities into applications, websites or software; |
| "bancassurance" | the distribution of insurance products through banks or other financial institutions; |
| "claim(s)" | demand(s) made by an insured party or the beneficiary of an insurance policy in respect of a loss which comes within the cover provided on the sum insured by the policy; |
| "Class II Grade A hospital(s)" | hospital(s) of the highest grading in Class II hospitals; |
| "Class II hospital(s)" | secondary hospitals that provide comprehensive medical services to a region, which are designated as Class II hospitals by the NHC hospital classification system; |
| "Class III Grade A hospital(s)" | hospitals of the highest grading in the NHC hospital classification system; |
| "Class III hospital(s)" | multi-regional hospitals with large capacity that provide high-quality professional medical services, undertake higher education and scientific research initiatives, which are designated as Class III hospitals by the NHC hospital classification system; |

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| "cloud" | a network of remote servers hosted on the internet/intranet and used to store, manage, and process data in place of local servers or personal computers; |
| "cloud-based" | applications, services or resources made available to users on demand via the internet from a cloud computing provider's servers with access to shared pools of configurable resources; |
| "declarative knowledge" | factual information that can be explicitly stated, described or declared. It is knowledge about facts, concepts, rules and principles that can be communicated and documented; |
| "first-year premium" or "FYP" | represents insurance premium falling due during the first year the insurance policy is in force; |
| "GWP" | gross written premiums, refer to total premium from a contract expected to be received by an insurance company before deductions for reinsurance or ceding commissions; |
| "high-risk applicants" | applicants who do not meet the insurer's underwriting requirements or fail to make full disclosures during the application process, particularly regarding medical history or health disclosures; |
| "industry-specific" | refers to something that is specialized for or tailored to a particular industry sector or market vertical, rather than being general-purpose or applicable across all industries; |
| "knowledge base" | a centralized repository of information designed to store complex structured data and capture the knowledge of human experts to support decision-making; |
| "LLM" | large language model, unless otherwise specified, a deep-learning AI model trained on vast amounts of text to understand, generate and interact in human language; |
| "loss ratio" | the ratio of incurred claims (paid and reserved) divided by the total premiums collected; |
| "multi-agent AI system" | a system that consists of multiple AI agents working collectively to perform tasks on behalf of a user or another system; |
| "natural language processing" or "NLP" | a branch of AI that helps computers understand, interpret and manipulate human language; |
| "neural network model" | a machine learning model inspired by the structure and functions of the human brain; |
| "OCR" | optical character recognition, the electronic or mechanical conversion of images of text into machine-encoded text; |

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| "open source" | a source code that is made freely available for possible modification and redistribution; |
| "policyholder(s)" | purchaser(s) and owner(s) of insurance policies; and |
| "procedural knowledge" | knowledge about how to perform tasks or execute processes. It is practical, action-oriented knowledge that involves skills, techniques and methods; |
| "rule-based" | a system or approach that operates according to predefined, explicit rules and logic created by human experts; |
| "smart data entry system" | a data entry system that leverages advanced technologies including e-invoice processing, OCR and LLMs to interpret relevant claim data; and |
| "underwriting" | a concept in the insurance industry, the process of examining and classifying insurance risks, in order to decide whether to accept such risks and the conditions on which the risks should be accepted. |