



SUPPORTER OF YOUR LIFE



▶ AG Insurance – Strengthening of the core

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Ageas Investor Day | London 21/11/2023

All figures are presented @100%

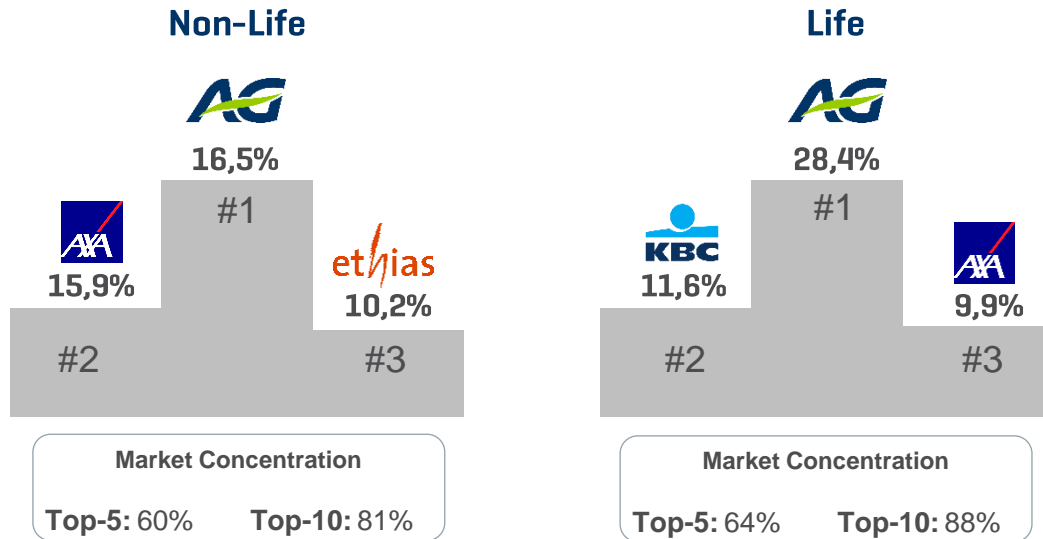
On today's agenda



- 1** Outperforming market leader in a mature Belgian insurance market
- 2** Strategic fundamentals
- 3** Actual market dynamics
- 4** AG growth story continues

AG is the respected leading company in Life and Non-Life... 200 years of expertise

2022 Market Shares (Individual Level)¹



1/2 Families insured by us

1/4 Companies place their trust in us

1/7 Cars insured

1/5 Health Care plans

1/4 Homes insured

1/3 Complementary pensions

2022 figures

Customers

Retail **2,7 million**

Enterprise, SME & Self Employed **257 thousand**

Total inflow

EUR **6,6 billion**

Life EUR **4,2 billion**

Non-Life EUR **2,4 billion**

Net profit²

EUR **618 million**

Life assets under mgmt

EUR **59,5 billion**

Solvency II margin

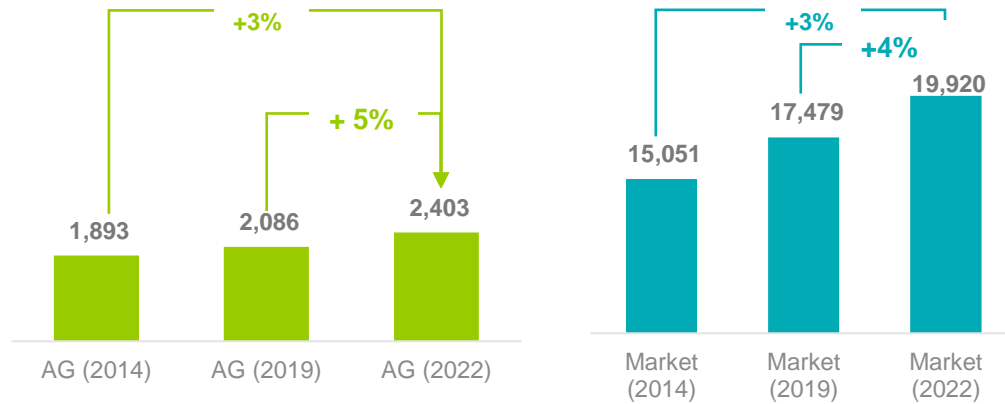
241 %

Staff

4.092 employees

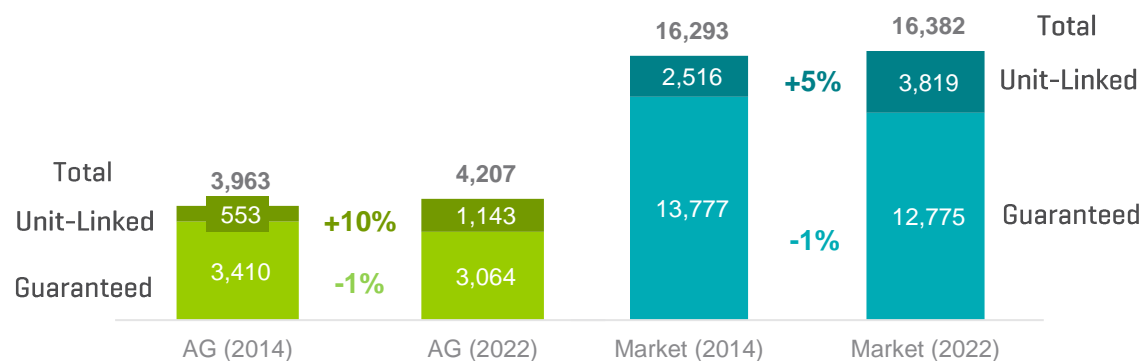
... consistently delivering strong and sustainable growth in a mature market...

