

Allianz  Partners

Health Summit Strategy Conference

Back up Information

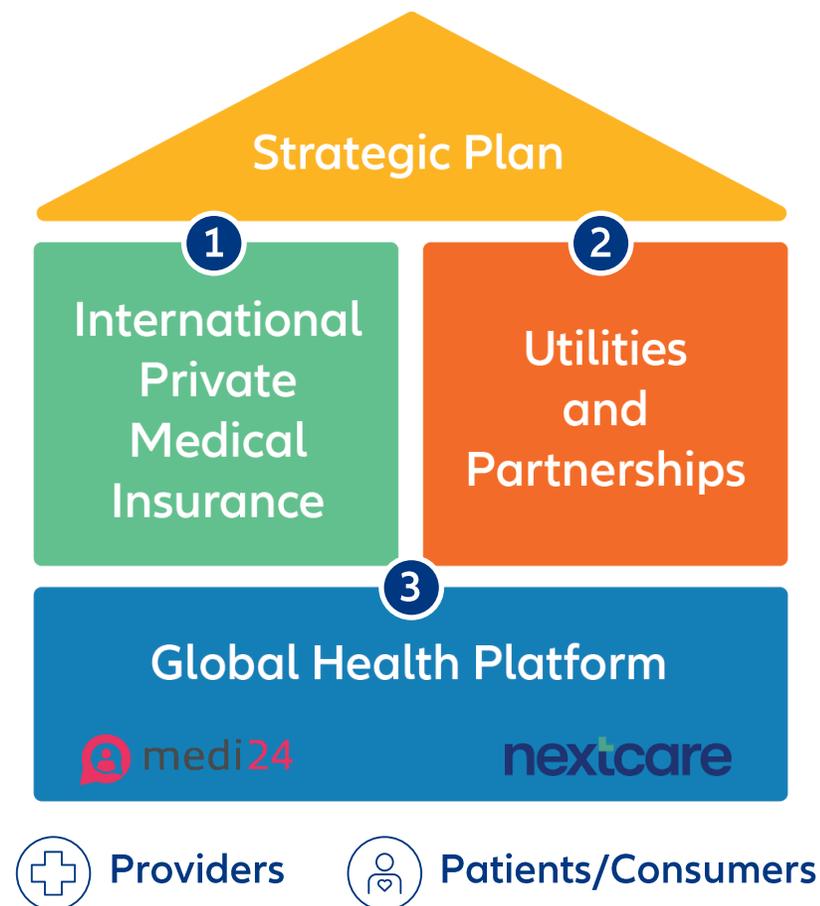


Appendix 1

Strategic Dialogue



Our Ambition is to provide **global** access to care with **regional** reach, becoming a true Global **Partner in Health**



2023 Priorities in realising Our Ambition



Continuing and accelerating the transformation of our core

Sustainable & Profitable Core Growth

- ▲ Retention & New Business
- ▲ Cost Containment
- ▲ Portfolio Rebalancing
- ▲ TEX & Simplicity

Enlarge foothold in MEA and APAC through the migration of Aetna Portfolio & the development of Regional Hubs

Develop into life & employee benefits via AGB integration to increase offer attractiveness



Boosting growth through scalable platforms

Supported by Organization wide Transformation impacting all Functions, such as but not limited to Operations and Finance

Build-up **“Future of Health”** as platform play:

Through **Iris** Platform Convergence

Through **One Health Utility** with Global Data & Network Access

- ▲ Claims Utilities
- ▲ Health Services



Deliver as One Global Team

Fostering « One Culture, One Team » across Allianz Partners Health, following LoB Transformation: **Bringing Five into One**

Collaborate & Communicate more to achieve more

→ **Improved TOM per Function** to support **Local, Regional & Global Growth**

Our strategy has been built to be **relevant in a challenging environment**

Market & economic shifts



Inflation and economic uncertainty

Geopolitical fragmentation, globalization of **inflation**, upward pressure on **labor and medical costs**, **stalling economies**, slowing activity & contracting global output



