

impACTä4



Agenda

What Impact24 is about

How we will deliver on our ambition

Investing in the future beyond 2024

Targets

IMPACT24
Building on
sustained
performance

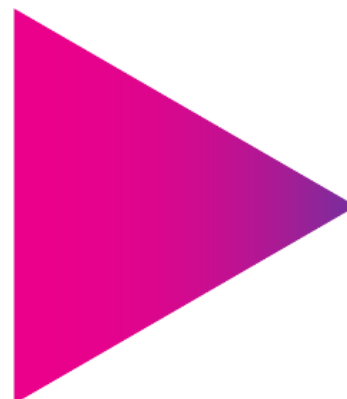


A great customer experience

To prevent, prepare, protect & assist

By leveraging technology

With partners and through alliances



Creating smart synergies

Empowering local autonomy

Focusing on Europe and Asia



96%
Combined Ratio

85 - 95 bps
Guaranteed Life Margins
30 - 40 bps
Unit-Linked

175%
Solvency II Ratio

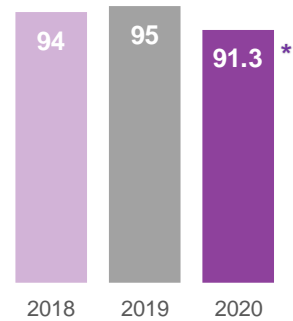
≥ 50%
Dividend Pay-Out

Share Buy-Back
≥ EUR 150^{mio}/_{year}
except if M&A

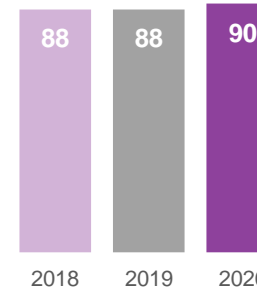
5-7%
Earnings/share CAGR

Connect21 delivered on financial targets

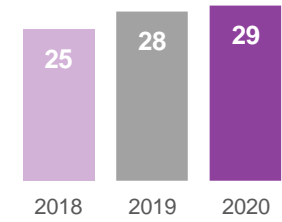
96%
Combined Ratio ✓



85 - 95 bps
Guaranteed Life Margins ✓

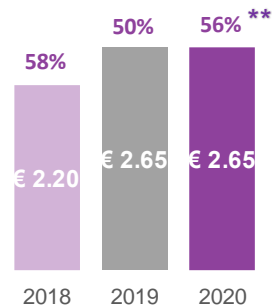


Life Margins
30 - 40 bps
Unit-Linked ✗

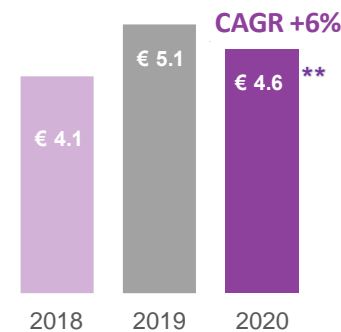


* Included positive impact from low frequency due to COVID-19 lockdown

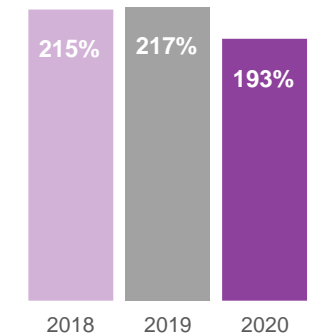
≥ 50%
Dividend Pay-Out ✓



5-7%
Earnings/share CAGR ✓



175%
Solvency II Ratio ✓



** Based on FY 2020 Group net result excl. RPN(i) & FRESH Cap gain

Focus on the choices made in Connect21

A great
customer experience

- **Customer-centricity** became a part of the organization's daily **agenda**, with buy-in across the Group
- **Customer experience** meaningfully **improved**, with most operating companies achieving **top 5 NPS**

To prevent, prepare,
protect, and assist

- **Promising 'Beyond insurance' initiatives** launched in multiple OpCos
- **Framework** created to enable rapid **scaling** of successful initiatives, combining empowerment with scale benefits

By leveraging
technology

- **Large-scale tech replatforming** executed or underway in select operating companies
- **Increased tech spend** to above global median in operating companies requiring a step-up

With partners and
through alliances

- **Partnership** model continues to be the **cornerstone of the Ageas success story**
- **Bond** with **key partners** including Taiping and Sabancı expanded and **strengthened**

Creating smart
synergies

- Key **scale benefits** were identified, with Group in the driver seat (e.g. cloud, reinsurance, regulatory topics)
- Cross-operating company "**platforms**" created to facilitate best practice sharing & synergy identification

Empowering
local autonomy

- **Group** continued to act as a **lean "portfolio manager"**
- High level of **autonomy** empowered **OpCos and JVs** to take **agile/local responses**

Focusing on
Europe & Asia

- **No expansion beyond** these regions pursued
- Strong developments in both regions, with **Asia growing share** of total

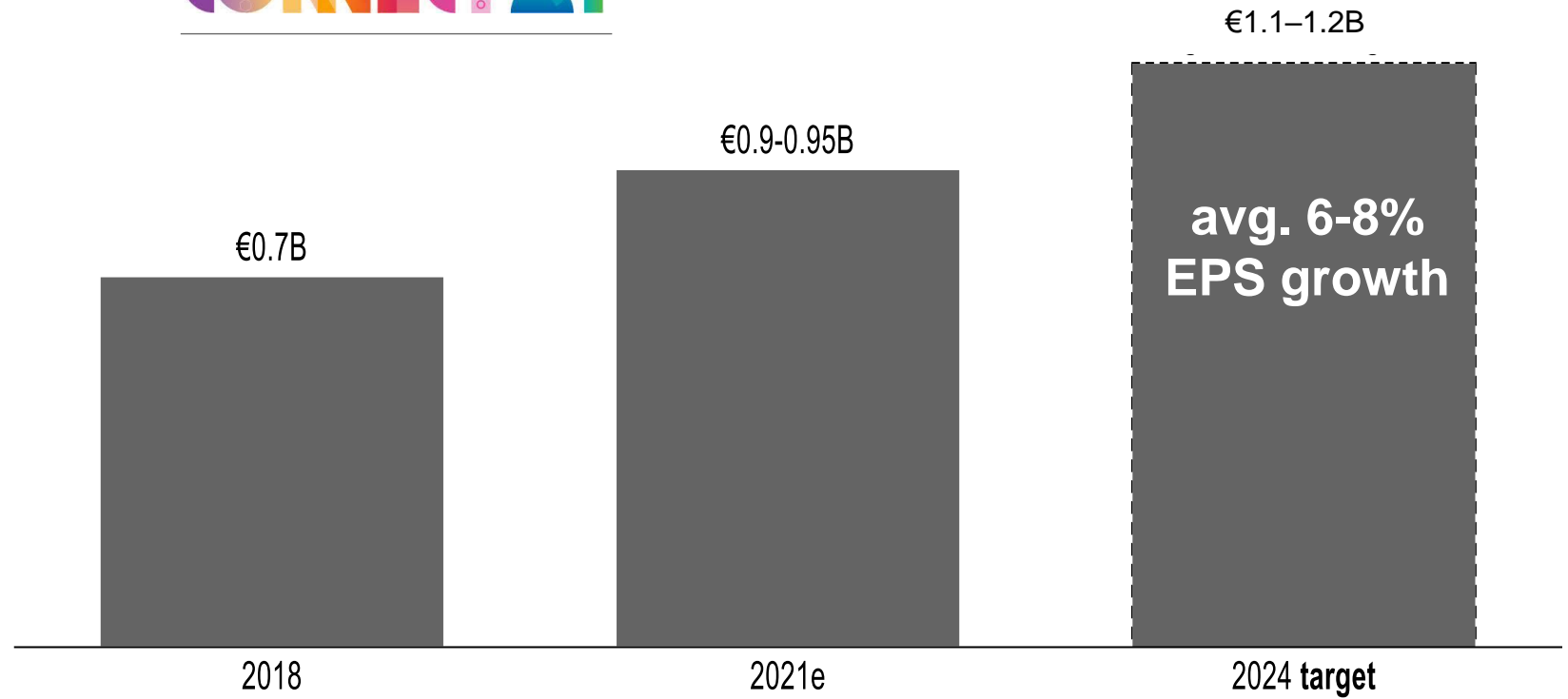
Impact24 works towards the next level of ambition

