COMO SEGUIR CRECIENDO EN SEGUROS MASIVOS

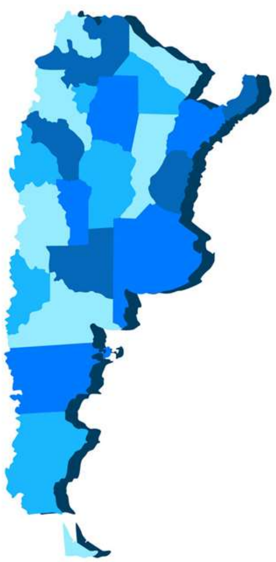
Allianz

CONTENIDOS

ALLIANZ EN ARGENTINA

1

ARGENTINA: COUNTRY FACTSHEET



Our Country

- Unstable political and economic situation
- Country with a strong recession, deepened by the Covid-19 (Although European countries expect a decrease of -4% in their PBI, Argentina expects a -10%)
- Longer lock down in the world (since March) → Impact in social indicators, as well as the economy (strong impact on motor, sme). Non clarity or definition of future timing to return to normality.
- Inflation rate higher than 45%/ year

Fact sheet

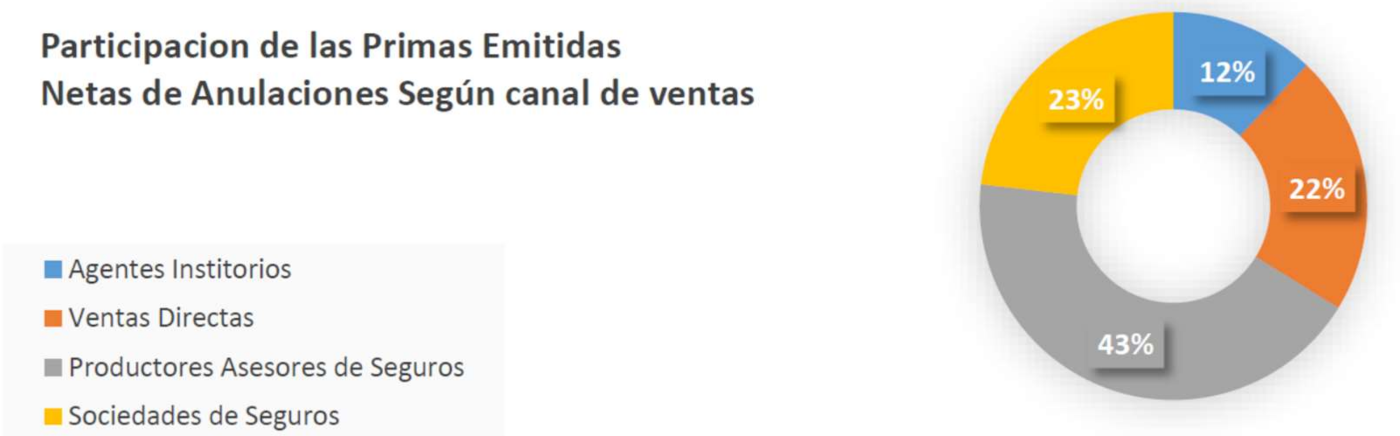
- GDP
- GDP per capita
- Currency
- Population. (44 mio)
- Language (Spanish)
- Land Area (2,736,690 sq km)