Accelerating healthcare expenditure

Health spending as a share of GDP **outstripping growth** and creating political and economical pressures



Concentrated health insurance market

Shrinking market for traditional expats following Covid pandemic, while mid-term International health insurance competitors remain aggressive, especially in US and MEA



Profitable growth by anticipating and adapting to shifts in market environment

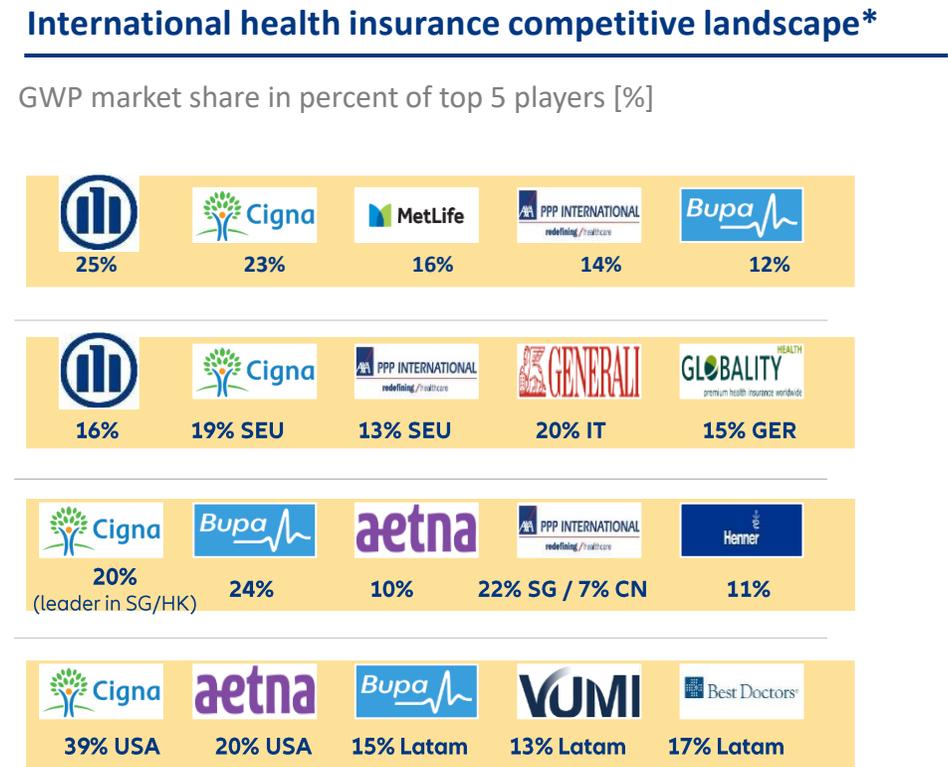
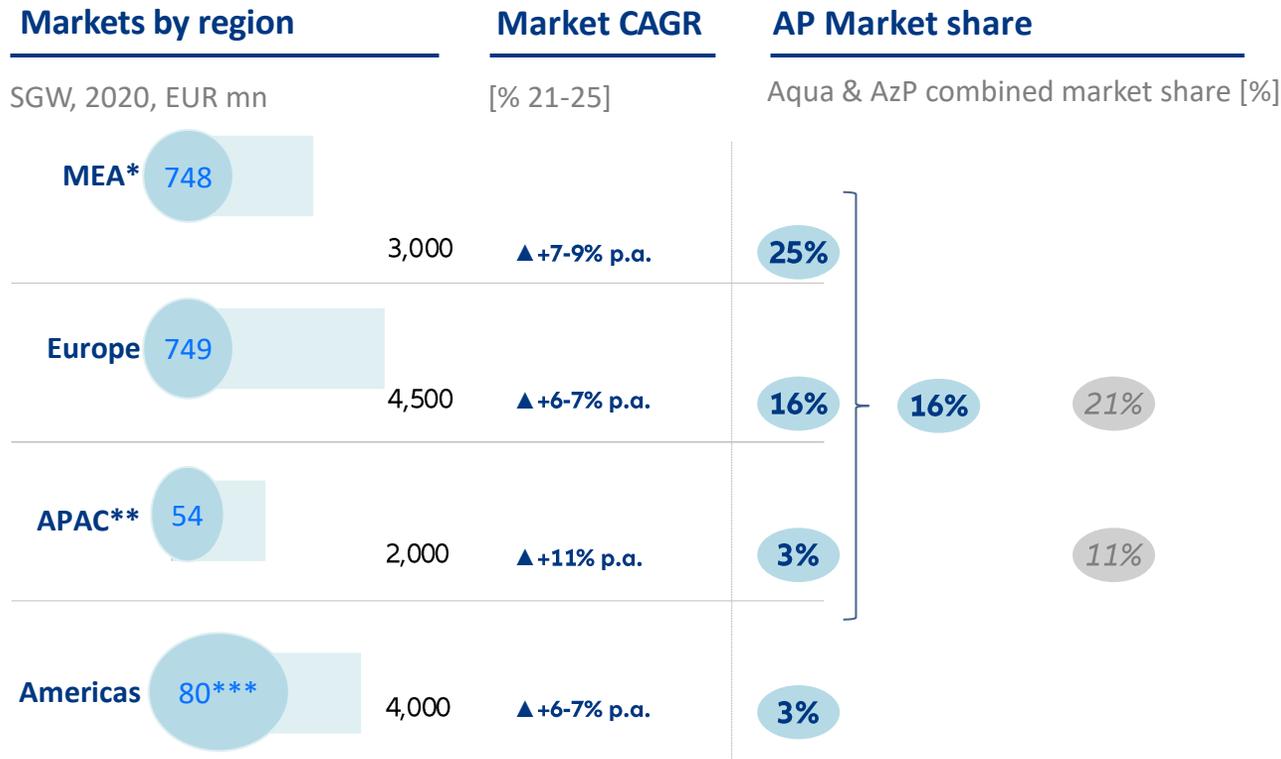
- **Sustainable growth** plan for all segments above market level
- **Diversification** across geographies, customer segments and product offers