Inflow evolution Non-Life [EUR Mio, CAGR 2014-2022, 2019-2022]



- Above the market growth in Non-Life, intensified as from 2019
- Managed to consistently close the gap, converging to market leadership

Inflow evolution Life [EUR Mio, CAGR 2014-2022]

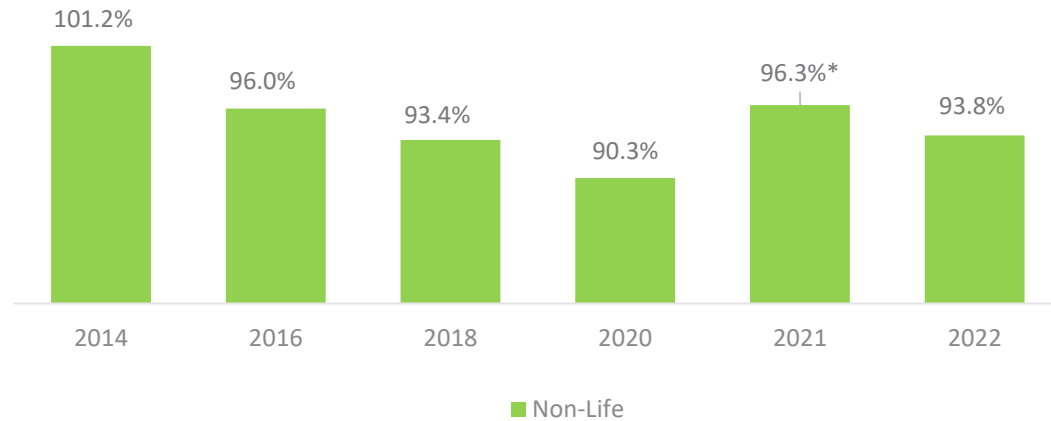


- Above the market growth in Life, reinforcing our dominant position, with equal size of #2 and #3 player combined
- A significant increase in Unit-Linked

... generating profit in a sustainable way...

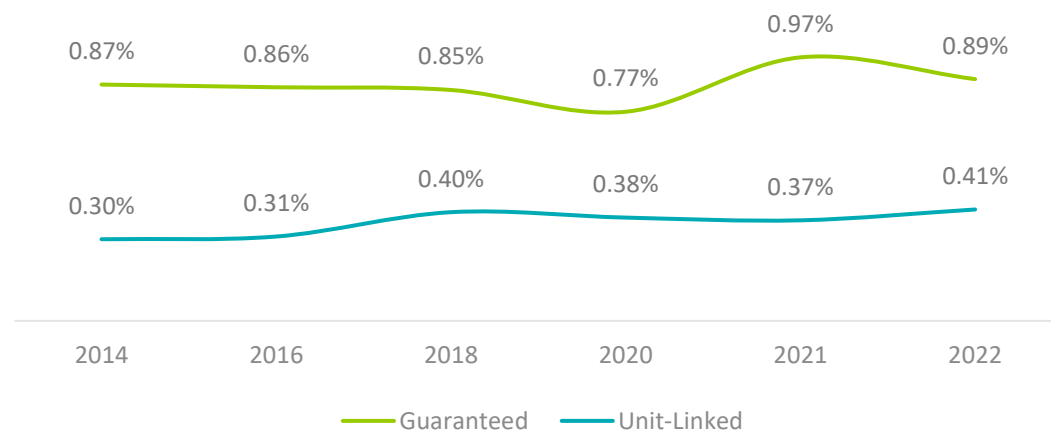
Consistent and rising dividend upstream

Non-Life Combined Ratio [%]

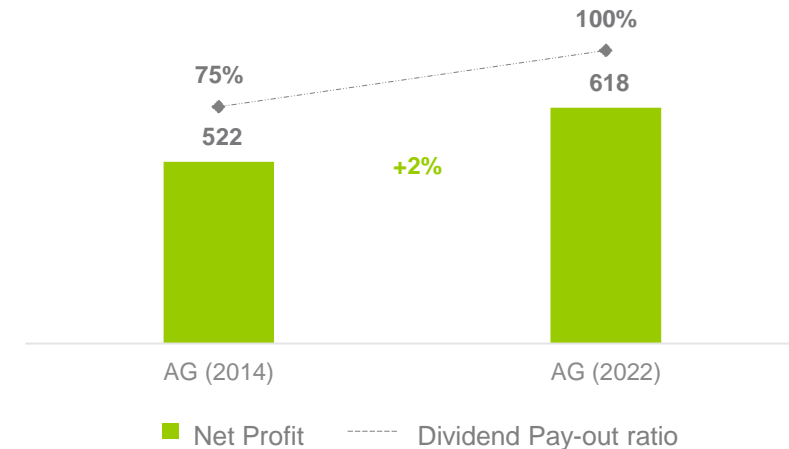


- Non-Life Combined ratio structurally improved to best-in-class of the market
- Strong and stable operating margins in Life, even in a low interest rate environment
- Rising dividend upstream (100% dividend pay-out since 2016)

Life Operating Margin [%]



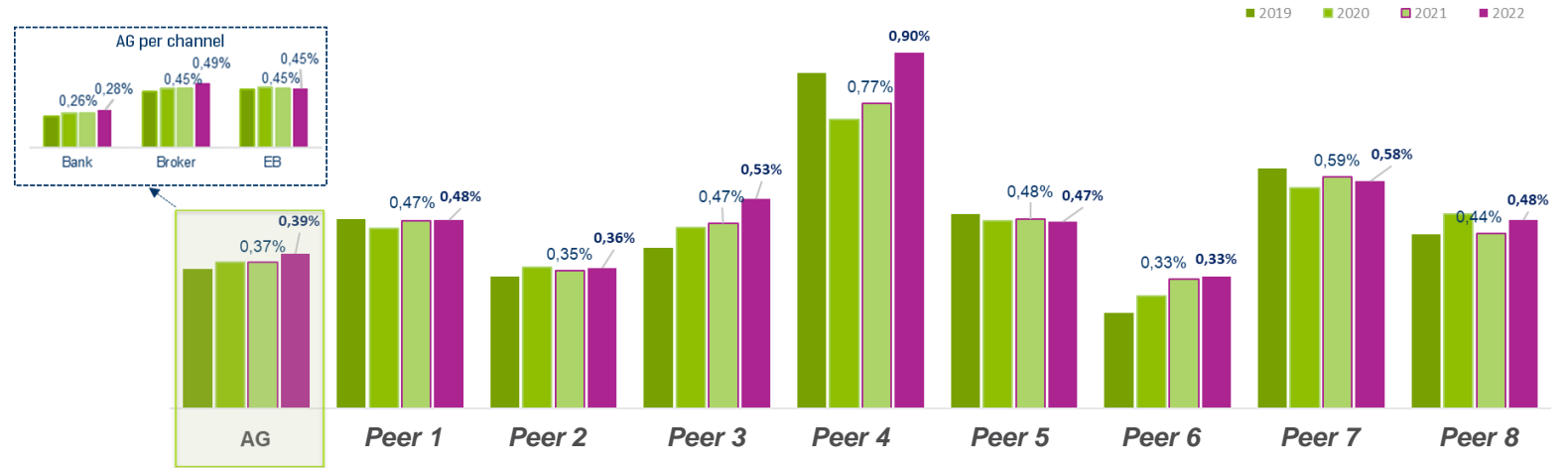
Net Profit¹ and Dividend Payout ratio (EUR Mio, CAGR₂₀₁₄₋₂₀₂₂)