2 GENERAL INSURANCE MARKET

Total Market	Company	Ranking Mar 2019	Var. Ranking	MS % Mar 2019	MS % Mar 2020	Var. MS%	GWP Mar 2019	GWP Mar 2020	Var. % GWP	CoR% Mar 2019	CoR% Mar 2020	Var. CoR%
1	Fed. Patronal	1	-	10.2%	10.4%	0.1%	30,685	43,430	41.5%	119.9%	122.1%	2.2%
2	Sancor (M)	3	1	7.4%	8.2%	0.9%	22,098	34,556	56.4%	103.6%	108.2%	4.6%
3	Generali (La Caja)	2	-1	7.7%	6.8%	-1.0%	23,134	28,412	22.8%	112.1%	115.8%	3.7%
4	Zurich	4	-	6.1%	5.6%	-0.6%	18,399	23,366	27.0%	112.5%	112.7%	0.2%
5	La Segunda (M)	8	3	4.2%	4.8%	0.5%	12,690	20,019	57.8%	121.6%	124.4%	2.7%
6	Nación	7	1	4.3%	4.7%	0.3%	12,920	19,517	51.1%	83.4%	93.4%	9.9%
7	Rivadavia (M)	6	-1	4.4%	4.5%	0.1%	13,092	18,858	44.0%	123.4%	127.7%	4.3%
8	San Cristobal (M)	5	-3	4.4%	4.5%	0.1%	13,156	18,731	42.4%	118.5%	125.2%	6.7%
9	Mercantil Andina	11	2	3.4%	3.7%	0.3%	10,164	15,601	53.5%	113.2%	118.7%	5.6%
10	**Allianz**	**9**	**-1**	**4.0%**	**3.7%**	**-0.4%**	**12,050**	**15,394**	**27.8%**	**124.7%**	**116.2%**	**-8.6%**
	Top 10			**56.2%**	**56.7%**	**0.5%**	**168,386**	**237,884**	**41.3%**	**113.9%**	**117.4%**	**3.5%**
	Total						**299,508**	**419,452**	**40.0%**	**114.9%**	**116.5%**	**1.7%**

- The Argentina insurance market has more than 150 Companies.
- Top 10 (56.7% of total market), growing (+1.2%p) above Market. National companies and Mutuals represent 7 out of the Top 10 players. Generali, Zurich and Allianz remain as the only international companies (Zurich entered the Top 10 due to the merge with QBE).
- Allianz grows 27.8% driven mainly by Automotive (+36%) and Fire (+45%). Stands in position #10, losing -0.4%p in MS and growing -12.3%p below Market and -13.5%p below Top 10. AZ lost -0.1%p MS compared to December 2019 (3.7% vs 3.8%).
- Allianz outperforms market in total profitability since 2017
- Very aggressive market in terms of price, strengthen during the Coronavirus period.

2 SALES CHANNELS IN THE MARKET



Participación porcentual de la Producción según Canales de Ventas y su Actividad Principal (en % sobre Actividad Principal)

Ejercicio 2019 — Cuadro Nro. 4

Canales de Venta	Riesgos del Trabajo	Daños Patrimoniales	Mixtas		Retiro	Personas	TOTAL
			Patrimoniales	Personas			
Total	100,0	100,0	100,0	100,0	100,0	100,0	100,0
Directos	10,8	14,4	20,2	38,5	95,4	43,2	21,7
Productores + Organizadores (Persona Físicas)	45,5	41,6	49,5	17,8	3,7	30,7	43,0
Sociedades + Organizadores (Personas Jurídicas)	36,3	26,9	20,3	16,6	0,7	6,2	23,2
Agentes Institorios	**7,4**	**17,1**	**10,0**	**27,2**	**0,2**	**19,9**	**12,1**
- Bancos y Entidades Financieras	3,9	7,2	8,0	23,8	0,1	18,0	9,0
- Otras Personas Jurídicas	3,5	9,9	1,9	3,4	0,2	1,9	3,1

Source: Todo Riesgo Magazine (May 2014)

3

ESTRATEGIA

Definition

- Strategic Long Term Partnerships
- Brand value care
- Massive Scope

Product Offer

- Only “One Price”
- Simple products
- Standardization

Operating Model

- Automation oriented (Web Services)
- Low operating costs
- Customer Service (B2C)

Sales & Distribution

- Transversal Model
- Multimarket
- Brand expansion through thousands points of sales

3 EXPERIENCIA DEL CLIENTE

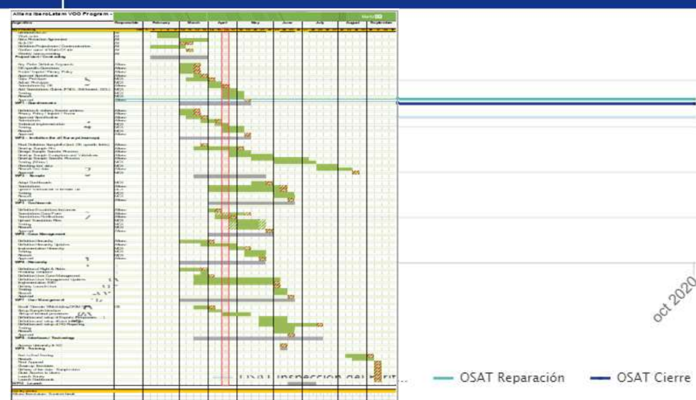
711	13	399	0	151	0	64	21.6%
INVITATION SENT	BOUNCED (Hard)	OPENED	CLICKED	COMPLETED	ABANDONED	IN PROGRESS	RESPONSE RATE