*Short term mitigation of inflationary risks through **negotiations** and **cost containments***

Integration and business excellence as **transformation leader**

- Build-up “Future of Health” as **platform play**
- Enlarge foothold in MEA and APAC via the **migration of Aetna Portfolio**
- Develop into **life insurance** and increase offer attractiveness through AZ Global Benefits integration

We'll target growth opportunities by resetting traditional IPMI, providing platform efficiency and digital service innovation



Targeting growth by **resetting traditional IPMI**, offering **cross-border solutions** with Regions (MEA and Asia) to meet increased demand for **Local Plus and Mid-Tier propositions**. Heightened focus on **platform efficiency** with increased relevance of **TPA for lower cost models**.

Traditional IPMI competitors remain **aggressive**, especially in **US and MEA**. Heightened retention focus means less coming to market and **consolidation to make a step change in scale** is anticipated. The need for **innovative, connected, digital health services** remains critical.

* including Medical Insurance of Local Insurers (Nextcare)
 ** excluding Australia student business
 *** rounded

■ AZP SGW 2020
 ■ Market size 2020

Source: Market size from McKinsey baselining document
 Adjusted market size with figures from McGrigor global market size and trends report 2021; CAGR Americas from EY Parthenon Analysis

Our corporate governance structure sets us up for success by portfolio

The **Global Executive Committee** is the primary **Corporate Governance Body** for Health LoB, responsible for **overall** performance which is managed through the **Portfolio Management** outlined below