... with efficiency well embedded within the organization.

AG's efficient processes reflected in best-in-class cost ratios in Life and Non-Life

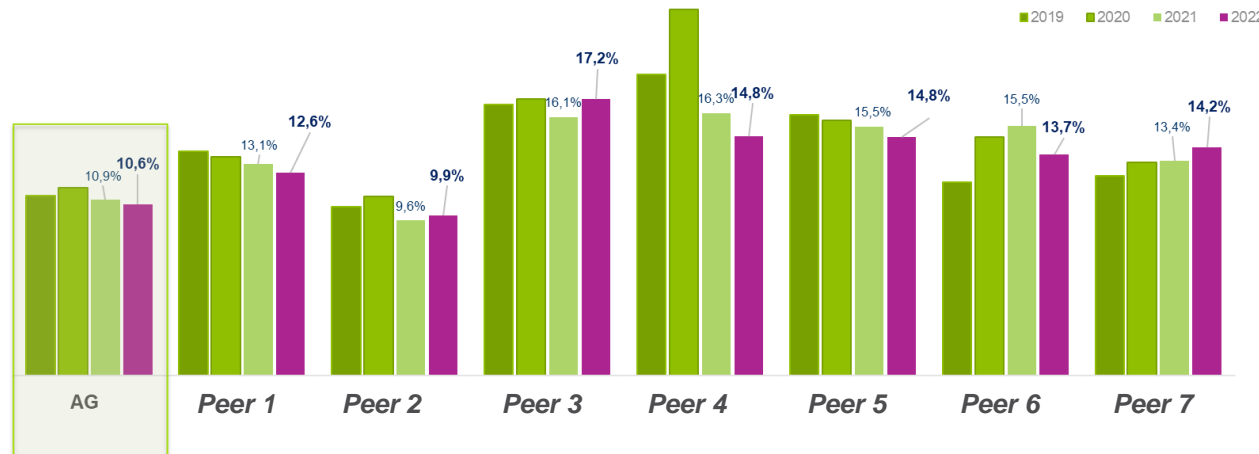
Life Cost Ratio based on Life Liabilities 2019-2022



Note:

- Operating costs excluding internal claims handling costs, in % of average technical liabilities
- Reminder for 2019/2020: If we do not take the release of IAS 19 corridor suppression, we obtain *estimated* Life cost ratios of 0,37% in 2019 & 2020.

Non-Life Cost Ratio based on Gross Earned Premium 2019-2022



Note:

- Operating costs excluding internal claims handling costs, in % of Gross Earned Premiums

On today's agenda

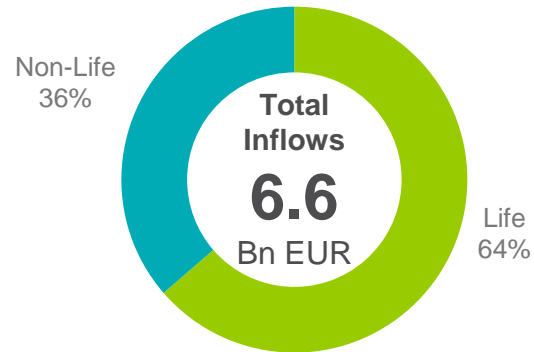


- 1 Outperforming market leader in a mature Belgian insurance market
- 2 **Strategic fundamentals**
 - Full and well-balanced product portfolio
 - Multi-channel distribution approach embedded in our organization
 - Consistent strategy implementation
 - Strong capital position
- 3 Actual market dynamics
- 4 AG growth story continues

AG is a well-diversified company with full product offer.

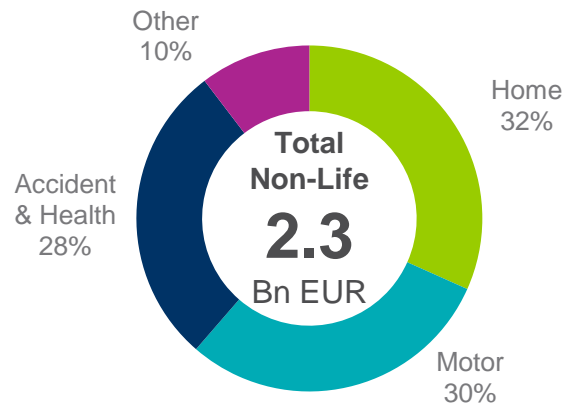
Full coverage with a complete range of quality products & services to suit all needs

Inflows [EUR Bn; 2022]

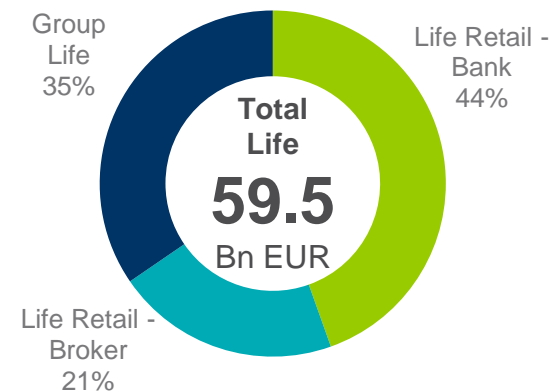


- Full target range in both Life and Non-Life, covering Retail, Self-employed, SMEs and Corporations
- Well balanced and diversified product portfolio

