

CORPORATE INFORMATION / NEWS

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DEVELOPMENT OF SINGLE PREMIUM PRODUCT (FORWARD UNICO) IN RECORD TIME

(FWU News 06/2021)

From concept to customer in 6 months. This was the mission of building a new single premium product for Italy. Forward Unico leverages on extensive market research by the Italian distribution and insurance team. Investing into the Forward Lucy funds it offers customers as of 5000 € benefits usually only large scale investors can benefit from.

Besides factor analysis and cluster building especially the „cost aligned principle“ has proven to be a key factor while marketing this product. FWU Invest reduces it's fees by 27 % in case the Equity fund does not yield positive. This is not only in the interest of the client but especially creates trust in our products with both - the distributor and the policy holder.

FWU's performance has been a success story - in both investing and new business. Forward Lucy Global Equity performing 60 % + in the last 12 months and the product being launched during May with great success. In the next weeks we will also launch the Spanish version of Forward Unico.

To learn more, check out our all new product page, including a BI-tool showing you each single stock that we invest in: Forward Lucy. Institutional asset management by FWU. (forwardyou.com)

FWU AG



NEW BOARD MEMBER: DR. BERND FRÖHLER NEW BOARD MEMBER AT FWU LIFE AUSTRIA AG

(FWU News 01/2020)

Bernd Fröhler has been appointed Member of the Board at FWU Life Insurance Austria as of January 1st, responsible for the areas Legal, Compliance, Risk Management, Internal Audit, Human Resources and Office Management.

In his previous role as Head of Group Compliance he had joined FWU in April 2018 spearheading FWU's strategy on GDPR and IDD and setting new standards for the compliance functions across the group, being mostly in Luxemburg, Vienna and Munich.

Before joining FWU, Bernd held the title Head of Risk Insurance Germany at EY, was leader of the German Solvency II working group and successfully managed the two largest Solvency II implementation projects of EY in Germany. Further reference projects were implementing an internal control system at two of the leading international insurance groups, development of target market criteria for life and general insurance business and supporting IDD implementation projects.

“Bernd Fröhler has a longstanding and vast experience in the insurance advisory sector and has played a crucial role regarding the implementation of IDD compliance across all FWU entities, and in particular the Filos Compliance for IDD – we're happy to have this expert in regulatory finance and risk issues on board and we wish him every success in his new role.” says Dr. Manfred Dirrheimer, CEO of FWU AG.

ANTONIO PEROTTI NEW GENERAL MANAGER FOR FWU ITALY

(FWU News 01/2020)

“In order to foster the relationship with our clients even further, FWU has decided to start the new year with an important reorganisation. FWU will follow our successful experience of other international markets, where all insurance related tasks (administration, claim management, regulatory requirements and customer service) as well as the organisation of distribution (product management, training and marketing) are combined in one responsibility.” explained Dr. Manfred Dirrheimer, CEO of FWU AG.

As of January 1st, Antonio Perrotti in this context will act as General Manager for FWU Italy and remain the legal representative of FWU Life Lux, but will also take over the responsibility as Head of Sales and Sales Strategy at FWU AG Milan. Together with Cesare Gabetta, Sales Director Italy,



he will ensure the training quality, introduce new products and maintain the interaction with our distribution partners.

KAYBEL GARCIA NEW DEPUTY COUNTRY MANAGER FWU LIFE LUX IN SPAIN

(FWU News 01/2020)

Spain defended its rank as second largest market in terms of new business also in 2019. Ensuring the customer satisfaction, lean processes and the readiness for future growth on the Iberian Peninsular, Kaybel Garcia has been promoted to Deputy Country Manager for FWU Life Lux in Spain.

"Since FWU started operations in Spain in 2014, Kaybel García has been contributing to the success of our activities in the Iberian Peninsula. She has consistently demonstrated there are goals that cannot be achieved without dedication, effort, intelligence, open-mind and strong team spirit. Kaybel has been always very much appreciated by all stakeholders for her structure and eagerness to work.