Structure of **GEC** in Health¹

Members **LoB CEO** (Chair) & **8 LoB Functional Heads**

1) UW; 2) PM&I; 3) Sales & KAM; 4) Ops; 5) OM; 6) Finance 7) HR; 8) Health Services & Nextcare TPA Utility

Four core portfolios managed

International Private Medical Insurance: Cross-border health insurance solutions Individuals, SME, Corporate and Governmental

Health Service & Utilities: Third Party Administration (incl. Local health Reinsurance), Claims Utilities, Medical Provider Management & Health services

Partnership & Global Reinsurance: Strategic MGU partnerships with modular solutions for RI and service solutions for the value chain in travel and health solutions

Employee Benefits: Global programs offering Multinational Pooling, Global Underwriting & Captive Reinsurance

Decision making & scope of responsibility

Primary decision forum for **strategic direction**².

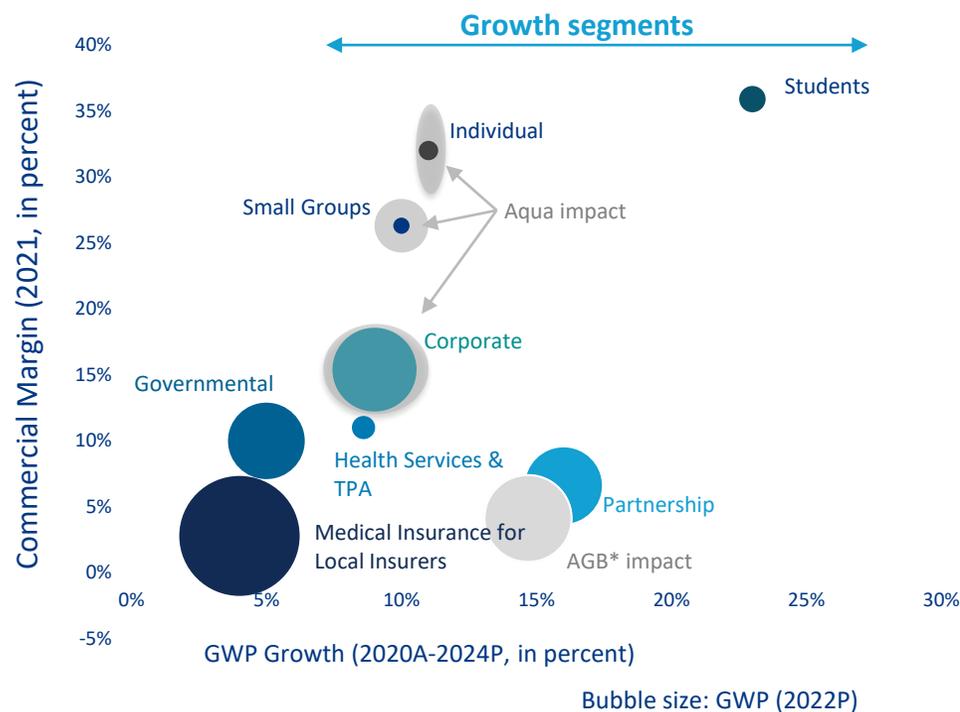
Overall governance and performance monitoring conducted.

GEC is responsible for the **running, compliance, management and growth of Health LoB** and associated legal entities

