

PRESS RELEASE

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Allianz Benelux and Monument Re announce closed book portfolio transaction

Allianz Benelux to focus on open book portfolios in Life, Health, Employee Benefits and Property-Casualty in Belgium through closed book portfolio transaction with Monument Re.

- Allianz successfully executing its Life strategy to move to modern capital light insurance products, mainly Branch 23 and protection in Belgium.
- As a next step Allianz is to sell 95.000 policies that are part of its closed classical life retail insurance book together with the covering assets including mortgages, to Monument Assurance Belgium.
- Allianz to continue serving the portfolio for 18 months to secure a seamless transfer for its clients as well as its broker partners.
- Allianz remains committed to the Belgian market, focusing on open books in Life, Health, Employee Benefits and Property-Casualty, offering innovative and modern product lines like Branch 23.
- Monument is committed to providing high quality service and security to all of its clients and partners and is looking forward to welcoming these new clients to its growing business.
- Through the transaction, its fifth in the Belgian market, Monument will substantially increase the scale of its operations in Belgium and confirm its position as a leading closed life consolidator in the Belgian market.
- The transaction is subject to regulatory approvals.

Allianz Benelux (Belgium) and Monument Re have agreed today to transfer a closed book of classical life retail insurances together with 4.500 mortgage loans to Monument Assurance Belgium (MAB) and to transfer the related operations within 18 months after regulatory approvals. The transaction includes a portfolio of 95.000 policies with technical provisions of 1.4 billion euros under Solvency II. Allianz stopped writing new business for this portfolio early 2000s. The classic life Assubel contracts which were underwritten prior to 1988 are out of scope.

Allianz' and MAB's priority is to minimize the impact of the transfer for both clients and brokers. Therefore, Allianz Benelux remains committed to continue providing high quality services to clients over a period of 18 months and ensuring a seamless transfer of the portfolio.

Under the agreement, all related assets and liabilities of the respective portfolio will be transferred to MAB, with protection of the policyholder rights. MAB is specialized in successfully acquiring and managing classical life portfolios in Europe, primarily those in run-off. With its expertise, focus and growing scale, MAB is in a position to create sustainable benefits for the policyholders.

The sale supports Allianz's strategy in Belgium to actively manage its insurance portfolio towards modern life insurance products with an attractive value proposition for Allianz's customers. The market share of Allianz in the country remains unchanged at around 6 percent. Allianz remains committed to the Belgian Market, focusing on open books. Allianz' employees will not be impacted by the transaction.

For Monument Re the transaction marks a major milestone in the realization of its closed life consolidation strategy for the Belgian market. After the respective acquisitions of ABN AMRO Life Capital Belgium, Ethias' First A portfolio, Alpha Insurance's traditional and credit life portfolio and recently a part of Curalia's second pillar pension life insurance portfolio, the current transaction with Allianz delivers a substantial increase in scale, and confirms MAB's position as a leading closed life consolidator in the Belgian market.

This transaction is subject to regulatory approvals.

Kathleen Van den Eynde, CEO Belgium of Allianz Benelux:

"With this sale Allianz creates leverage to grow. It will further reduce our operational complexity and strengthen our already solid financial position. With its strong track record in acquiring and integrating policies and policyholders, we believe MAB is the ideal candidate to take over this portfolio. Allianz remains fully committed to Belgium and this transaction is consistent with our priorities to serve customers with our core innovative unit-linked and protection solutions. We will focus on continuing our growth path in Life, Health, Employee Benefits and further developing our Property-Casualty offering. We look forward to achieving our market ambitions together with our brokers."

Manfred Maske, CEO of Monument Re Group:

"We are pleased to announce this transaction, which remains subject to regulatory approval. We look forward to welcoming the policyholders to Monument and would like to take the opportunity to assure them of our commitment to maintaining the high quality service and security that they have enjoyed at Allianz. We view Belgium as a key market for Monument Re and we are very pleased to now have the opportunity to take a significant step in realizing our ambitions. Following earlier acquisitions of four other Belgian portfolios this transaction with Allianz helps us to substantially increase scale and confirms Monument Assurance's position as a leading consolidator in the Belgian market."

Notes

About Allianz

The Allianz Group is one of the world's leading insurers and asset managers with more than 100 million retail and corporate customers in more than 70 countries. Allianz customers benefit from a broad range of personal and corporate insurance services, ranging from property, life and health insurance to assistance services to credit insurance and global business insurance.

Allianz is one of the world's largest investors, managing around 766 billion euros on behalf of its insurance customers. Furthermore, our asset managers PIMCO and Allianz Global Investors manage 1.7 trillion euros of third-party assets. Thanks to our systematic integration of ecological and social criteria in our business processes and investment decisions, we hold the leading position for insurers in the Dow Jones Sustainability Index. In 2019, over 147,000 employees achieved total revenues of 142 billion euros and an operating profit of 11.9 billion euros for the group.

Allianz Benelux currently manages 21 billion euros technical provisions excl. Life Luxembourg and around 30.000 mortgage loans. Next to Life, Health and Employee Benefits, Allianz also holds a considerable position in the retail and commercial Property-Casualty market in Belgium and offers a wide array of solutions for retail and commercial clients in close cooperation with its broker network.

About Monument Re

Monument Re Limited is a life Reinsurance and Insurance Holding Company with a presence in Bermuda, Ireland, Belgium, Luxembourg, the Netherlands and Guernsey, with branches in Spain, Italy, France and Germany. Monument Re operates as a reinsurer and acquirer of European asset-intensive portfolios. Through this strategy, Monument Re assumes asset-based risks within its risk appetite and efficiently operates these businesses or portfolios.

Monument Re is subject to Group Supervision by the Bermuda Monetary Authority.

Monument Assurance Belgium is part of the Monument Re Group and operates as a closed book consolidator of life portfolios in Belgium under the supervision of the National Bank of Belgium.

For further information

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