Satisfacción General

4.5

n=150

Evolución Etapas del Siniestro



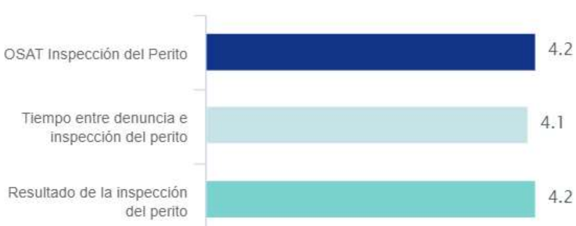
Etapas del Siniestro- Más información

Allianz

Allianz	Inspección	Reparación	Cierre
Allianz Total	4.2	4.6	4.5
Ceo	4.2	4.6	4.5

Drivers de Satisfacción Inspección del Perito

Satisfacción con experiencia

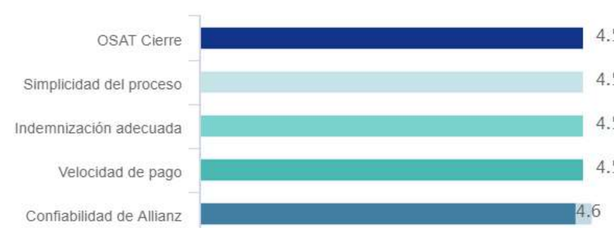


Drivers de Satisfacción Reparación

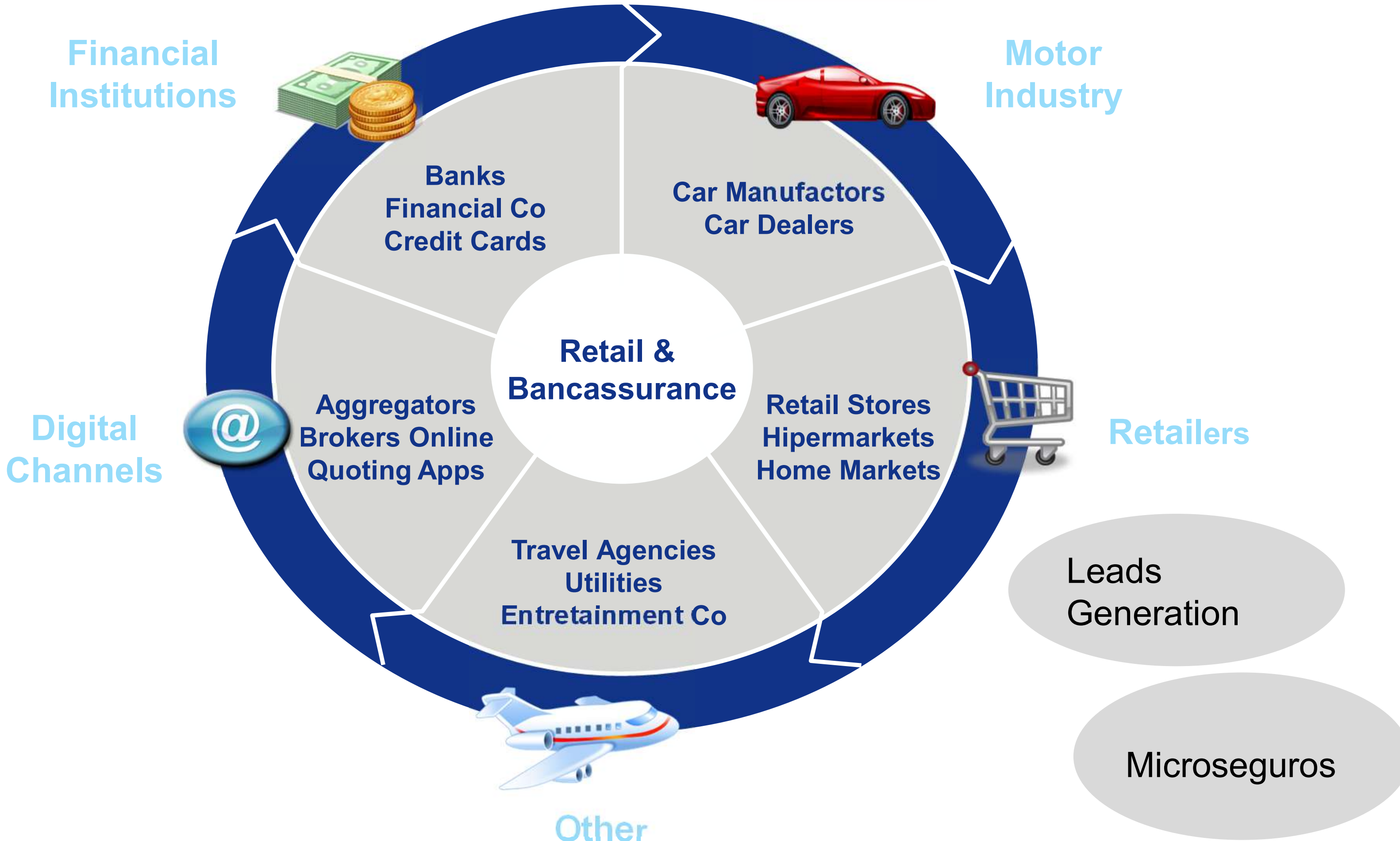
Satisfacción con experiencia

Drivers de Satisfacción Cierre

Satisfacción con experiencia



3 TARGET MARKETS



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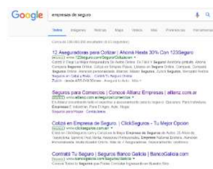
EL PROCESO DE GENERACION DE LEADS

Existen 3 tipos de fuentes de generación de Leads:

1) **Campañas digitales (tráfico pago):** usuarios que buscan información en internet y/o redes sociales y se topan con nuestros anuncios.

Google Search	Google Display	Google Youtube	Facebook/ Instagram Ads
			

2) **Tráfico Orgánico (no pago):** usuarios que vieron nuestra marca en otro lado (gráfica, prensa, vía pública) buscan nuestra marca directamente ingresando en nuestra URL. O posicionamiento orgánico de nuestra página en Google.

3) **Otras Fuentes de Tráfico Offline (no pago):** ej. Llamados al call center.

3

EL PROCESO DE GENERACION Y GESTION DE LEADS DIGITALES

Interés/ Necesidad

Generación de Lead

- Reconocimiento
- Interés
- Consideración