We'll need to continue to rebalance our portfolio mix for sustainable growth



Growth ambition in detail incl. Aqua and AGB impact

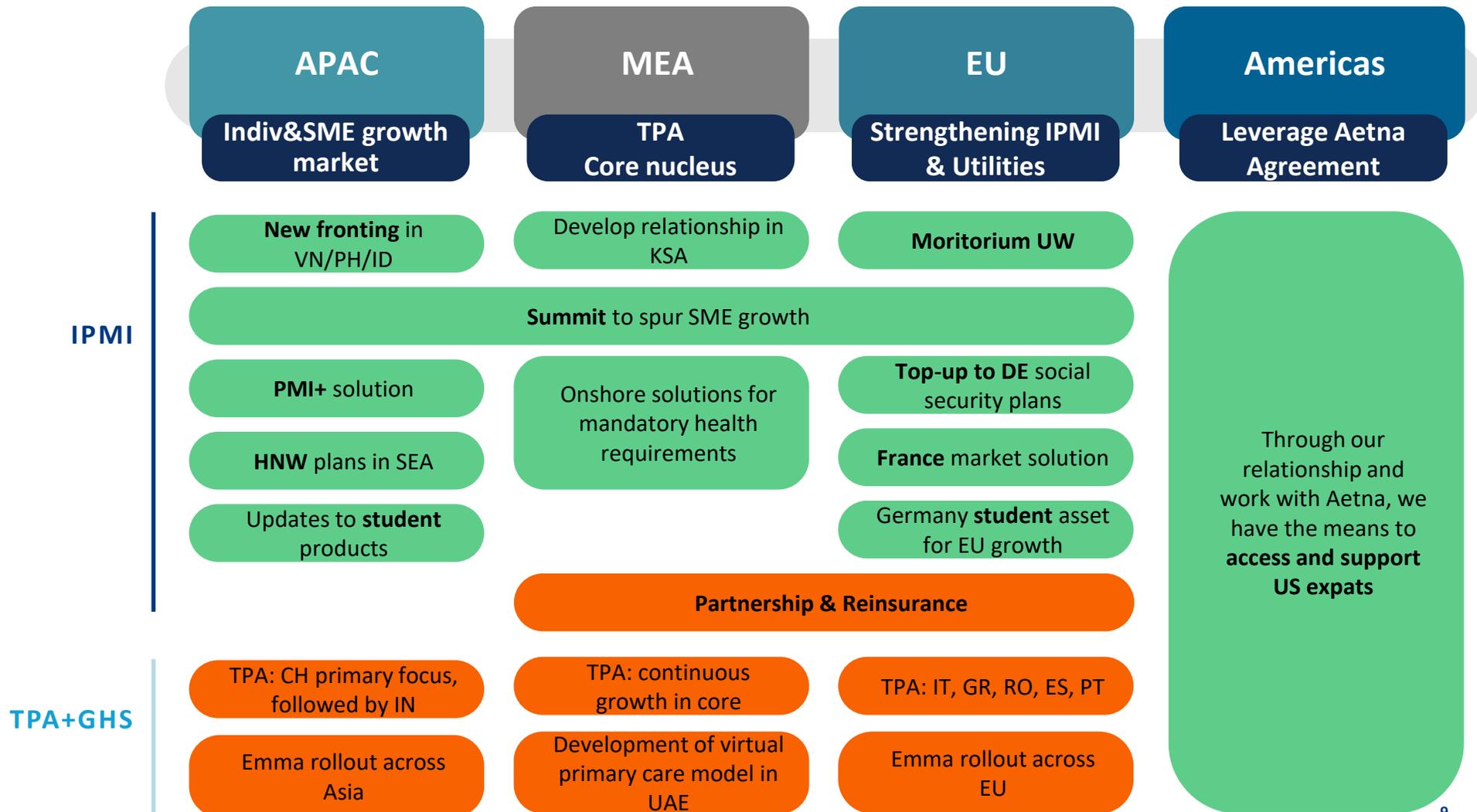


Allianz Partners **transforms** and **rebalances the mix** to meet a **changing market dynamic** across key segments

Student CAGR includes strong post-Covid rebound (normalized growth rate circa. 10%)
 * AGB Data figures growth of book of net retention 2022-24, gross margin instead of commercial margin 2022

