

Allianz: a 128-year-old global insurer in a world of young techies and fast changing risks

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PARTNERING WITH INSURTECHS ON MICRO INSURANCE

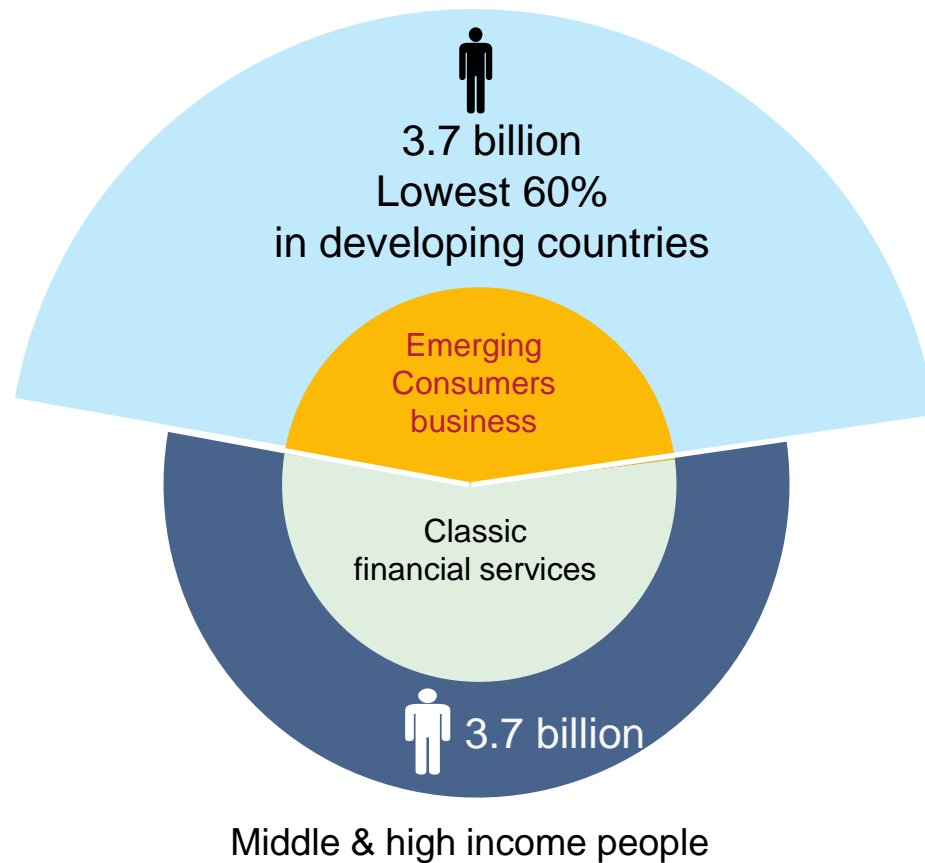
01





MICROINSURANCE OFFERS FORMAL RISK PROTECTION FOR THE FINANCIALLY EXCLUDED

World population by income¹



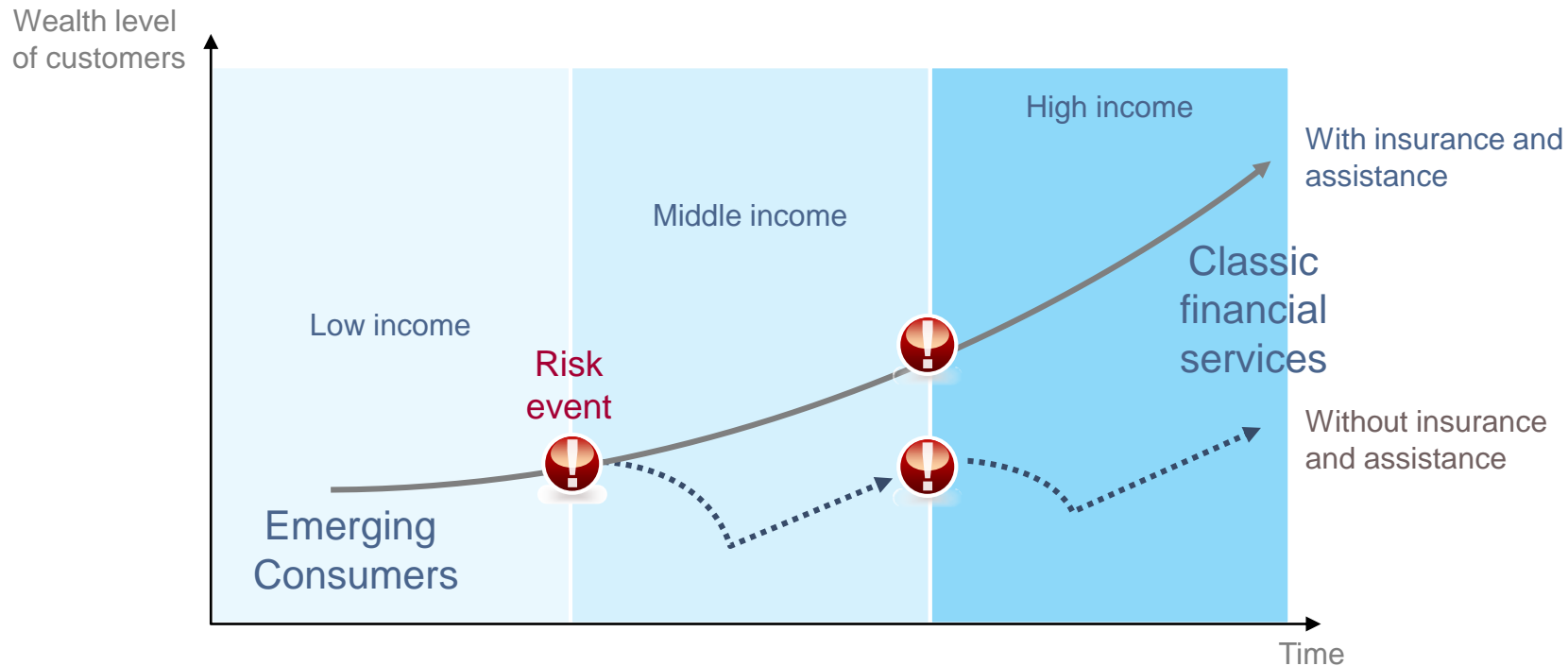
Emerging Consumers business

At **Allianz**, we are dedicated to creating insurance propositions specially designed to improve the lives of people in the emerging consumers segment.

With its differentiated operations, strategy, expertise and robust platforms, Allianz is the **world leader** in bringing insurance to emerging consumers.

The Emerging Consumers business addresses the financial needs of the bottom 60% of the population in developing countries, e.g. with insurance, assistance and related financial services.²

... AND COMBINES SOCIAL AND BUSINESS BENEFITS



Customer Benefits:

- Simple, relevant and affordable products
- Short-duration pay-as-you-go policies