Impact24 A long-term sustainable growth strategy

- The choices made in the past provide us with an anchor and a strong platform for future growth
- Built from a place of strength (our DNA and our Core)
- Against the backdrop of sustained performance
- That performance allows us to go further, set our sights higher, and achieve the next level of ambition
- For the next three years and beyond so sustainability sits at the heart of our strategy



The plan is designed to deliver 6-8% earnings growth





It first and foremost focuses on the full potential of the existing activities



**Strengthen &
Grow our Core**

Unlock the full potential that we know exists within our current core business

**New
engines**

Translate long-term opportunities and investments in new growth engines, adding new capabilities that complement our strengths, to keep Ageas future-proof

**New
markets**

“Inorganic moves” could provide additional uplift



**Strengthen and
grow the Core**

The Unique profile of our Core



- An attractive footprint in **mature and growth markets**
- With solid **Leadership positions** in most markets
- Expert in **multi-distribution management**
- A **well-diversified** portfolio in Life, Non-Life and Health
- Long-term **strategic partnerships** with local winners

Main triggers to unlock the full potential of the Core

Empowering our existing positions to reach their full potential can deliver 80% of the earnings growth

Market evolution

Capturing growth in markets that grow & taking share as market leader

Distribution development & commercial excellence

Increase bancassurance penetration

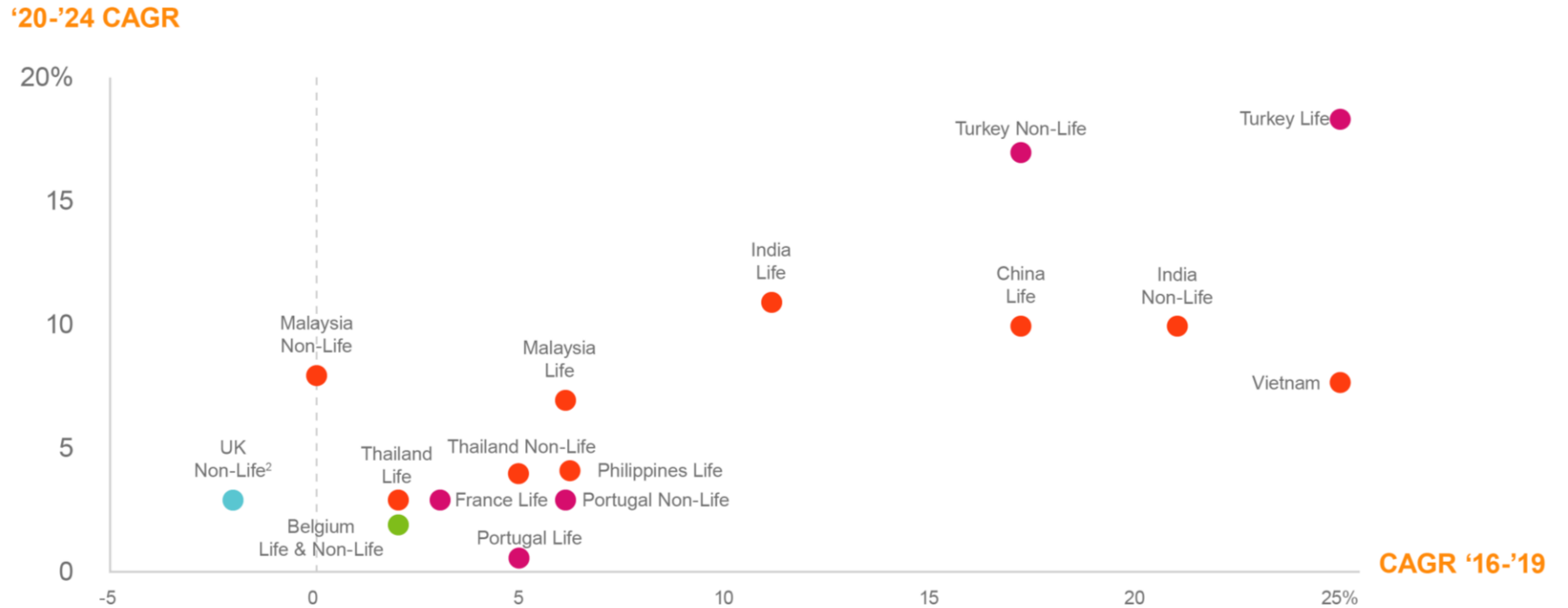
Expand broker & agency networks

Increase productivity

Efficiency

Largely mitigating the drag of low interest rates

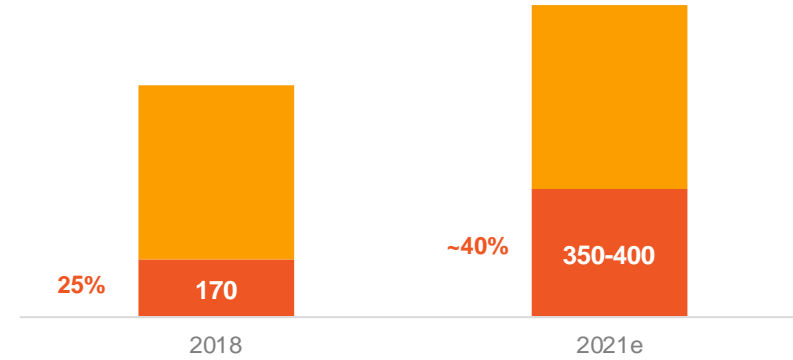
There is growth in all our markets
 Most potential lies in our growth markets – Asia & Turkey



Current footprint takes full benefit from growth in Asia, accounting for an increasing share of our value creation