Inflows [EUR Bn; 2022]



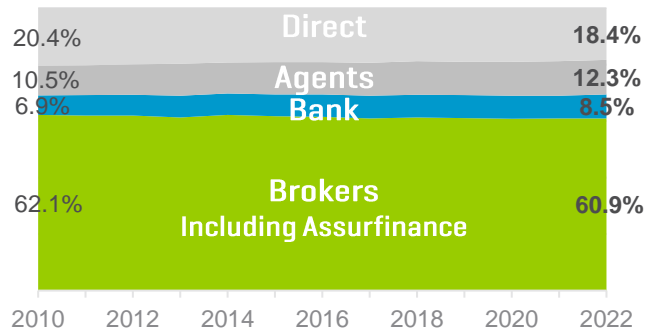
Life Liabilities [EUR Bn; 2022]



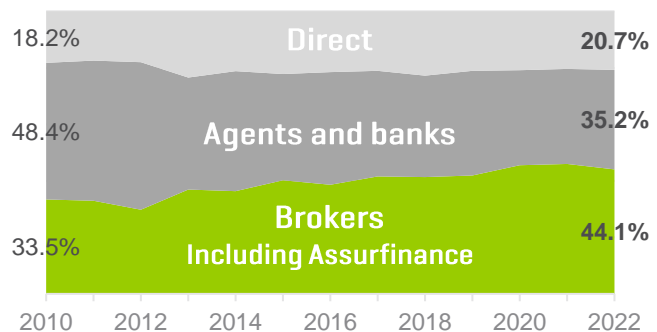
Organized in a unique multi-channel distribution approach ...

AG leads in bank and broker distribution

Market distribution Non-Life [%]

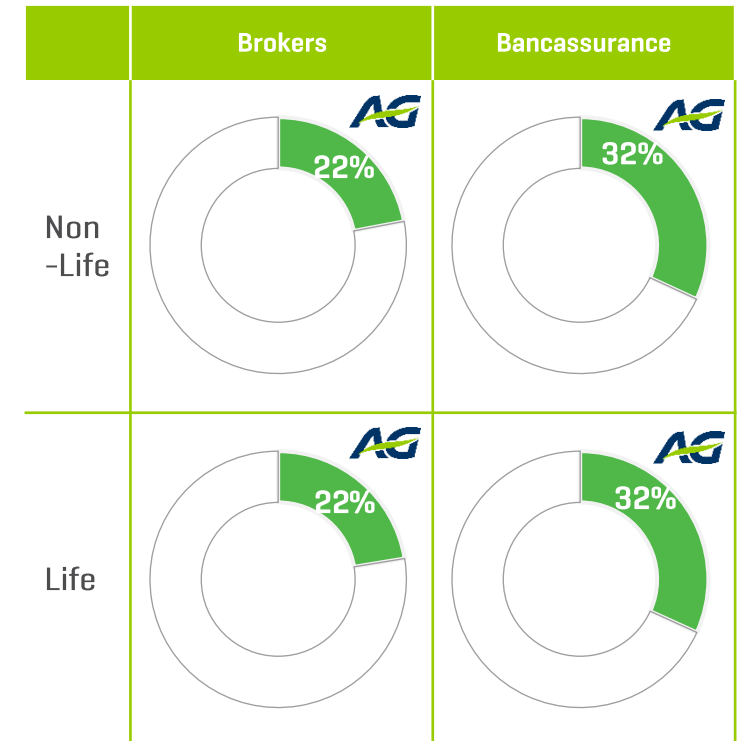


Market distribution Life [%]



AG's multi-channel distribution approach that is unique in the market...

	Brokers	Bancassurance	Direct
Retail Non-Life	●	●	Touring [B2C]
Business Non-Life	●	●	Health Care [B2B]
Individual Life	●	●	Yonge [B2C]
Employee Benefits / Health Care	●		●