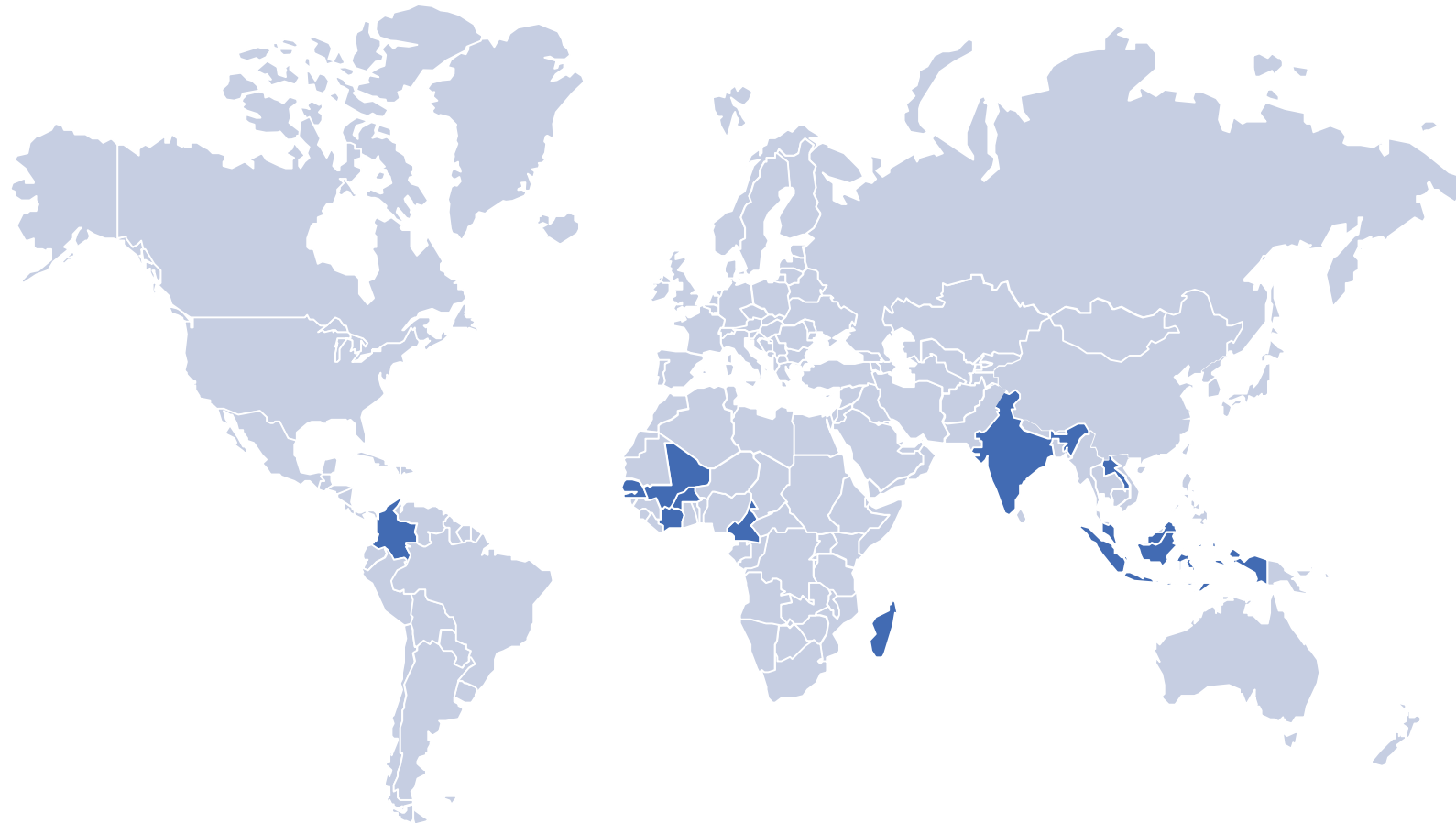
Why Allianz:

- Worldwide footprint – present in more than 70 countries
- Technical excellence from core business
- Focus on growth markets

Allianz aims to be the world's most trusted financial services provider



ALLIANZ GLOBALLY ACTIVE IN MICROINSURANCE



2018



Markets:
11



People reached:
43.8 million



Premiums:
306 million EUR

INSURTECHS CHANGE THE GLOBAL INSURANCE INDUSTRY

Insurtechs are attacking globally

Number of investment deals in Insurtech **302 in 2017**

28%

of Insurtechs disintermediate the customer

Capital invested globally in Insurtech (EUR) **3.4bn in 2017**

63%

of Insurtechs enable value chain and cooperate

Insurtechs disrupt full business model **<10%**

... all parts of the value chain

	P&C	Health	Life	
Product development	8%	5%	3%	16%
Marketing	4%	3%	2%	9%
Distribution	17%	11%	9%	37%
Pricing	10%	8%	5%	23%
Claims	7%	6%	2%	15%
	46%	33%	21%	

... but in Pakistan this development is only beginning!

Insurtechs in Pakistan focus on **distribution** and address low income population

Pakistani insurtechs are mainly insurance comparison platforms (i.e. aggregators)



Mawazna.com: Focus on health, car, life & travel (founded 2015)



Karlo Compare: Focus on health, car & travel (founded 2015)



SmartChoice: Focus on health, car & travel (founded 2014)

Foreign microinsurance startups in Pakistan offer **life and health insurance** for low income population



BIMA: Global provider of life & health services and micro-insurance in emerging markets (founded 2010 in Sweden)



Medicount: Digital services for health financing (founded 2017 in Mauritius)

ALLIANZ IS A STRATEGIC INVESTOR IN LEADING MOBILE MICROINSURANCE PROVIDER *BIMA*...

