

Press information

Allianz Global Corporate & Specialty SE embarks on global transformation program

- “New AGCS”: CEO Joachim Mueller aims to regain market leadership and rebuild profitability through a comprehensive transformation program
- Technical excellence in underwriting and claims is a key pillar plus a simplified regional set-up as well as leaner processes and reduced complexity to drive cost out.
- New functions aim for improved client service delivery, including expanded Global Distribution function with dedicated industry sector teams
- Mueller: “Building the ‘New AGCS’ is not business as usual, but the opportunity has never been greater.”

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Under its new leadership, Allianz Global Corporate & Specialty (AGCS), the industrial insurer of Allianz Group, announces a comprehensive transformation program, “New AGCS”, to regain profitability and market leadership in the corporate and specialty insurance segment. Supported by a number of new leadership appointments, the company will strengthen its technical capabilities across its core underwriting and claims functions, streamline its organization and processes, enhance its current distribution and sales function and invest in digitalization to further evolve its core business and customer offering.

Joachim Mueller, AGCS CEO since December 2019, says “We will now focus our entire business under a new strategic direction. We will put technical excellence in underwriting before growth, simplify and strengthen our global model to ensure that we think and act as one team, and become more efficient, leaner and faster – benefitting us and our clients. Our joint ambition is set high: The ‘New AGCS’ will be the market leader in our target segments. We expect to see significant profitability improvements of our underwriting results from 2021 onwards and aim to achieve the full turnaround and transformation of our company by 2024.”

Number of regional units reduced

During 2020, AGCS will simplify its regional organization reducing the number of regional units from seven to six and moving from a country-centric to a more global set-up with regional delivery, which reflects the set-up of many clients and global broking partners. The current regions North America, Asia Pacific, Central & Eastern Europe, Regional Unit London (including Nordics) will remain unchanged. The future Mediterranean & Africa region will consist of France, Benelux, Italy and Africa (which now brings the whole of Africa under one AGCS unit). Spain/Portugal and South America will be merged into one new ‘Ibero/LatAm’ regional unit, reflecting market links between across these countries. [As announced](#), there will only be two Chief Regions & Market Officers on the AGCS Board of Management, **Bill Scaldaferrri** for North America and **Henning Haagen** for all other remaining AGCS regions and markets globally.

In each of these six AGCS regional units, leadership will be consolidated under one Regional Managing Director. Underwriting, Claims or other market-facing teams will be managed across regions under single empowered Regional Heads who will steer each function across all countries per region and report to the Regional Managing Director. As a result each region is managed as a whole to deliver an integrated approach, supported by and aligned with AGCS' global model and structure.

The regional leadership will change for some regions: Subject to regulatory approval, **Nuno Antunes** will join AGCS from AIG to lead the Ibero/LatAm region and **Alfredo Alonso**, moving to AGCS from Argo Global, will be responsible for the Regional Unit London. **Corinne Cipière**, currently Country CEO for France, will be the new Regional Managing Director for the Mediterranean & Africa region. The regional leadership for Asia Pacific (**Mark Mitchell**), Central & Eastern Europe (**Hans-Joerg Mauthe**) and North America (**Bill Scaldaferrì**) will remain unchanged. While Europe and North America will remain key strategic markets, AGCS plans to selectively develop its business in other regions, notably in Asia.

Focus on large corporate risks as well as MidCorp

Under its new strategy and business model, AGCS will continue to focus on specialist Property & Casualty insurance solutions, targeting complex risks for large multinational corporates or companies seeking expert solutions, such as Specialty segments in Aviation, Marine or Entertainment. Mueller says "This should be our core stronghold and key differentiator. Here we win on deep risk expertise, outstanding claims management, and a strong relationship model that creates value and solutions for customers, bringing together all of AGCS and also Allianz Group worldwide."

AGCS will also continue to serve mid-size companies in the United States in particular through its MidCorp Line of Business which generated EUR 965 million in gross net written premium in 2019. "With dedicated turnaround measures and selected segment exits such as Agribusiness in the US or MidCorp in Canada, we have re-positioned our portfolio and achieved real progress in this part of our business. We will now focus on securing the benefits of the profitability and expense improvements in the current hardening market environment", Mueller says.