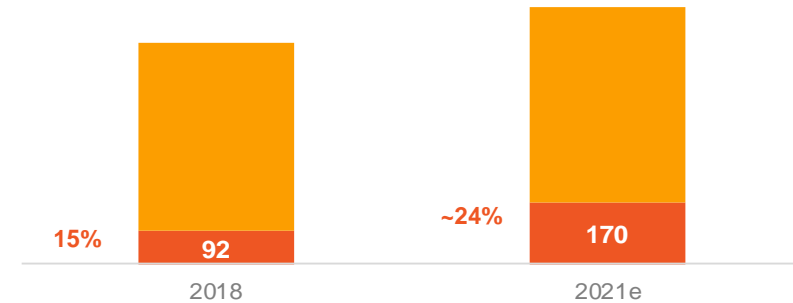
Asian share in Net result¹

In EUR mio

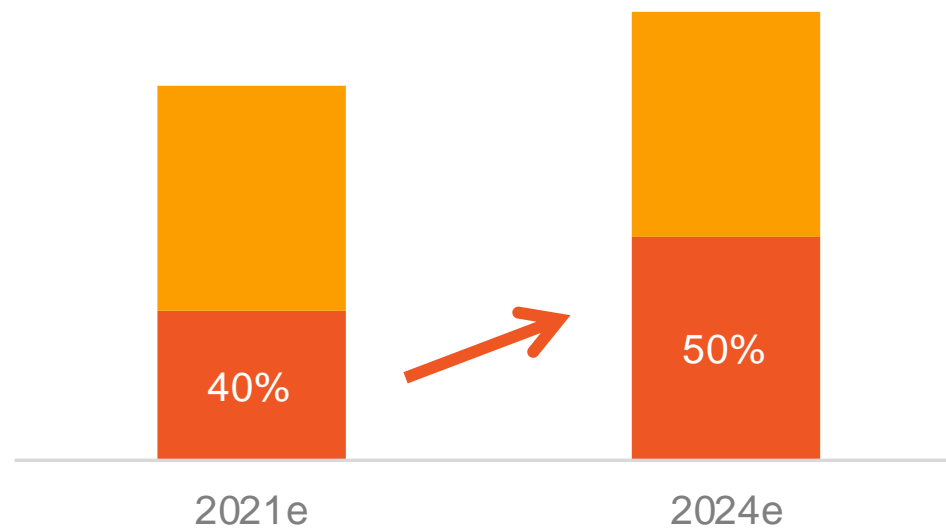


Asian share in cash upstream (based on year-1)

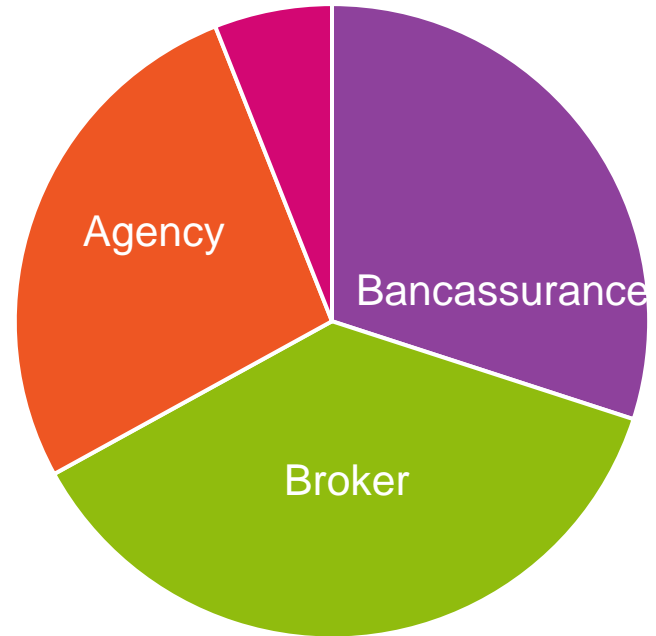
In EUR mio



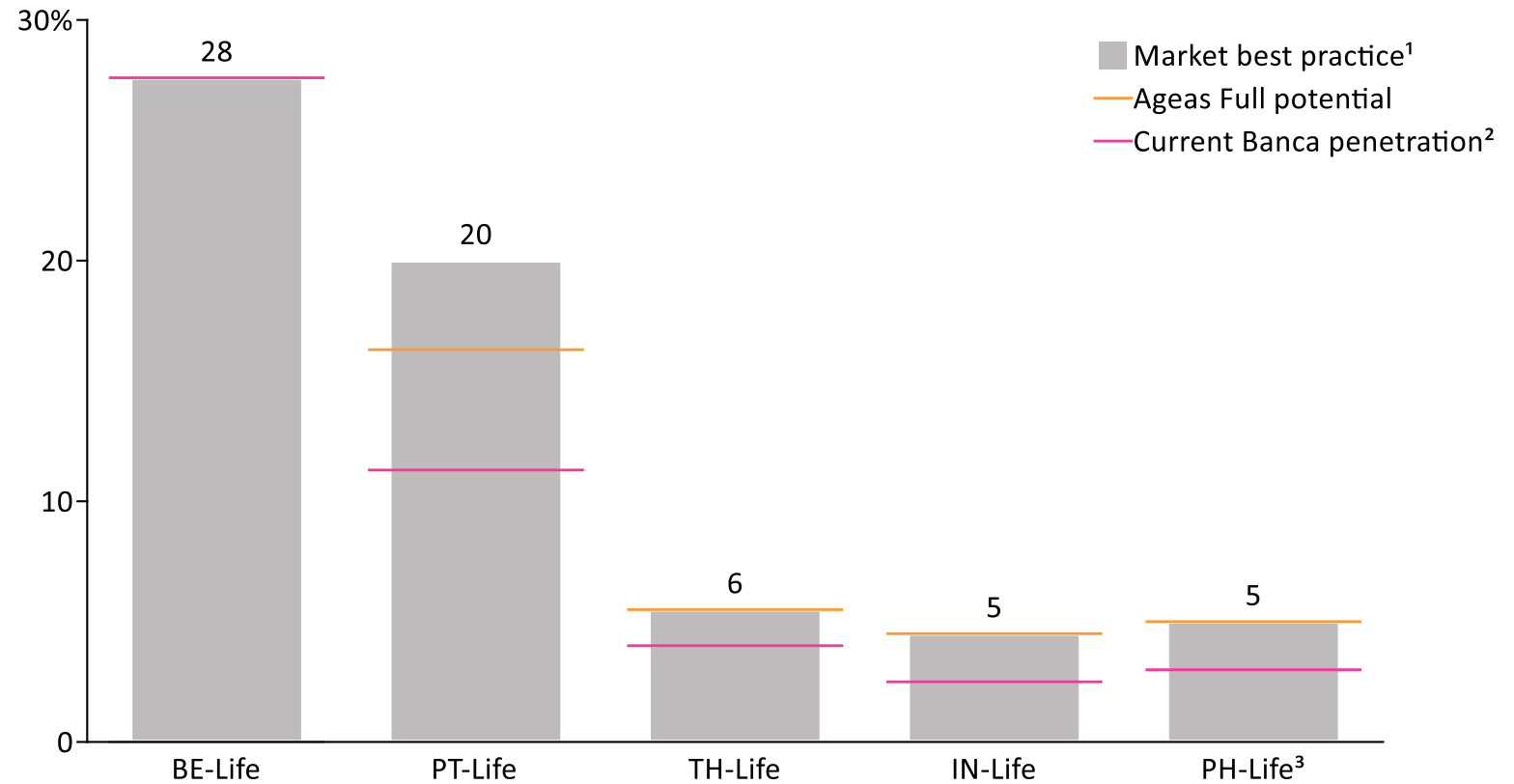
Asian share of net result expected to increase to ~50%