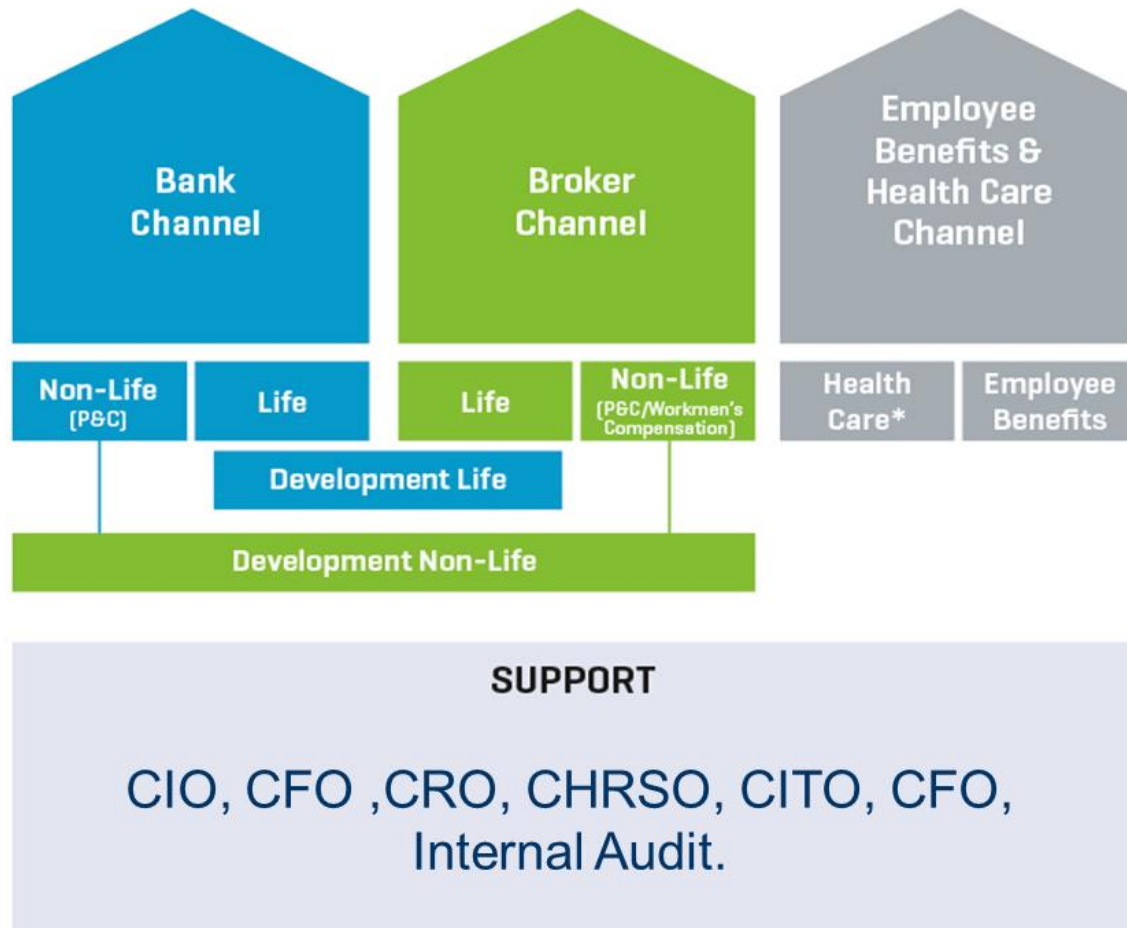


... leading to a dominant position in the preferred channels of Belgians



... fully embedded in our organizational structure...

3 business lines with own distribution focus, sharing support and expertise



AG's organizational structure allows 2 levels of synergies:



Development Non-Life & Life is shared between Broker and Bank Channel



Transversal support functions (CIO, CFO, CRO, CHRSO, CITO, Internal Audit) working for all channels and product lines



Enabling to have best-in-class expertise available across AG

We consistently execute our strategy ...

Centered around three main choices & levers with clear ambitions



To grow & strengthen our leading position



By offering a great customer experience



By embedding sustainability and long-term thinking

Outgrow the market

by unlocking the full potential of the existing distribution and fully benefiting from the potential of cross and up selling, by aligning our products and services to changed customer needs, by entering new markets and ways of distribution.

Top quartile customer satisfaction. Improve customer satisfaction especially in those journeys where it matters most to our customers.

We want to step up on sustainability targeting a **Belgian top quartile positioning**



People



Tech and data



Partners

Be **THE reference** as an employer by having our AG employees radically at the center of our Performance driven Network Organization

Digitalization is key to all AG business plans. Digitalization is about leveraging both technology and data to build innovative, open, reliable, efficient, with great customer experience and future proof **AG back- and front-end systems.**

We will **support our existing distribution** partners to best serve our customers and look for partners to further develop or distribute our core and adjacent products and services.

... with clear ambitions to further strengthen our leading position...

Contribution to AG2024 growth ambitions



2024 business plan

Target new brokers

Commercial actions in Guaranteed and Unit-Linked to maintain Life Liabilities

Increase sales in Protection, promoting stand alone death insurance

Launch of new Life and Non-Life products

Future Invest Bon
[towards sustainability label]

...

Non-Life

- Continue to outgrow the market in Non-Life:
 - Reinforce broker foothold in Retail, Small Enterprise and Enterprise segment
 - Further strengthen bancassurance in Retail and Business
 - Pursue our profitable growth strategy in Enterprises

Life

- Safeguard our Life Liabilities in Life Retail by relaunching commercial actions to capture important maturities
- Fully exploit the EB/HC position as a full pension player with full range of Pension Solutions

... and to go beyond offering services & innovations close to the core.



We successfully acquired Touring in July 2023.

Touring represents an opportunity for AG to further develop the mobility offering



Strong **Touring brand** on the Belgian market in the mobility sector will increase the credibility of AG on the mobility domains.



Having **boots on the ground** in the servicing of assistance products, beyond AG pure insurance products.



Financial value creation from selective short-term tactical optimizations to accelerate ongoing Touring initiatives and realize selective synergies.



Key yearly figures



680.000 interventions, supported by 500+ FTE



145.000 calls from Belgians in distress abroad



35.000 technical or medical interventions abroad



More than 2 million Belgian benefit from assistance

We have clear sustainability ambitions.

Sustainability well embedded within AG

 By embedding sustainability and long-term thinking

ACT

on 4 key domains with AG as:

an insurer

offer products and services with positive impact

28%



GWP from products that stimulate the transition to a more sustainable world



AG is first in the market to help brokers to become more sustainable

an investor

invest in the transition to a more sustainable economy

10,5 BN EUR



Investments making a positive contribution to transition towards a more sustainable world



an employer

offer a great place to grow for all

68,2%

Glass-ceiling index



a responsible company

integrity and respect for our environment and our society

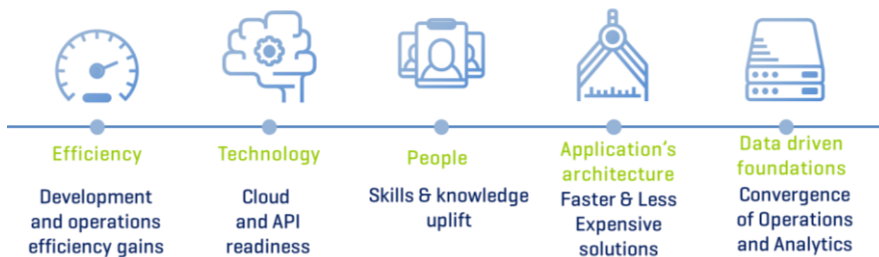


We built future proof IT foundations.

Cloud based future proof IT infrastructure to further leverage AG's digital platforms

Replatforming

- Replatforming project successfully delivered last year, enabling to keep up with the digital trends such as:
 - Cloud technology
 - Chatbots and digital assistance
 - Application Programming Interfaces (API)
 - Infrastructure in place to further develop Generative AI, My AG,...