IPMI	Large corporates/ MNCs	Optimize value proposition vs competition and deliver compliant solutions supporting market needs. Maintain commercial levels with client remediation, organic growth & network management to offset price pressure. Focus on providing medical insights for brokers and clients
	Governmental	Long-term relationship building via improved offerings to acquire, retain and drive growth. Expanding approaches based on clear propositions with appropriate benefits and pricing e.g. affinity
	Partnership	Grow pipeline and build existing partnerships to drive growth. Enhance value proposition and administration setup for global partnerships. Leverage Partnership to bridge various segment and distributions gaps and drive global setup with local insurers
	Individual	Drive regional growth and focus on digital lead generation. Expand continuation cover and broker quote tool to empower self-service
	Small Groups	Clear propositions including mid-tier. Access new customers with revised pricing strategies and focus on facilities
	Students	Grow and improve existing portfolio performance, execute new market entries to support growth. Leverage partnership model to access new market distribution
	All above segments	Scale global health services (digital access to care and global telehealth) & TPA to offer broader access to healthcare and digital service capabilities
	Aqua	Transaction relates to the acquisition, through an exclusive introduction rights deal, of the Non-US international medical insurance policies of Aetna, a US health insurer
TPA & Service	Allianz Global Benefits	Integrate Allianz Global Benefits (AGB) into a sub-LoB of AP Health with dedicated UW and sales teams reporting into the LoB respective functions
Integration		

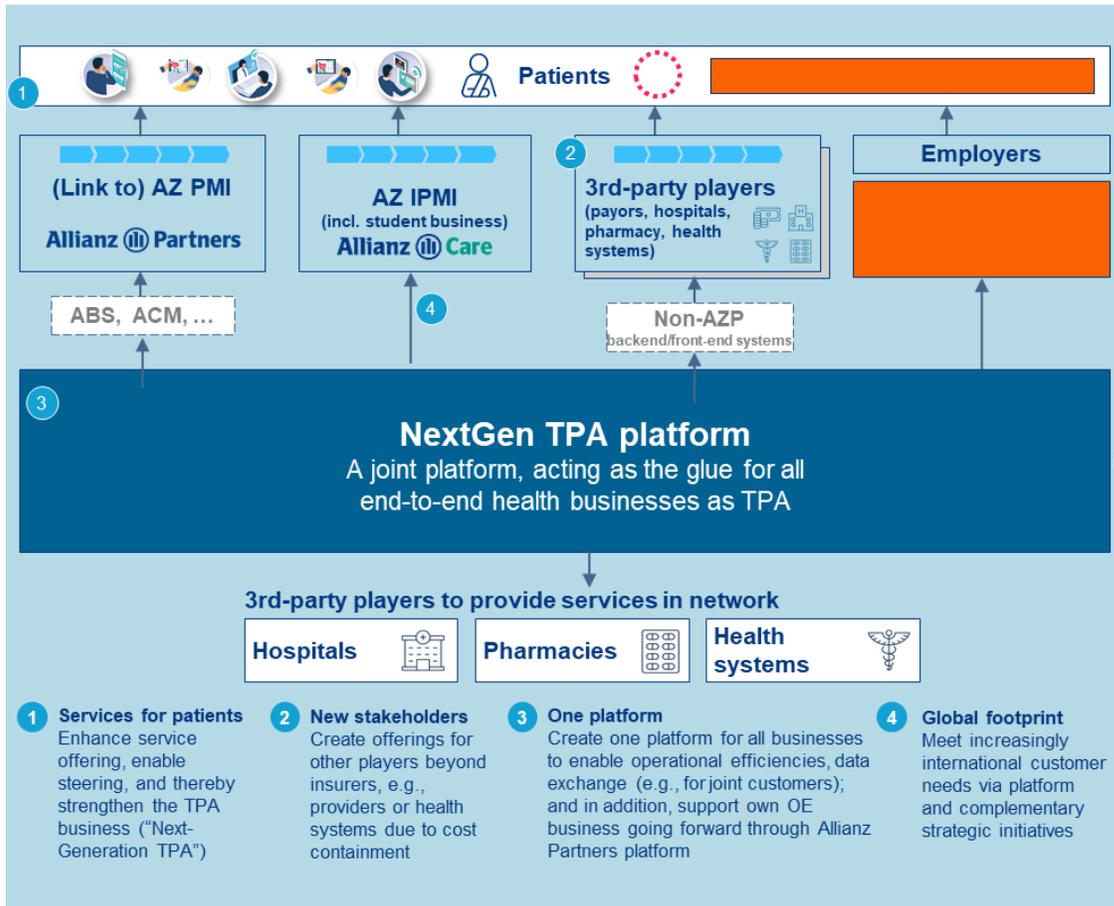
We've identified product and segment opportunities in each region