A diversified
distribution landscape
following the local
customer



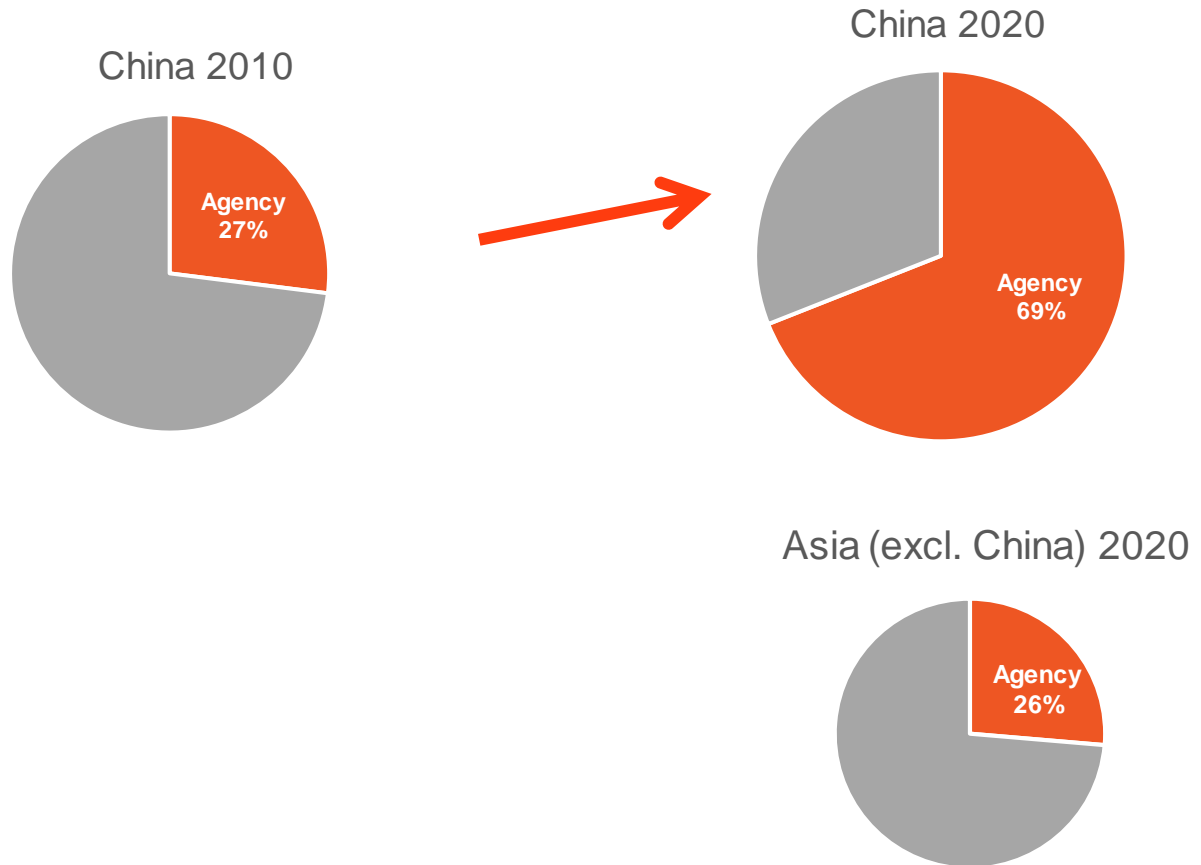
Banca penetration in selected countries



Potential to further penetrate & work with new reality in banca

Scaling up agency distribution capabilities across Asia region

Supportive of margin improvement



Room to increase the performance of our distribution channels

Potential increase

CROSS-SELL



PERSISTENCY

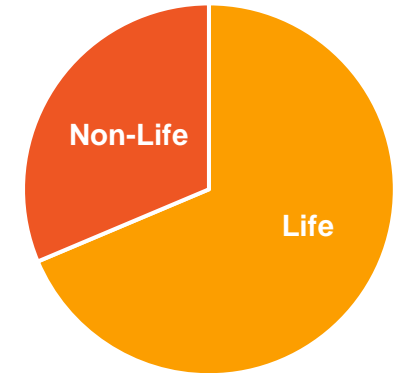


PRODUCTIVITY



A strong combination to tackle the low interest rate

Commitment to Life & Savings
Smart capital and liability management
Further diversify product portfolio
Additional efficiency efforts should



- improve our customer journeys via digitization and data insights
- achieve leading expense ratios in line with our leading market position - a crucial factor to succeed in new market dynamics

**Pursuing new
opportunities
for growth**



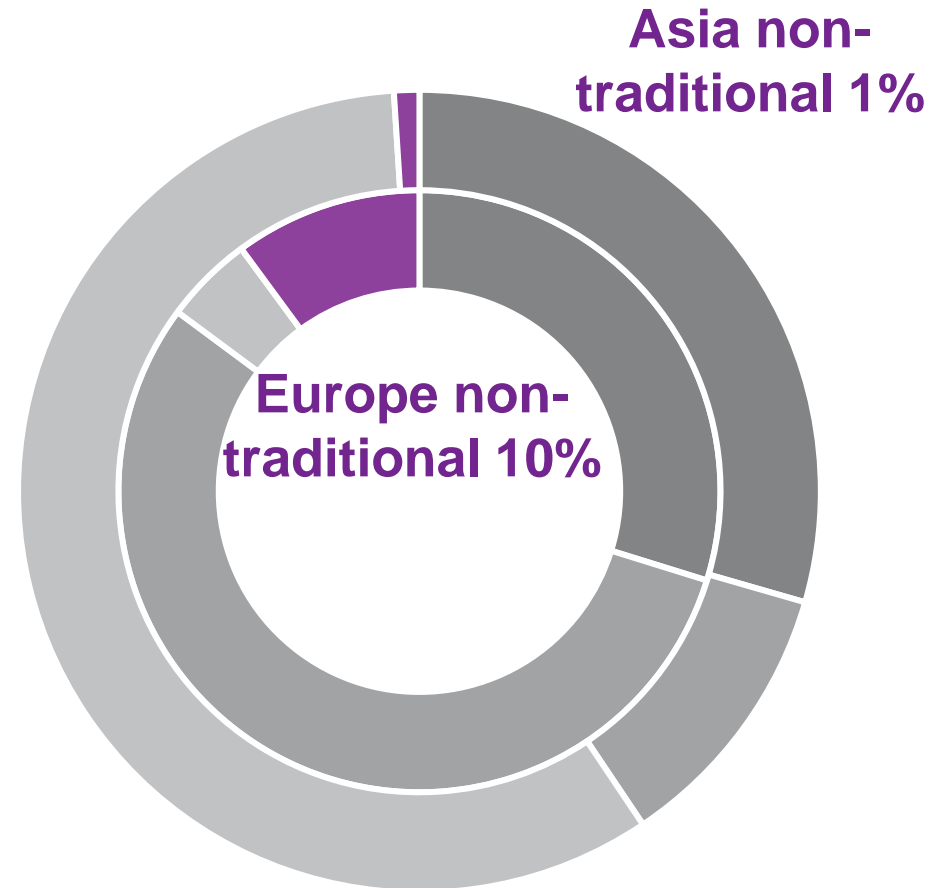
THINK
2030

New opportunities for growth where Ageas has **capability** to act and create **impact**

Expanding the **boundaries** of our business by tapping into the products and channels of the future

The plan includes **EUR 200 – 320 mio** investments to future-proof the operations

Point of departure:
expert in multi-
distribution
management
20 years of
partnering with
winners



- bank
- broker
- agent
- other (incl. direct)

New roads to connect with customers

Potential across geographies, especially in Asia

Important enabler for growth in Protection and Health

In-market, cross market and cross sector multi-distribution development



Invest in next-generation partnerships with future winners that allow us to leverage the strengths of Digital platforms and Ecosystems