Company overview (www.bimamobile.com)



Name	Milvik AB ("BIMA")
Headquarters	Stockholm, Sweden
Employees	Global team c.100 plus 3,000 sales agents
Year founded	2010
Profitability	Breakeven expected in 2020
Development stage	Concept -> Test -> Market entry -> Growth -> Return

Profile

- Leading **micro-insurance** provider in **emerging markets**
- Products include **accident** and **term life** insurance, **occupational disability** insurance, **health services**
- Key differentiators are strong partnerships with MNO (1.3bn potential clients), 3,000+ sales force and proprietary mobile technology platform
- ~**26mn** registered customers, **30mn policies** sold in less than 6 years

Key facts



26 MILLION

Customers reached



575 000

New customers a month



75%

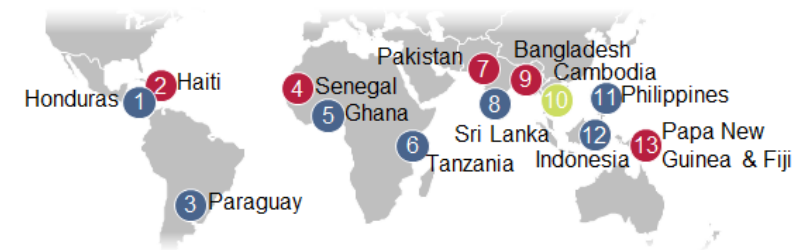
Customers accessing insurance for the first time



15 COUNTRIES

Covered by BIMA's service

MNO partners facilitating distribution



MNO	Customer base	Countries
Axiata	330mn	7 8 9 10 12
Telefonica	330mn	Framework agreement
Veon	235mn	7 9
Orange	120mn	4
Vodafone	80mn	5 6
Airtel	80mn	5 6 8 9
Smart	70mn	11
Tigo	65mn	1 3 4 5 6
Digicel	15mn	2
Total	1.3bn	

Allianz investment:

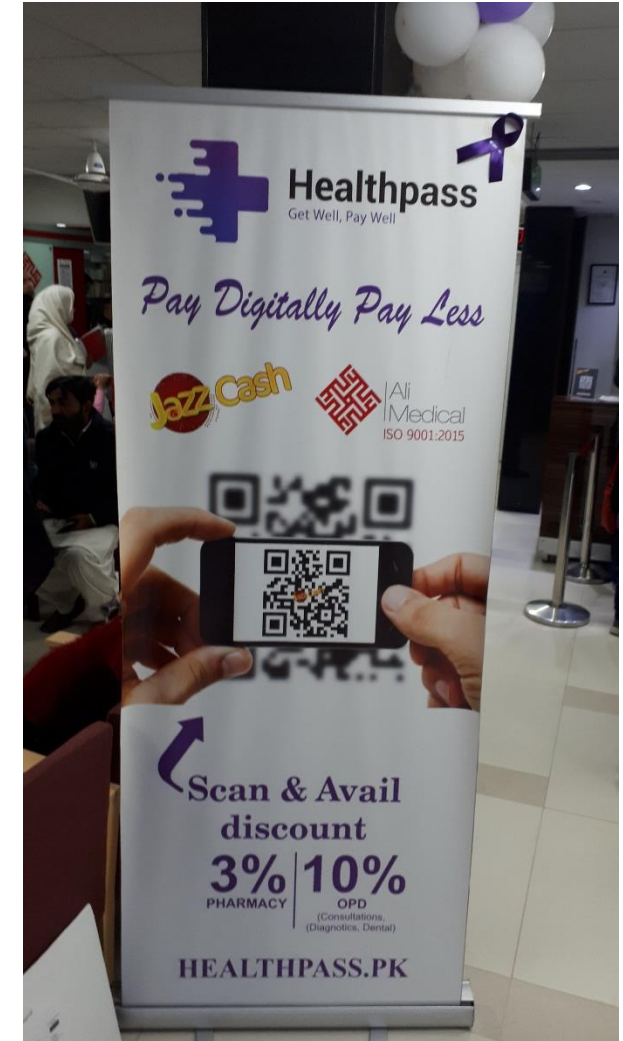
- Allianz X invested \$96.6mn with participation from Swedish investment firm Kinnevik in December 2017