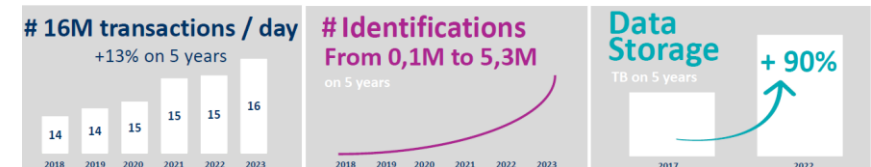


Leverage AG data backbone

- ▶▶ Modernization & future transformation
- 🏆 Data Quality
- 🔄 Data availability

Operations & cyber risk

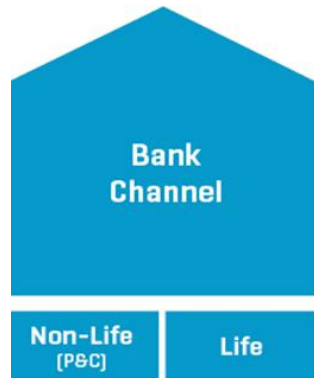
- Cyber risks are efficiently managed in an increasingly complex and regulated environment
- Industrialization of run operations to continue reaching SLA targets



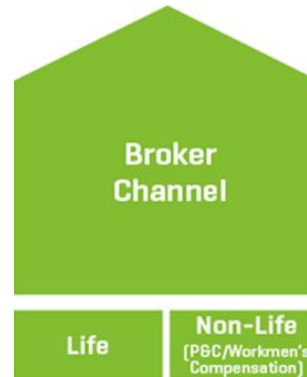


We stay close to our distribution partners.

Intimacy and Proximity as a core strength of AG



- Embedded sales support
- Distribution support mirrored to BNPPF organization
- Training tracks
- Support in customer events
- ...



- 7 commercial centers
- Dedicated sales network
- AG School
- Digital (brokers' website) and management support
- Broker commercial events
- Proximity events and road show
- ...



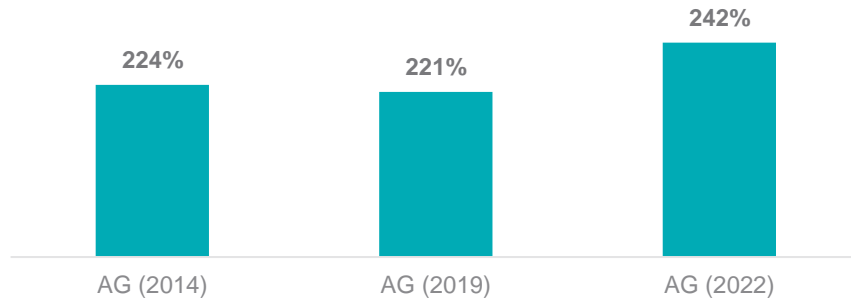
- Dedicated accounts managers [key-major-large]
- Pension and health forums



All this supported by a solid capital position and risk management.

AG relies on strong solvency, ALM position and a strategic asset mix

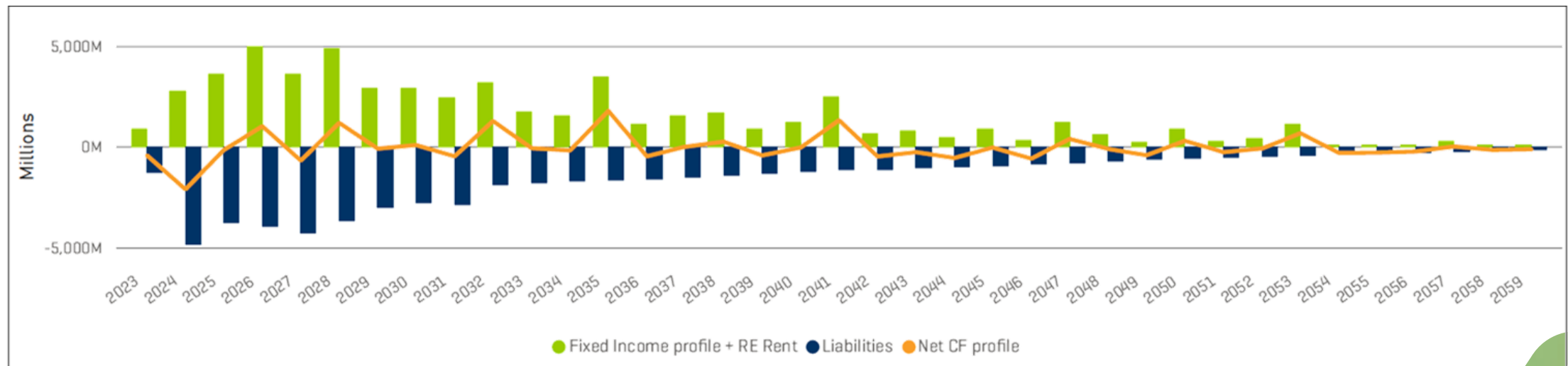
Strong Solvency position



Strategic Asset Allocation

Main asset classes	Q4 2022	
Equity	2 754	4,9%
Real Estate	6 510	11,6%
Infra loans & mortgages	6 680	11,9%
Corporates bonds & loans	11 739	20,9%
Govies	28 476	50,7%
Total	56 158	100%

ALM Life - Q3 '23



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Current market dynamics and Management actions.

2 of the market dynamics AG is closely monitoring



A
Inflation and fast rising interest rates

Continue monitoring of claim cost in P&C

- 2/3 of the Non-Life inflow is protected by automatic indexation mechanisms
- Limited inflation motor claim cost through well negotiated body shop agreements

Inverted yield curve and increased competition in Life Retail

- Launch of competitive commercial actions to boost inflow and maintain Life Liabilities [competitive action 3% Life Retail]

B
New EU and Belgian legislation

Manage frequent new regulations impacting the attractiveness and profitability

In force

- Tax on securities accounts
- Circular 80% deductibility rule
- Right to be forgotten
- ...

Upcoming

- CatNat
- Corporate Sustainability Reporting Directive [CSRD]
- Retail investment strategy
- ...

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AG growth story continues.

