

DEEP Dive ASIA



Thursday 31st March 2022

Capital Generation

ageas[®]

Solvency framework an indicator for sustainability of cash flows

Operational Free Capital Generation

- Based on local regulatory framework
- Captures both the movement of available & required capital factored for 175% target capital
- Represents the fungible capital creation over the period
- Generated by either normal course of operations or specific management decisions
- OFCG represents the sustainability of capital of the business

Operational FCG Solvency II scope includes dividends from non-Solvency II scope companies

Available Capital

Stable operational capital generation in mature business / volatility driven by one-off and exceptional elements



Required Capital

Marginal operational capital deployed reflects stable and capital light business mix / volatility driven by management choices



Free Capital

Based on 175% target / available for return to shareholders without endangering the target solvency

	FY 20	Model & scope	Market	Operational	Exceptional	Capital	Investment in business	Dividend	FY 21
Available Capital	8,542	126	64	628	(47)	(54)	(144)	(485)	8,630
	485								495
	8,057								8,135
Required Capital	4,171	(170)	177	3	3	9	(65)		4,128
Free Capital	2,021	424	(223)	186	(52)	(69)	(30)	(485)	2,159
	485			443					495
	1,536			629					1,664

Looking at real OFCG of non-Solvency II scope companies

Available Capital
Increasing amount of operational capital generated in growing businesses



Required Capital
Business growth drives capital consumption

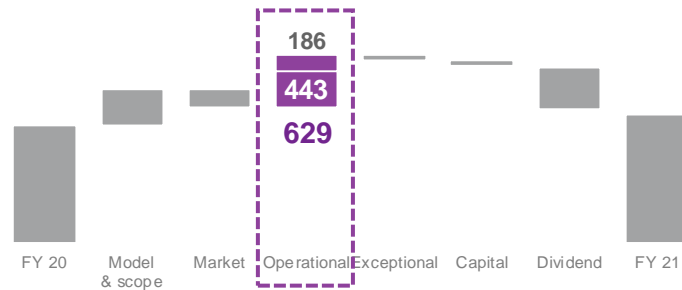


Free Capital
Based on 175% target / available for return to shareholder over time given prudence on capital consumption

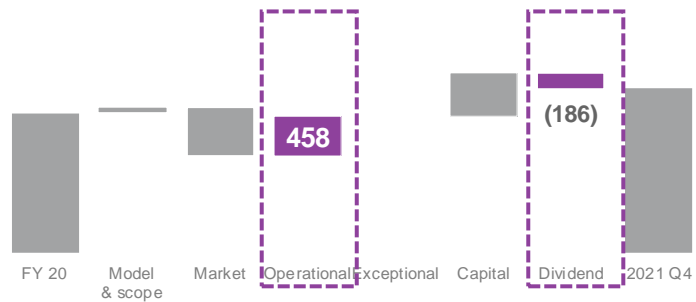


Full picture of OFCG for the entire group indicating long term sustainability of cash flows