We are happy to promote Kaybel as Deputy Country Manager of FWU Life Insurance Lux. She is the right person at the right time that will push for a greatest coordination of FLL activities." comments Cyrille Minso, COO of FWU Life Lux.

BUSINESS NEWS – INTERVIEW WITH DR. MANFRED DIRRHIMER

FWU News (08/2019)

Q1: Just as expected the first half of 2019 was full of innovations. What did you take out of the first two quarters?

With the rollout of the new FWU tariff generation in Italy (F-series) we have completed an innovation cycle that started two and a half years ago.

We had started with a completely new and unique investment structure for European life insurance products. Flexible guarantees, systematic risk protection and a global investment universe, neither restricted by class of investment nor by regions of investment. This is still an otherwise unreachable quality of investment offerings in the European life insurance market from our competitors.

This went in parallel with the roll out of our fully automatization FILOS system, not only allowing shorter ways of executing and documenting the sales process but also new ways of monitoring the sales process, both aspects completely in line with the new regulations (GDPR, PRIIBS) and IDD regulatory requirements especially. This was even certified by a leading auditing company.



The development of the new tariff structure with significant surrender values from the initiation of the contract and upfront dynamic commission payments without affecting the product quality are further milestones in modern tariff development for retail markets.

With the implementation of this innovation cycle European-wide in the year 2019 for all FWU markets we are definitely not further on a Me-Too supplier in a Me-Too market. Our differentiated product approach will create significant growth potential for us in our existent and new regional markets.

Overall, we have grown 18% in terms of number of contracts and 10% in total contract value during the first half year 2019 in comparison to the same period last year. I am expecting to double our current European production within the next three years.

Q2: The innovation cycle you described was a more uniform groupwide exercise. What role do regional developments play for you in the future?

FWU has been growing in terms of team members and production volume at a high speed during the last couple of years. A lot of new faces came on board and in order to make them acquainted to each other we had set-up a lot of central meetings, trainings and events. We have not only innovated our market approach; we have also added a high number of quality HR sources. I am very proud that we have been able to integrate and strengthen our management capabilities significantly in this time frame. This is the basis to now change to a more decentralized regional approach. This goes hand-in-hand with the new orientation towards our end consumer, the policyholder.

In close cooperation with our executives we have learned to respect more diversified and regional scenarios. As a consequence, we will in the future foster more regional and less centralized events. Instead of e.g. bringing our European employees to the Oktoberfest, we have decided that we should during this season foster more regional events within which we can also include our major distribution partners. The aim is to strengthen and expand the communication on a regional basis. Therefore, each local GM will share with you the details on how we will use October 1st as our employee's day. This of course does not mean that we will fall short of our "Fun With Us"-mentality. In the future we will have a mix of both global and local events.

Q3: What other areas of innovation can you already share with us?

Besides product and process innovation the most important innovative aspect is organizational innovation in each company. During the last three years our focus was certainly and also necessarily focused more on product and process innovation, an external innovation in general. Maybe we have neglected a bit too much our focus on organizational innovative activities.

If we do a comparison with our competitors, then we realize that we spend too much resources in certain functions and we need to invest more in other functions. We will allocate a lot of time in



the next couple of months to carry out the necessary review and corrections in that respect. We will analyze and thereafter restructure our expense streams with respect to the new requirements that we are externally facing. We will make better use of technological opportunities, not only with respect to our own market approach but also with respect to our internal organizational behavior. As an example, we have invested a significant amount in our groupwide video conferencing facilities. Travelling as such is expensive and takes energy away from our main responsibilities. It is our intention to speed up video conferencing at all levels and times in order to spend more time with each other on the real issues and not wasting time travelling in trains or sitting in aircrafts sipping a tasteless cup of coffee. I'd ask you to carefully read the article on Microsoft Teams in the next newsletter.