Gestión del Lead

- Decisión
- Compra

- Prospect nos ve en internet, en una publicidad, hace una búsqueda relacionada a seguros en Google, etc..
- Prospect reacciona a nuestro estímulo e ingresa a nuestra web.
- Prospect navega, y completa un formulario de contacto para más información.
- PAS asesora al Prospect en función a sus necesidades.
- Se concreta la compra.

Análisis y Eficiencia: Entendemos quiénes nos compran para hacer campañas más enfocadas al target que nos compra, mejorar la calidad de los leads, incrementar el cierre de ventas, etc..

1 DEFINITIONS

Definition

We make commercial deals with specific characteristics (Scale, Distribution, Partner) that requires different capacities from the traditional channels

Goal

Develop a limited number of long term alliances, in specific markets with institutions that own complementary assets to those of Allianz, with the potentiality to generate scale and profit.

Allianz

- Brand awareness
- Capital
- Products
- Know How
- Service
- Distribution

Opportunity

- Scale
- Profit
- Branding
- Markets
- Regulations

Partner

- Brand awareness
- Customers
- Management Model
- Special Benefits
- Communication
- Distribution

4 TARGET MARKETS

Affinity Groups

Employees, members, Customers

Automotive

Car Loans, Car Dealers

Digital Channels

Aggregators, Social Networks

Financial Institutions

Banks, Credit Cards Co.