Still many growth opportunities ahead to capture in a Belgian mature market



Key takeaways.

Assure profitable and above the market growth across all business lines

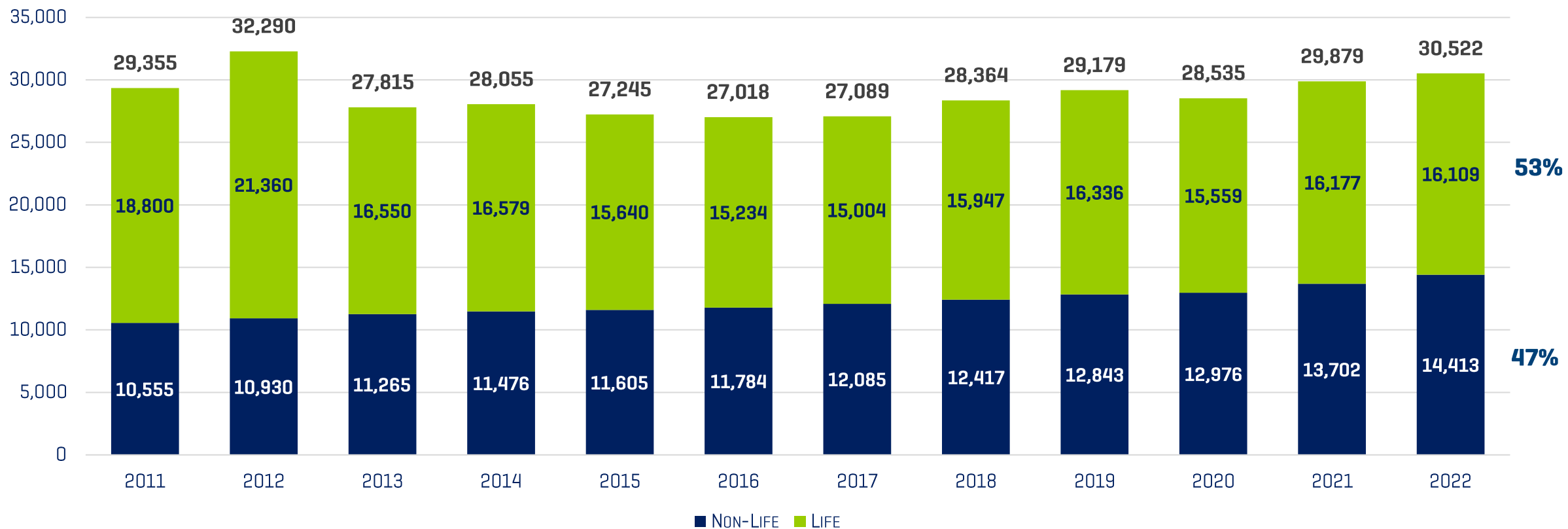
- *Accelerated profitable growth over the years in a turbulent and fast-changing environment, thanks to strong fundamentals and a consistent execution of our Strategy*
- *Differentiating strengths of our core composed by a full product and service range, a well embedded multi distribution approach, strong company culture, expertise and innovation, transversal synergies, digital transformation tracks and modern IT Architecture*
- *DNA of continuous improving and adapting for optimal customer, distribution, and employee satisfaction and to maintain our best-in-class cost ratios*
- *Strong solvency position and risk management dealing with volatility [interest rate environment, financial markets, inflation regulation,...]*
- *Growth opportunities in leveraging on disciplined innovation capacity, future proof technology, data capabilities and selective M&A opportunities.*

Annex

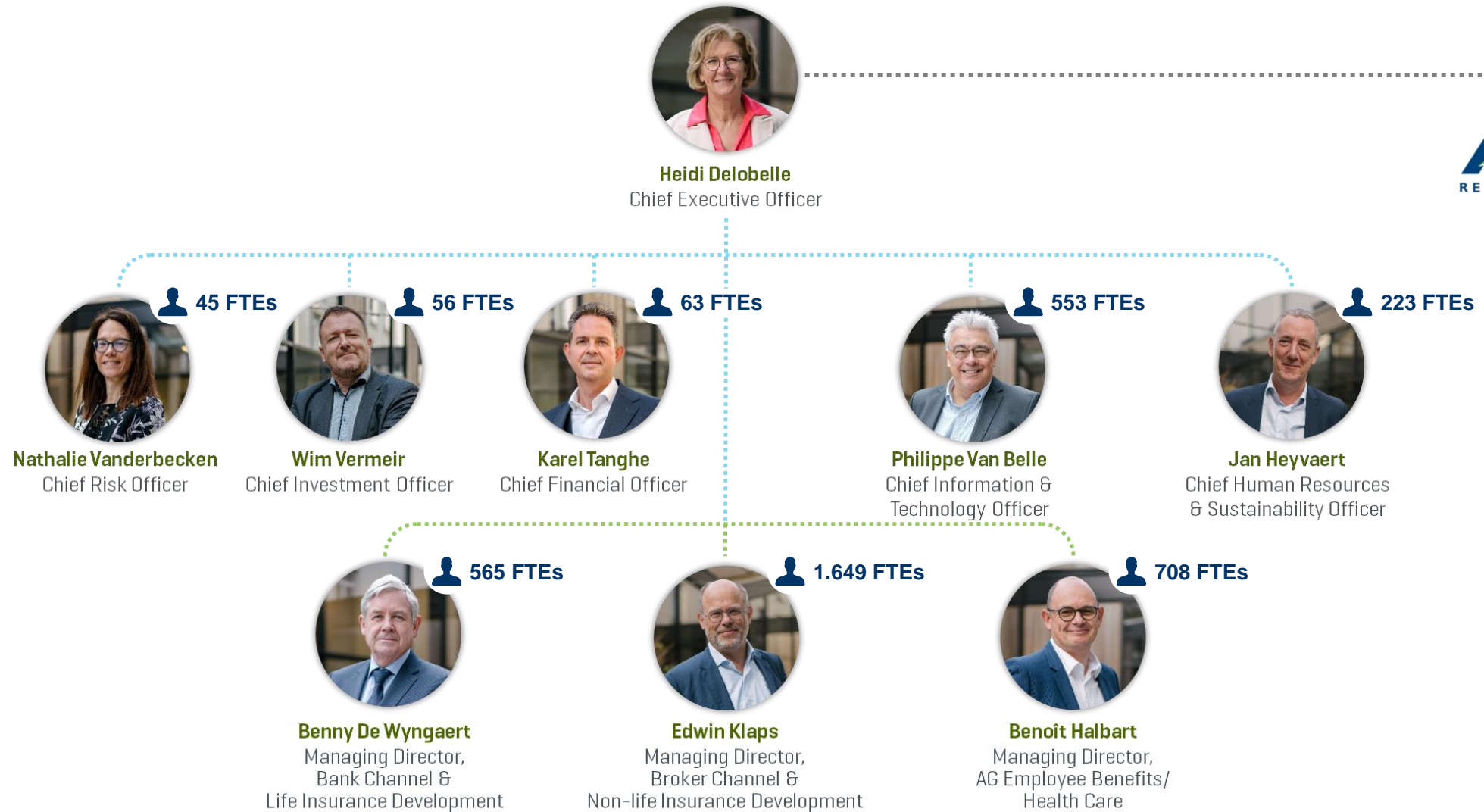
- **Belgian Insurance Market Evolution**
- **AG Exco**
- **CX Strategy is well on track**
- **Driven by our core values**