Technical excellence key to turnaround

AGCS will significantly invest in expanding technical capabilities and skills in its core insurance business to ensure long-term sustainable underwriting performance. This includes strengthening capabilities and tools in pricing, portfolio management, loss trend analysis, volatility management and actuarial modelling, with over 30 new additional roles identified. A comprehensive range of measures goes far beyond underwriting to include other key functions such as claims. "We have already significantly reduced our exposures in our portfolio and will continue to apply corrective actions and adjustments where needed. Underwriting is the engine of profitability and we must truly regain our position as a technical underwriting company leveraging our talents as well as new technology and analytic tools", Mueller stresses.

New functions and teams

In its new set-up AGCS will provide its brokers and clients improved service delivery and also strengthen its own business development approach by establishing a dedicated **Global**

Distribution function, consisting of around 35 employees. This new team will be led by **Patrick Thiels**, who is currently AGCS' Regional CEO for the Mediterranean region. A number of specialist industry teams under "Industry Solution Directors" will serve customers in targeted industry segments by bringing together solutions from all AGCS Lines of Business for industry-specific exposures, starting with Financial Institutions, Telecoms & IT, Construction, and Aviation & Aerospace before expanding this approach to other sectors. To oversee AGCS' [global insurance program offering](#) for multinational companies and further expand digital customer services in this area, **Nigel Leppitt** has been appointed to Global Head of Multinational; previously he was AGCS' Chief Transformation Officer.

Other new functions will drive AGCS' global model and reduce cost and complexity for both the company and its customers: **Global Product Management**, led by **Guy Money** who joins from AXA Group, will own product harmonization and simplification globally based on one core global product range. **Global Process Management** will be responsible for end-to-end process improvement to drive efficiency and customer service delivery through one globally coordinated approach. This new function will be led by **Erika Cubova** who moves from her current role as Global Head of Claims Portfolio Intelligence & Coordination into this position.

Digitalization is another cornerstone of the AGCS strategy. "Expanding the use of data analytics and digital technologies for both our core business and for our customers will be crucial to deliver the new AGCS ambition", Mueller explains. Priorities will be to move to one global scalable systems architecture and establish a new customer-facing portal to pull together all customer services in underwriting, claims and risk consulting.

In summary Mueller says "Building the 'New AGCS' is not business as usual, but the opportunity has never been greater. It means a big leap forward through the comprehensive transformation of our company. With the new leadership team and a clear focus on our target clients in the right segments and markets, we will drive for market leadership, putting AGCS back on top of our industry for our customers, employees, and for Allianz Group."

Detailed [biographies of the new appointments](#) and a [factsheet](#) on the new strategy are available on the AGCS website.

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About Allianz Global Corporate & Specialty

Allianz Global Corporate & Specialty (AGCS) is a leading global corporate insurance carrier

and a key business unit of Allianz Group. We provide risk consultancy, Property-Casualty insurance solutions and alternative risk transfer for a wide spectrum of commercial, corporate and specialty risks across 10 dedicated lines of business.

Our customers are as diverse as business can be, ranging from Fortune Global 500 companies to small businesses, and private individuals. Among them are not only the world's largest consumer brands, tech companies and the global aviation and shipping industry, but also wineries, satellite operators or Hollywood film productions. They all look to AGCS for smart answers to their largest and most complex risks in a dynamic, multinational business environment and trust us to deliver an outstanding claims experience.

Worldwide, AGCS operates with its own teams in 32 countries and through the Allianz Group network and partners in over 200 countries and territories, employing over 4,450 people. As one of the largest Property-Casualty units of Allianz Group, we are backed by strong and stable financial ratings. In 2019, AGCS generated a total of €9.1 billion gross premium globally.

www.agcs.allianz.com

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Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in the Allianz Group's core business and core markets, (ii) performance of financial markets, including emerging markets, and including market volatility, liquidity and credit events (iii) the frequency and severity of insured loss events, including from natural catastrophes and including the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changing levels of competition, (x) changes in laws and regulations, including monetary convergence and the European Monetary Union, (xi) changes in the policies of central banks and/or foreign governments, (xii) the impact of acquisitions, including related integration issues, (xiii) reorganization measures, and (xiv) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

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