Iris, our single, scalable Global Health Platform will generate growth

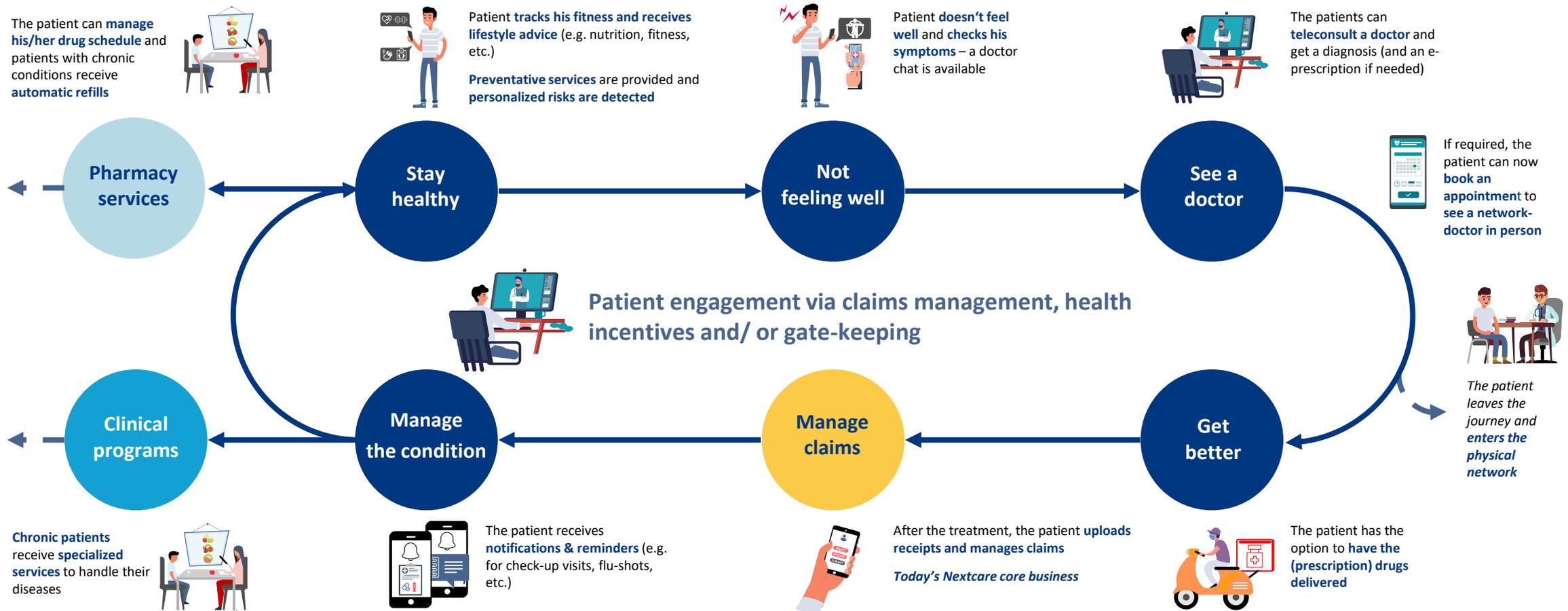


Target: One Platform, One Network and One Ecosystem



One Platform	Converge to group architecture	Simplicity of the platform removes the complexity of working around several systems
	Bridge between verticals	Fully integrated and consistent customer experience through all verticals
	Aetna integration	Seamless service integration to ensure geographic expansion and portfolio mix rebalancing
Claims Management	Claims Automation	Full and accurate Claims Adjudication via Rules Engine and Continuous improvement (by building new rules)
	Process Optimization & Workforce mgmt	Improved & standardized processes reducing claims process time. Accurate WFM allowing high utilization rate
	Fraud controls	OFR & CFR are being utilised to assure controls on Fraud . Fraud, waste & abuse mgmt reducing leakage
One Network	Global Footprint	Access to 1.3m+ Medical Providers . Direct Billing with providers in 198 countries & territories. Multi-disciplinary medical network & Global Evacuation Solutions
	Technical Excellence	MPM Centre of Excellence with provider selection, vetting, negotiation, contracting, etc. Provider Steerage and Nudging, incl. Tiered Network configuration
	Digital & Data Driven	Digital & Physical Networks, Digital interfaces (Provider Finder) with Members & Providers (Pulse). Data Driven Analytics for monitoring, negotiation and optimization
Digital Advancement	Ecosystem of tools & Services	Digital ecosystems of members portals, mobile app, provider portal & payer portals integrated in one backend
	Value added services	Teleconsultation, second medical opinion offered with our existing TPA services

We're broadening our digital health service landscape to better serve B2B2C globally



Appendix 2

Our 3 Business Models



Our Business Models

Utilities

We are building the leading global digital health platform leveraging existing assets from the Allianz universe to enlarge horizontal and vertical offerings, enhancing the end-to-end customer journey and network steering, while rolling out additional geographies around the globe using Allianz entities and TPA acquisition as entrance points.

The Global Health Services and Utilities revolves around 4 core pillars:



Global Health Platform – upgrading our core TPA and claims management platform (known internally as TATSH) with the functionality of our international IPMI platform (Opus and Gulliver) to form One new Global Health Platform (IRIS)



Global TPA & Health Services – growing geographically the local TPA operations serving Allianz OEs and 3rd parties globally, and developing broad health service offerings on a global scale with a seamless end-to-end integration of solutions along the value chain



Global Provider Network – serving all lines of business and delivering best-in-class medical networks and transforming MPM into a Global Revenue Utility for Allianz Partners



Local Health RE – offering an extensive suite of reinsurance solutions across the region, ensuring profitable growth through the technical and operational support of the wider insurance ecosystem

Our Business Models

IPMI

International Private Medical Insurance (IPMI) is a sales and distribution model that targets a range of customer segments, including international and local brokers, large corporates, NGO/IGO, small/medium enterprises, and direct to consumers, including students.

Allianz Partners sells IPMI policies in multiple currencies with supporting documentation in multiple languages and provides additional services such as find a doctor and telemedicine to create a valuable proposition for HR teams and individuals worldwide. The primary revenue stream is generated through the sale of IPMI policies, which provide coverage across borders and typically offer higher cover than local domestic healthcare plans. The products offered are Inpatient, Outpatient, Dental and Maternity plans.



Our Business Models

Partnership

The Partnership model can be viewed as a delegated model, where Allianz Partners assumes ownership of the risk and utilizes its own product development, underwriting, legal, and compliance expertise while delegating certain aspects of the value chain to external providers.

The degree of delegation may vary among partners, ranging from full delegation which includes co-creation of the product, distribution, premium collection, medical underwriting, policy management, and claims management, to partial delegation, such as medical case management abroad.

Delegation can be given to Allianz (Nextcare, Allianz OE, Allianz Partners...) or non Allianz companies. Typical partners are MGA/MGU (MSH, Henner, William Russell, DavidShield, Freedom...) and insurance companies.



Appendix 3

Our Strategic Levers