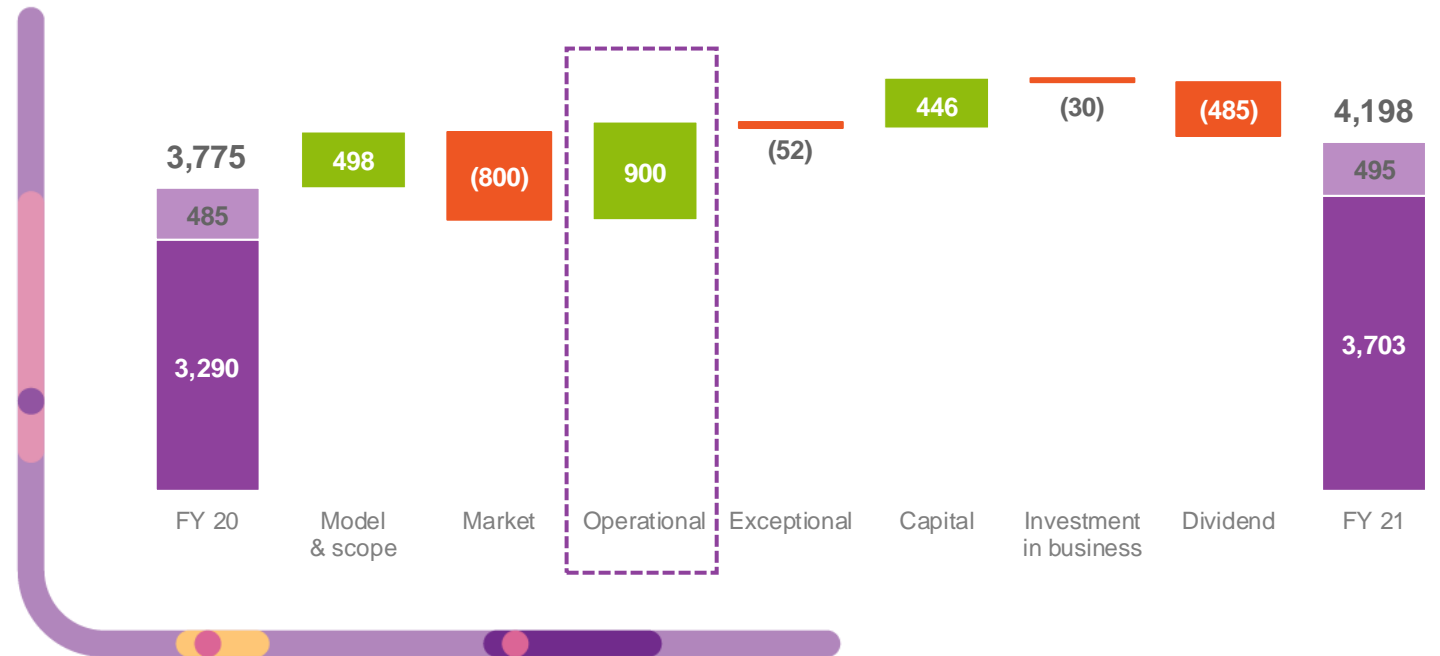
Solvency II scope



Non-Solvency II scope



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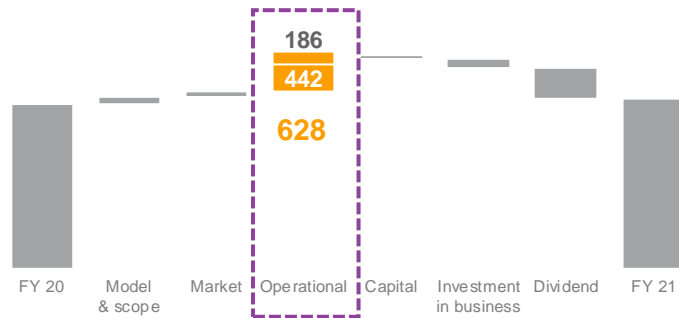
Regulatory capital generation an indicator for capital remuneration

Operational Capital Generation

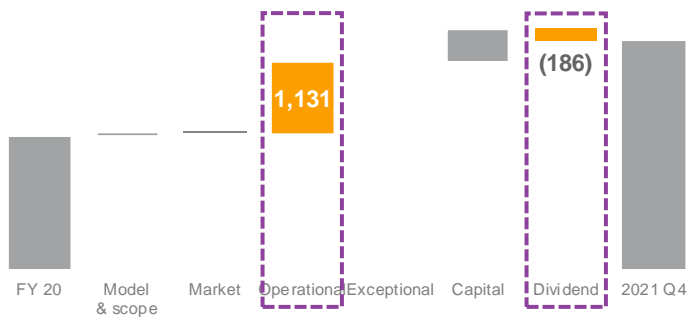
- Based on local regulatory framework
- Captures only the movement of available capital
- Represents the remuneration on regulatory capital over the period
- Generated by either normal course of operations or specific management decisions

Full picture of OCG for the group showing huge potential of the growth markets

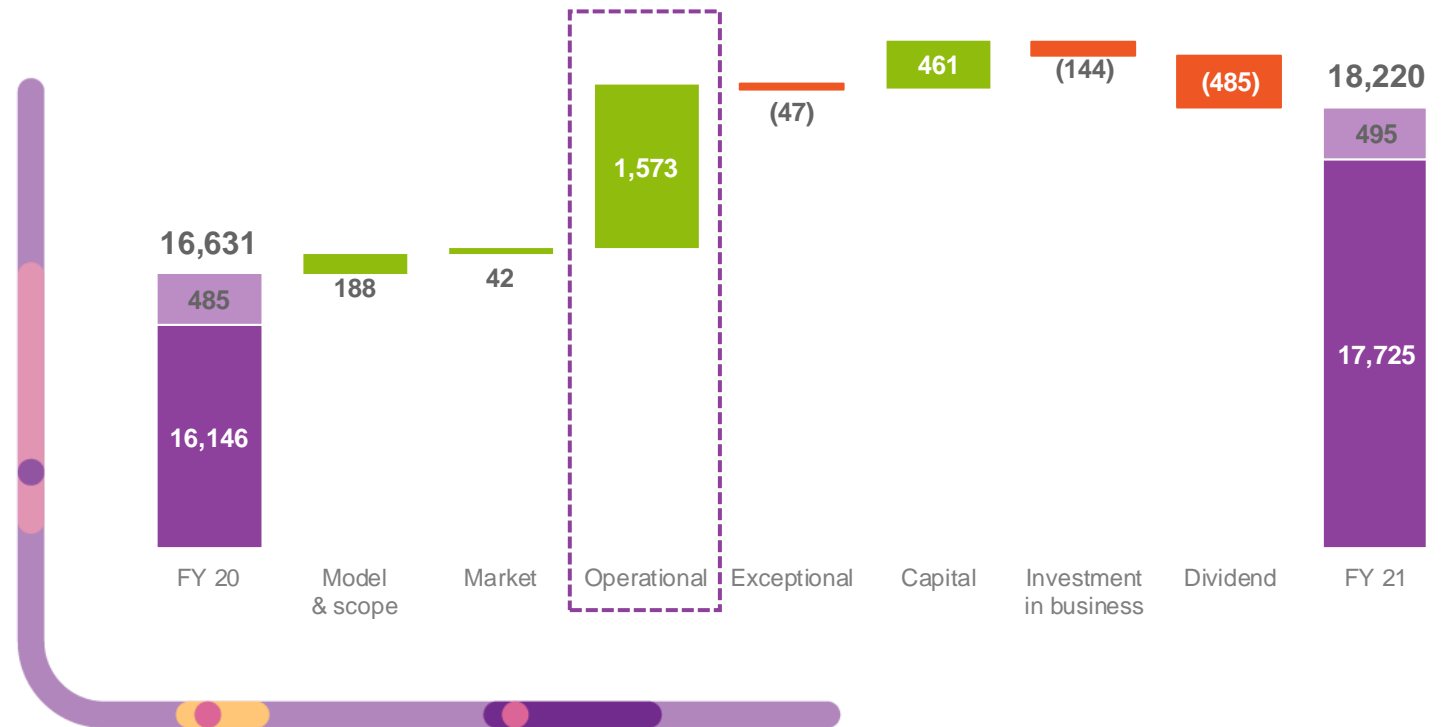
Solvency II scope



Non-Solvency II scope



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Nearly EUR 5 bn operational capital generated over Connect21 period across the group