SEGUROS MASIVOS

Cal Centers

Big Databases - DTC

Retailers

Supermarkets, Shopping Malls, Department Store

Other

Entertainment Co; Travel Agencies; Soccer Clubs;

Public Services

Cell Phone Carries; Gas & Electricity distributors

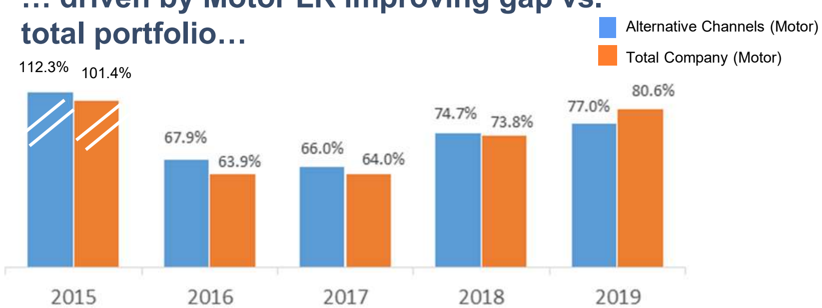
ALTERNATIVE CHANNELS: PRIORITIZING PROFITABILITY WITH ROOM FOR GROWTH SUBJECT TO MACRO ENVIRONMENT

Alternative Channels showing relative profitable business in Motor vs. total company…

	Total 2019	Motor	Rest
GEP	**1,896.5**	1,600.7	295.8
L/R	**76.8%**	77.0%	76.1%
Comm ratio	**23.0%**	22.4%	26.2%
Admin + OAC Ratio	**15.4%**	15.4%	15.1%
CoR Alt. Channels	**115.3%**	114.9%	117.4%

LoB	CoR Alt. Channels	CoR Total OE
Motor	114.9%	117.2%
HO	155.5%	87.0%
Group Life	96.3%	93.8%
Credit Life	98.1%	98.1%
PA	88.8%	81.6%
Agribusiness	100.6%	106.2%

… driven by Motor LR improving gap vs. total portfolio…



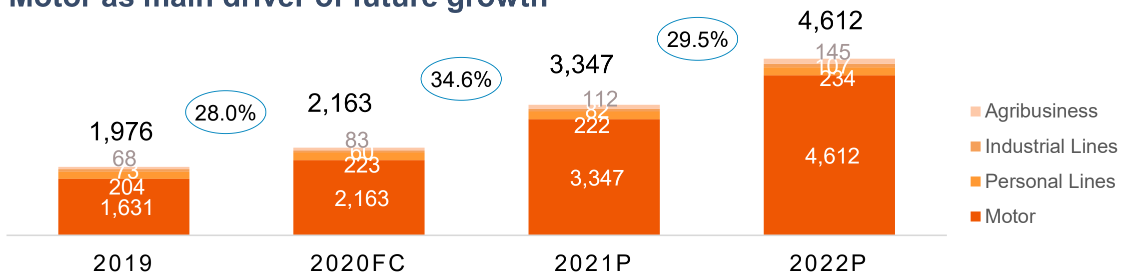
… with growth impacted by macro environment

Motor : High interest rates limits credit related new business

Personal Lines: Retailers, declining market due to abrupt falling of consumption.

Industrial lines: Credit life portfolio cleaning in past years and legal restrictions limited potential new business.

Motor as main driver of future growth



Strategy going forward

Growth

- Expected impact of COVID-19, specially in motor business
- Focus on Motor Business, as the main driver of the channel.
- Due to economic environment , encourage open market relations over credit linked.
- Diversify motor relationships by implementation of new businesses (PSA Finance, Toyota Car Dealers and Santander).
- Strengthen relationships with brokers and search SME opportunities
- Open Market Opportunities new among web services development.

Expecting lower interest rates and productive loans to reactivate the credit market, where we are well positioned

Profitability

- Loss making intermediary (Garbarino in homeowners) already in run off (as of 02/20).
- Quarterly Smart Circles → Ongoing
- Smart Pricing and specific adjustments to capture opportunities and avoid deviations (semi % annual policies).

Client (retention)

- Improve **AZ Customer Experience** during the journey and in the strategic touch points of our partners (Checking governance, Feedback loops, communication).

3 STRATEGIC AXIS

1- SERVICE

- **Customer Focus**
- IT Differentiation
- Excellent partner service
- Marketing and promotion support
- Training and Integration

2- SIMPLE OFFERING

- Simple products
- Simple Processes
- Only “One Price”
- Socioeconomic differentiation
- Demographic differentiation

3- BRAND

- Leverage Brand attributes
- Brand value care
- Good partner selection
- Auditing and controlling processes

4- TIMING

- **Time to Market**
- Quick Decisions
- Efficient implementation
- Product flexibility
- New Regulations (Opportunity)