Premium evolution in the Belgian Insurance market

Total Gross Written Premium Belgian Insurance market (In EUR Mio)



AG is managed by an experienced and committed ExCo.





Our CX Strategy is well on track...

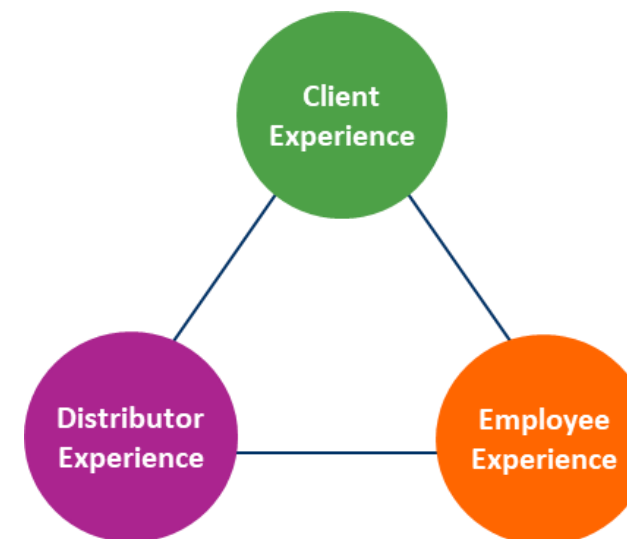
Project delivery at the benefit of customers, distribution partners and employees

- Transactional NPS measured at 95% of digital customer journeys with very positive customer satisfaction observed
- Successful "Sound of C" day



Creating awareness with more than 400 colleagues initiated over 1.500 client conversations

- My AG Employee Benefits app launched
- One overarching employer and corporate brand

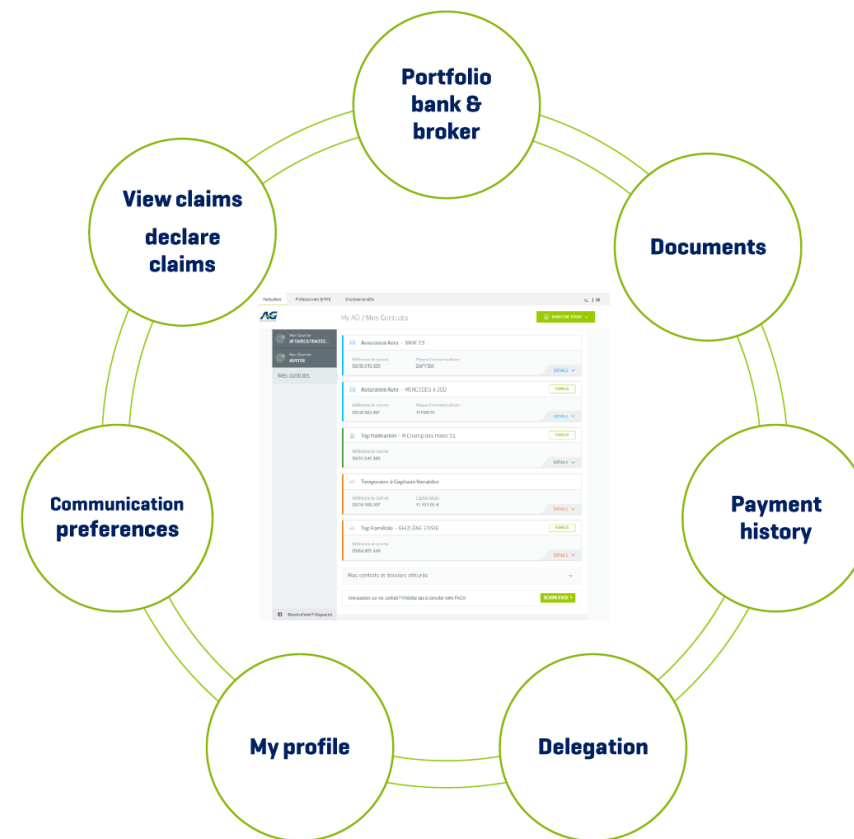




... exploring direct customer interaction.

Strengthen the customer relationship

My AG for non-commercial customer interaction



- Enterprise portal launched with 57.300 active users
- Successful soft launch of Retail portal

We are driven by our core values.

AG is a purpose-driven organization with strong culture

“We are AG” culture as a great place to grow for all

- Top quartile employee NPS* at 34% [+10% compared to LY]
- Attractive employer onboarding 360 new colleagues in 2023
- Reinvent our workplace through gradual renovations of our buildings
- Education program at the AG College “policy administrators”
- Top employer for the 11th consecutive time



• CARE
• DARE
DELIVER •
• SHARE



SUPPORTER OF YOUR LIFE