Demand for new types of products and covers

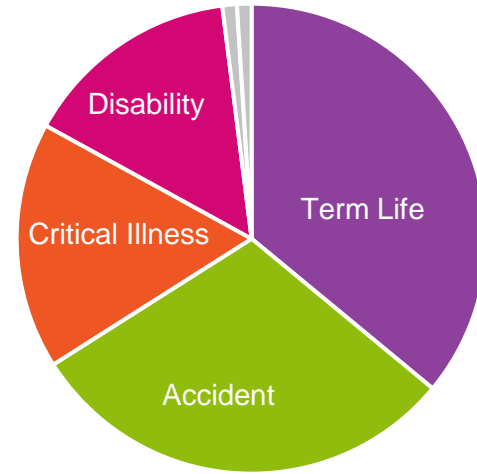
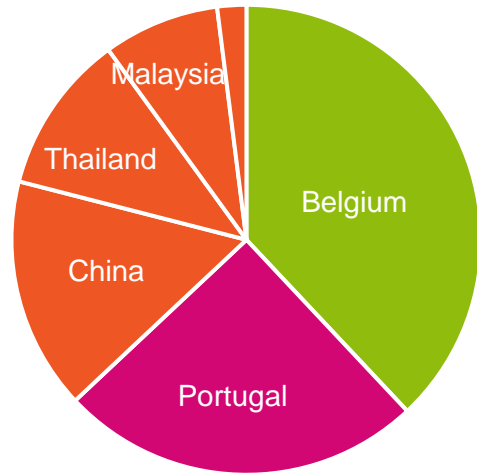
Tech investments in platform connectivity (APIs) & systems upgrades

Long-term future investment

Target

										
BE NL & L	PT L & NL	UK NL	TR NL & L	PH L	IN L & NL	TH L & NL	CH L	MY L & NL	VT L	SG NL & L

Point of departure:
~€850M inflows
@ Ageas part



Opportunities in covers in the personal integrity protection space

Highest potential in Asia

Increased focus on Protection as way of mitigating low interest rate

Adjacent to Life & Savings activities

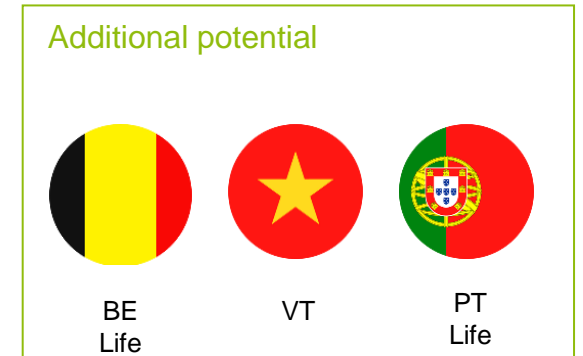
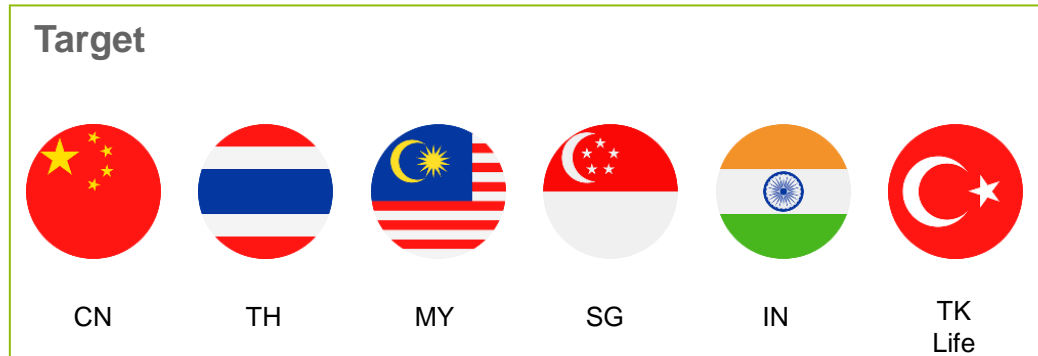
Increasing customer demand

Product development capabilities available

Synergies with other initiatives, such as automated underwriting, reinsurance, digital platforms

Time to value: 3 years

Key results: accelerated growth in Value of New Business



Point of departure: market leading players in Portugal & Belgium



Network of >15k doctors,
>100 hospitals, >1.2k clinics,
>800 pharmacies...
Extensive list of services
including telemedicine,
oncology concierge, dental
offering, pharma delivery...
Increasing application of AI
use-cases including chat bots,
symptom checker, Clinical
episode modeling...

- Market share: **28,5%** (2nd position)
- Médis **25th anniversary** in 2021
- **Superbrands/Trusted Brand award**



Employee wellbeing offering
through AG Health Partner
(screening, action plan &
resource provider) through
customized mental, social
and physical wellbeing
offerings, both online & offline
Return-to-work assistance for
stress-related conditions
(after-care)

- Market share disability insurance:
43,5% (market leader)
- Healthcare Retail: **12,1%** (first challenger
in the market)
- Healthcare Corporate: **17%** (very mature
market with several competitors)

Participate in Health ecosystem based on a proven business model

Potential to replicate & leverage expertise in Europe & Asia

Portugal experience shows increased customer engagement, customer satisfaction, loyalty and cross-selling

Health care coordination for chronic diseases, wellbeing and prevention services, care pathways and digitally enabled care delivery

Partner model pursued

Further develop Médis as a state-of-the-art centre of excellence for the Group and an exportable e-health platform

Time to value: 5-6 years

Target

						
Medis	IN L & NL	TR NL	BE NL	TH L	MY L	CH L



Point of departure: from a small satellite internal activity to a significant segment

2015

Intreas starts as a **captive reinsurance** company in the Netherlands

2016

Intreas receives Standard & Poor's A Rating on "**Core Status**" to the Group. Intreas widens underwriting to Non-Controlled Participations.

2017-2019

Reinsurance is moved to the holding level and used as a tool to increase capital fungibility and risk diversification. The financial holding is transformed into a reinsurer, leading to an improved credit profile across all rating agencies.

2020

The reinsurance segment posts **€ 80M net profit**.

Ageas acquires **25% stake in Taiping Re**, reinforcing CTIH partnership.

Ageas records a gross inflow in reinsurance of EUR 2.3 billion in 2020, split across group business and third-party business through Taiping Re.



Operational and financial rationale

Diversification, Earnings and Capital fungibility

- Capture diversification benefits to provide significant earnings uplift.
- Provide earnings and dividend diversification through a non-correlated entity
- Increases capital fungibility

Operating Cash-Flows @ holding

- Enabling ageas SA/NV to build own revenue stream
- Support the rating of ageas SA/NV, hence increasing our financial flexibility

Skill & Business model uplift

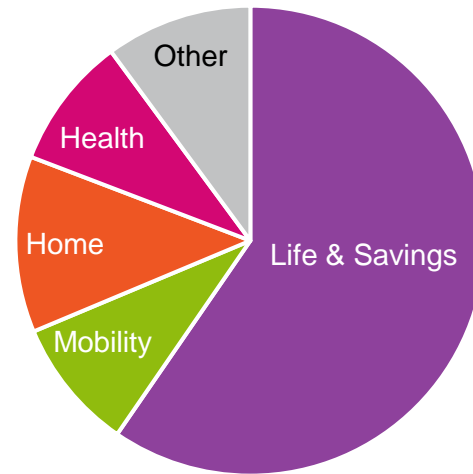
- Bring in new or deepen existing skills to support Opcos in their growth and profitability
- Contribute to future proofing Ageas in areas of underwriting in a “Think2030 world” (e.g., autonomous driving, connected homes) or other growth engines (e.g. Platforms).