- BIMA as local broker
- BIMA as local broker and offshore underwriter
- BIMA as local insurer

... AND DIGITAL HEALTH PAYMENT PLATFORM



- Allianz X investment since 2018
- Active in Pakistan and India
- 500+ medical providers as partners
- Patients pay their medical bills using e-money
- Patients get discounts that Medicount negotiates
- **Business Model:** Medicount earns a fee on any digital payment
- In Pakistan available under „Healthpass“ brand on:



Ali Medical Center, Islamabad

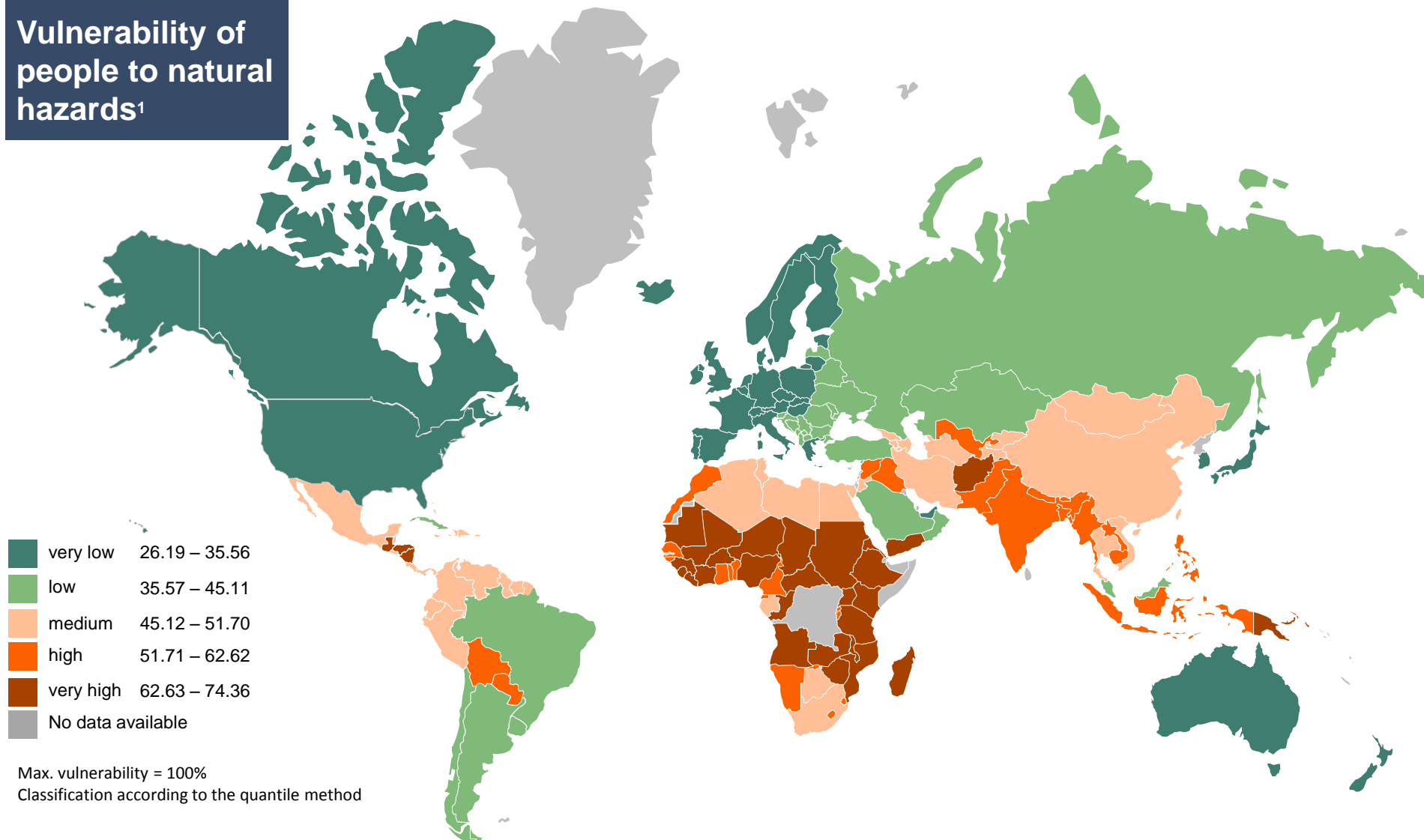
JOINING FORCES WITH PUBLIC
PARTNERS TO IMPROVE RESILIENCE
TO CLIMATE RISKS

02



PILOTING SOLUTIONS TO CLOSE PROTECTION GAP

Vulnerability of people to natural hazards¹



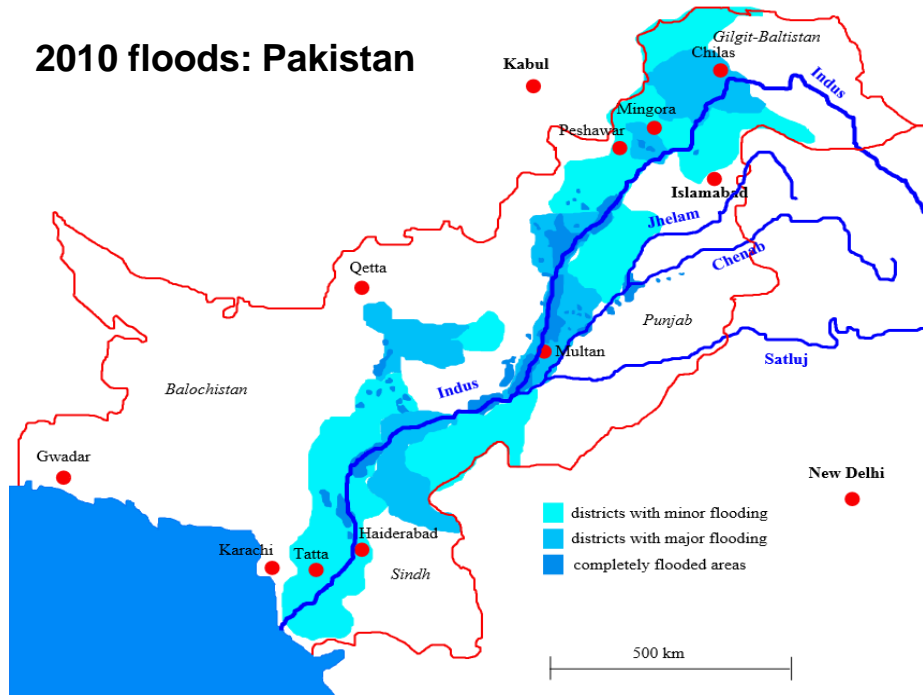
By 2070, 9 of the top 10 cities exposed to floods will be in Asia²



Yet, insurance against natural disasters remains low in Asia, creating a “**protection gap.**”

PARTNERING WITH OUR PEERS TO BUILD RESILIENCE

2010 floods: Pakistan



- **Event:** heavy monsoon rainfall (La Niña), started July 2010 and affected **800,000 km²** in Pakistan.
- **Impact:** killed **1,800** people, affected **20 million**, with economic loss of **USD ~40bn.**
- **Response:** less than **1%** of economic loss insured.

A widening
protection
gap



Pooling of
resources and
expertise

- **Challenges with disaster risk data;** fast changing exposures and non-existing catastrophe risk models.
- **Limited or inefficient supply** of disaster insurance; you cannot sustainably insure a risk you cannot measure.
- **Severe drain** on the central government after a disaster; many individuals look up to the state for support.

- Joint efforts to **improve risk analysis** and **develop new products** – the Insurance Development Forum (IDF).
- **Allianz Re** and **Swiss Re** (on behalf of IDF) are working with the authorities to develop a cover for **flood & earthquake** in Pakistan.
- Will help the government to provide **emergency relief** to affected persons.