Potential for next steps

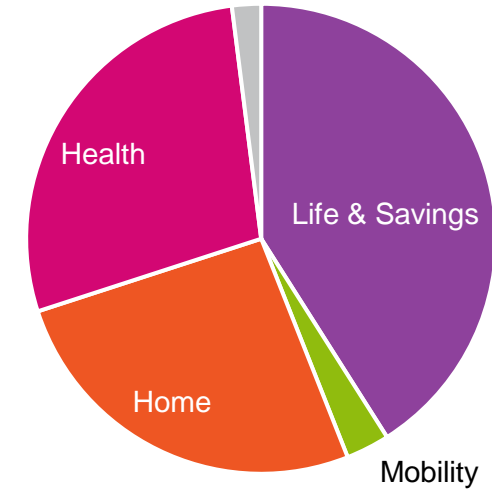
		“Do asap where possible”	“Build on Partnerships”	“Fully fledged reinsurer”
Business model	Grow Status Quo	<ul style="list-style-type: none"> Internal Re opportunity maximized 	<ul style="list-style-type: none"> Central reinsurance purchase Maximize cessions in capital management Increase JV business 	<ul style="list-style-type: none"> Scaling up ageas SANV Reinsurance Business with Taiping Re
	Expand Scope	<ul style="list-style-type: none"> Look for opportunities beyond reinsuring Group companies 		<ul style="list-style-type: none"> Invest in and further grow a strong reinsurance operation with global footprint
	Beyond (Re-) insurance	<ul style="list-style-type: none"> Reinsurance catalyst for future growth engines Ageas 		<ul style="list-style-type: none"> Enabling Impact24 growth engines: access to both Platforms and future-proofing skills

Taking Connect21 beyond insurance activities into Impact24

2020 Inflows €64M



2024 Forecast Inflows €170M



- **Local** - close to and built on existing capabilities from the **Core**
- **Positive impact** on (claims) cost, churn and customer experience

- Create **better visibility** for the activities & **accelerate sharing of best practices**
- **Focus on Health** in line with Impact24 plan
- **Life & Savings, Mobility and Home** where it strengthens the Core

**Seizing new
markets
opportunities**



Invest in critical capabilities & attractive leadership positions

Priorities



1. Priority to strengthen and diversify positions in **existing markets** and with **existing partners**
2. Add **4th entity** with following characteristics: controlled, diversifying earnings & dividend upstream and focus on Europe
3. Clear preference for **Non-Life, Health or Protection**

Our market presence principles confirmed



Size

“critical”

- local presence
- compete effectively in market or niche
- comply with Ageas’s quality standards

Contribution

“meaningful”

- in the medium term
- significant enough to justify management time

Return

>CoE

While taking into account:

- Business specificities
- Expected value creation
- Diversification benefits

Invest in critical capabilities & attractive leadership positions

Diversified strategy supporting Impact24 plan

Mature markets

Belgium & Portugal: market consolidators – proactive

UK: refrain from M&A until restructuring confirms expected results

Consider 4th **entity** with similar characteristics

- controlled
- diversifying earnings & dividend upstream
- focus on Europe

Growth markets

Market consolidation for positions in **dividend contributing** entities

Early-stage growth markets - consider further expansion

Transforming insurance

Anticipating new trends

- Next-generation partnerships
- Ecosystems

**Investing in the
future beyond
2024, for all our
stakeholders**

Point of departure:
Under Connect21
we prioritized 10
SDG's

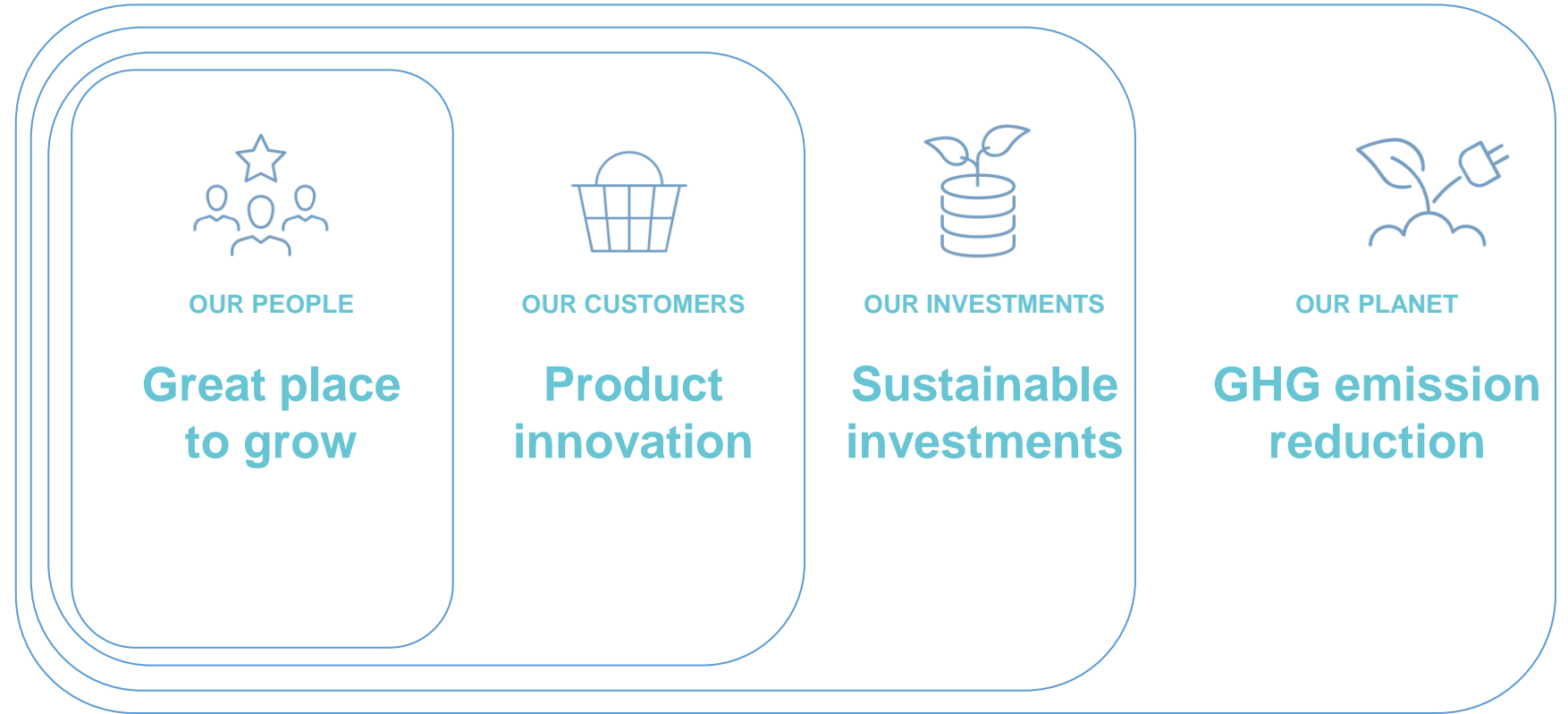


Results of the materiality survey translated in 4 focus themes



Ranking of topics by relevance	Theme
Financial resilience	
Responsible governance	
Insurance products/services protecting against societal challenges	Product innovation
Socially responsible investments focusing on societal challenges	Sustainable investments
Easy to understand, fair & transparent information to customers	Product innovation
Health and well-being of our employees	Great place to Grow
Personal and professional development of our employees	Great place to Grow
Insurance products/services incentivising responsible behaviour	Product innovation
Environmental footprint of our business operations	GHG emission reduction
Equal opportunities of our employees	Great place to Grow
Employees and customers' data protection	Great place to Grow
Financial inclusion of customers (accessibility of protection)	Product innovation
Local community engagement	Great place to Grow
Public debate participation on societal challenges	Sustainable investments

Building a more inclusive and sustainable society and driving growth





A Great Place to Grow for more than 45,000 employees



How will we showcase our commitment?

- We aim for **top quartile e-NPS** by 2024.
- We ensure **fair and equal treatment of all employees** in our HR-processes (Fair & Equality Index).
- We will further **increase the diversity of our senior management** (Diversity monitoring, Glass Ceiling Index and Gender Diversity Index).
- We will foster **a culture of continuous learning** facilitated by a high standards development offer.

What are we doing today?

- Building a **company culture** based on our **values**, embedded in our leadership behaviours
- High quality learning with “**Dare programme**” in Ageas Academy and local training offer.
- Being a “**Supporter of your Life**” with **Ageas Challenge** and employee well-being initiatives.
- Implementing our **Group diversity & inclusion plan**.
- Continuous monitoring through **culture and employee engagement surveys**

We will put sustainability at the heart of our business



How will we showcase our commitment?

25% of GWP coming from products stimulating our customers in the transition towards a more sustainable world by 2024

100% of products have been reviewed for transparency by 2024 - for example by making our contracts easy to understand

Innovate and scale solutions for over 40 mio customers

Creating economic & societal value, addressing issues like ageing, health & wellbeing and financial literacy

What are we doing today?



clínica **médicis**

PesonaLady



RiderCare PA Takaful (General Personal Accident)
Leave home each morning with peace of mind



We will put sustainability at the heart of our business



How will we showcase our commitment?

- **€10bn investments** making a positive **contribution** to the transition towards a more **sustainable world** by 2024
- **ESG considered in 100% of our investment decisions** by 2024
- we are fully **committed to the zero emission ambition of the European Green Deal** by at the latest 2050

We will take a long-term, responsible approach to how we invest

What are we doing today?

- We actively implement UN Principles for Responsible Investments
- End '20 €6.6bn invested in sustainable projects

Contributing to solutions for sustainable cities, local economies & climate change

We will put sustainability at the heart of our business



Greenhouse Gas (GHG) Emission Reduction

How will we showcase our commitment?

- **GHG-neutral in our own operations by 2024.** We commit to:
 - keep measuring and reducing our ‘scope 1’ (e.g. heat and car fleet), ‘scope 2’ (purchased electricity) and most relevant GHG contributors in our operations of ‘scope 3’ (business travel, commuting and IT)
 - define ambitious targets, put a reduction plan in place, and offset any residual GHG

What are we doing today?

- Reduced business travel by 50% (compared to 2019 levels) by optimal use of digital working tools
- Stimulating a greener leased car fleet
- Smarter commuting – more use of public transport and home working
- Group project on reduction IT carbon footprint

Our ambition

	Target by 2024
▪ Fraction of GWP from products that stimulate the transition to a more sustainable world	25%
▪ Fraction of products that have been reviewed for transparency	100%
▪ Investments making a positive contribution to transition towards a more sustainable world	€10B
▪ Level of ESG-integration of our investment decisions	100%
▪ Carbon emissions of our investment portfolio	Net zero by 2050 at the latest
▪ Carbon emissions of our operations (scope 1 & 2)	neutral
▪ GLASS CEILING INDEX (via Women in Finance) :	
- ratio % Women in senior management / total % women in company	70% ratio
- Balanced (M/F) Succession pipeline Top 800	50-50
▪ GENDER DIVERSITY INDEX (via Women On Board) :	
Equal participation of women at decision level	Top quartile

**What success
will look like**

A great customer experience

Customers and People first

To prevent, prepare, protect, and assist

To Strengthen & Grow the Core and Pursue new opportunities for growth in Health, Protection, Digital platforms & Reinsurance

By leveraging technology

Reinforcing Tech & Data capabilities

With partners and through alliances

Partnering with Current & Future winners

Creating smart synergies - empowering local autonomy

In A Local model with Group benefits

Focusing on Europe & Asia

With Leadership positions in Europe & Asia

And Sustainability and Long-term thinking at the heart of everything

Operational targets



Continued focus on Underwriting

Potential changes to IFRS 17 compliant metrics of the same ambition level

Non-Life combined ratio	96%	95%
Life guaranteed margin	85-95 bps	85-95 bps
Life unit-linked margin	30-40 bps	30-40 bps

Financial targets



Solvency II_{ageas}

175%

175%

Holding Free Cash Flow

**€1.7-2.1B
(cumulative)**

Dividend

≥ 50%
dividend payout

**Progressive DPS
€1.5-1.8B (cumulative)**

Average EPS growth¹

5-7%

6-8%

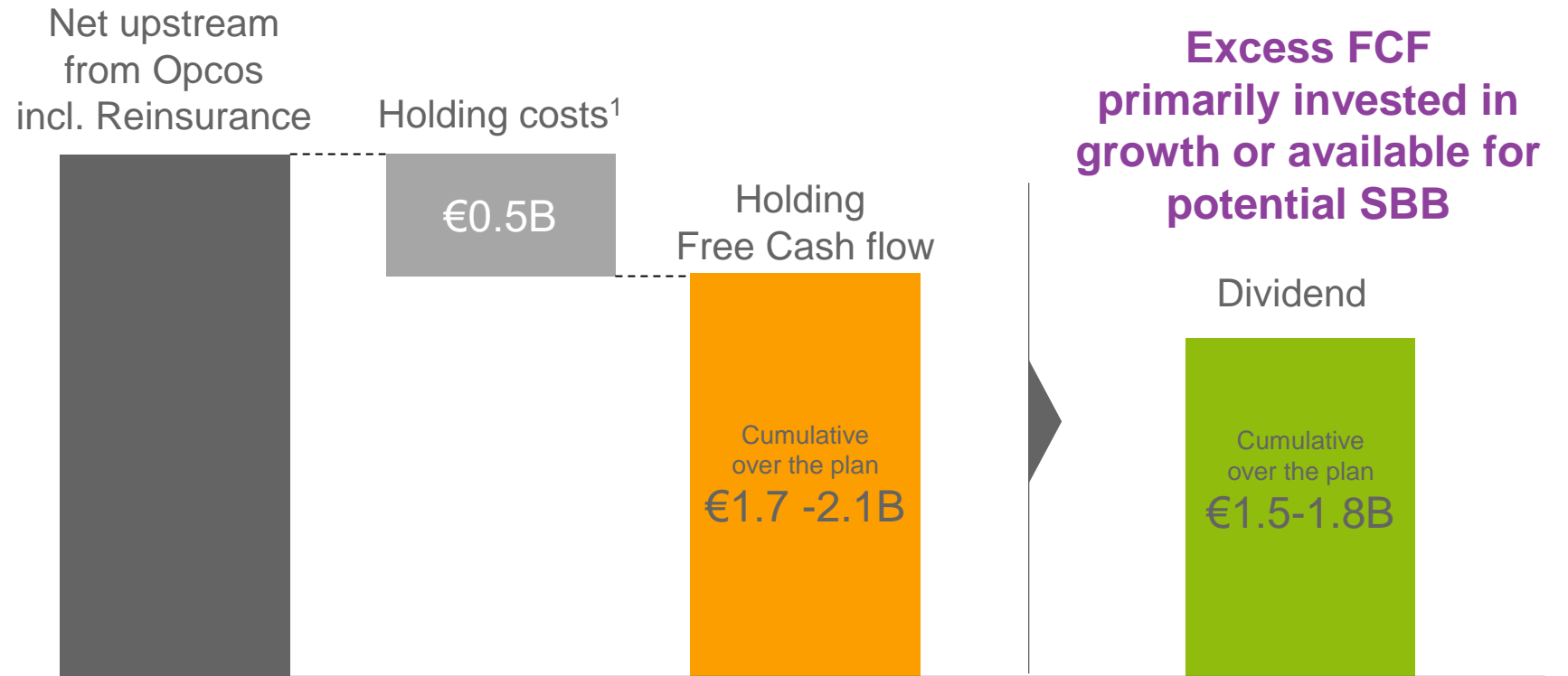
Share buyback

≥ €150m/y
except if M&A

Future-proofing
our remuneration
policy

Potential changes to
IFRS 17 compliant
metrics of the same
ambition level

Dividend
commitment
sustainable





Cumulative dividend paid over the Connect21 plan

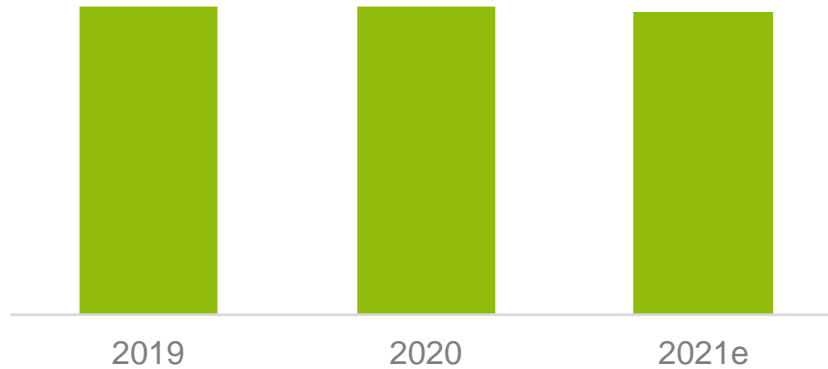
€1.4B



Targeted cumulative dividend paid over the Impact24 plan

€1.5 – 1.8B

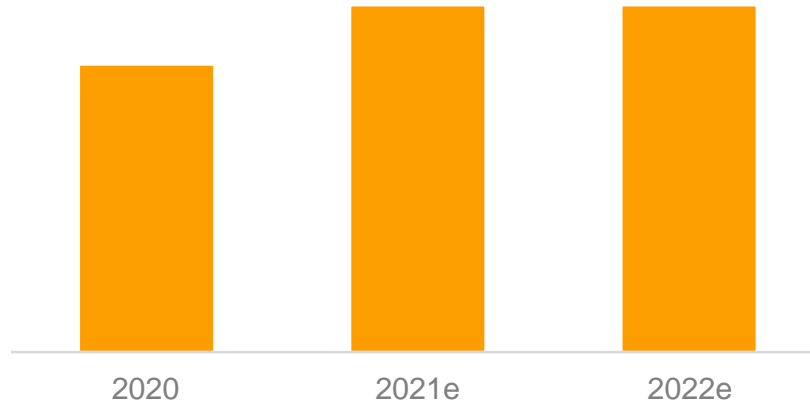
A clear step-up from the past





Expected cumulative Holding FCF over the Connect21 plan

€1.7B



Cumulative Holding FCF over the Impact24 plan

€1.7 – 2.1B



Fully covered by Operational FCG

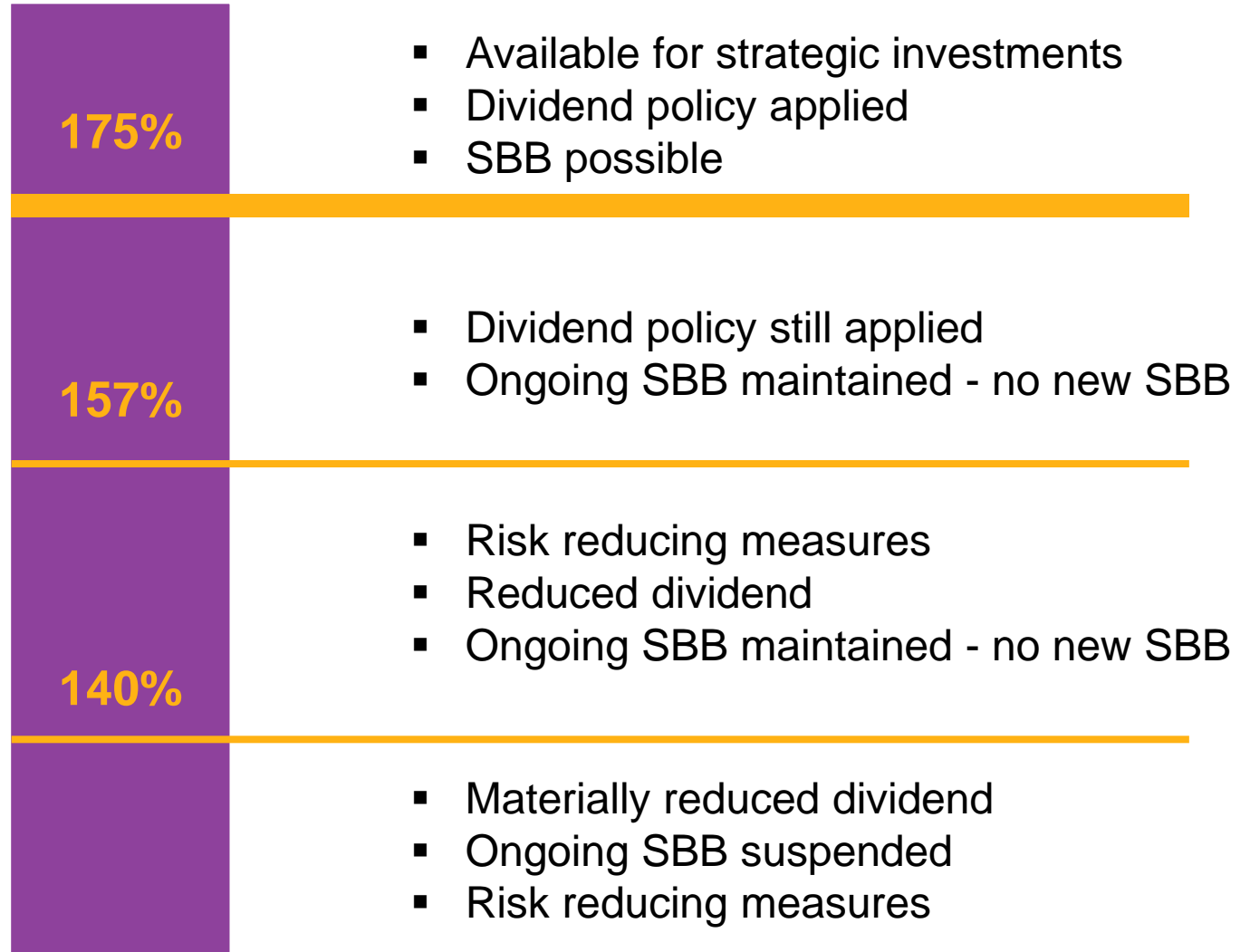
definition:
OFCG Europe
+ dividend Asia & Turkey

FCF above dividend available for potential SBB

Driven by increasing Holding FCF and secured by OFCG



No changes to risk profile hence target capital unchanged





IMPACT24