Q4: What would success look like for FWU and you personally?

FWU has re-defined its core strategy for the next three to five years. We want to grow significantly and are prepared to spend the necessary resources doing that. On the other side, we want to grow in an efficient and effective way and that means we have to re-direct and re-organize our spending behavior at the same time. If you want to run fast and faster than the competition, your corporate body has to be in top shape. In that respect we will give the old Latin phrase “Mens sana in corpore sano”, translated “A perfect brain in a perfect body” a new corporate meaning. The sooner we can accomplish that aim, the earlier we can conclude our next strategic step to be successfully completed.

PRODUCT LAUNCH IN SPAIN

FWU News (08/2019)

From 8th to 12th July 2019 the FWU roadshow successfully took place in Spain. Its goal was to present the FWU products Forward Quant and Forward Guardian as well as FILOS to OVB agents in Spain.

FWU has been cooperating with OVB for 8 years in 4 different markets. The FWU team members appreciated that the OVB board of management accompanied and supported them in this roadshow through Spain.

Behind success there is always great effort and hard work. Two teams worked simultaneously, holding conferences in 15 different locations, such as Madrid, Barcelona, Sevilla, Almería and Palma de Mallorca. Team members and speakers were among others Cyrille Minso and Nicholas Flaherty from Luxembourg, Alexander Dirrheimer from Munich, Pedro Guinales and Kaybel García from Madrid.



The main topics of each session were the solid partnership between FWU and OVB, the products Forward Quant and Forward Guardian, the FWU investment approach and FILOS. The sessions were very interactive, especially the Digital Lab, where OVB agents had the chance to practice the FILOS platform and get familiar with it.

This roadshow was proof of how cooperation and team work can lead to excellent results and fulfilment. The format of the roadshow was very effective and gave the opportunity to strengthen internal as well as external networks. We also want to thank our actuaries, the IT and Legal department for their worthy support.

FORWARD LUCY

(FWU News 08/2019)

Lucy is healthy and although still young has had plenty of experiences so far this year. But before we get into some of the detail on the latest developments of the Lucy, let me just briefly reintroduce you to the Lucy concept and what it is actually all about!

Lucy is a range of investment funds run by FWU Invest in Luxembourg that invest in the stock market – they are so-called equity funds. Lucy comes in four flavours in order to cater to several equity investor needs. There is a ‘Global’ Lucy that invests across all developed markets around the world; there is a ‘European’, which focuses solely on Europe; there is an ‘Islamic’ Lucy that invests in a Sharia-compliant way; and finally, there is a ‘Sustainable’ Lucy, where the emphasis is to allocate towards companies that are environmentally and socially conscious. While there are four different Lucy types, each one of them contains the same innovative investment engine.

This engine is driven by quantitative techniques, whereby we do some pretty cool stuff. For example, the latest addition to our technique is the use of an algorithm through which we can analyse the news; we can literally interpret tens of thousands of articles throughout the month, which enables to get a read on the sentiment currently in the market. That, in turn, leads us to tilt the investments in the direction of industries on which the market is growing increasing optimistic on and away from those where sentiment is turning sour. That’s just one angle to the approach, there are many more! By the way, if you ever want to know more about Lucy and how it all works, please do not hesitate to get in touch with us; one of our key mantras is ‘no more black boxes’!

Let’s now have a look at what the investment engine has experienced, then, so far this year. The first thing to state is that returns have been high this year, with all the funds delivering in the double-digits or close to. Despite all the headlines you have been reading in the past months, 2019 has been a great year for the stock markets so far, which Lucy has also been able to make use of. Without getting into too much of the economics, the critical aspect that has helped propel markets has been a major turn by the world’s most important central banks towards a ‘loose’



monetary policy direction. Thus, despite some growth fears, markets have been underpinned by soothing words and actions by central bankers.

This doesn't mean, however, that all parts of the market performed equally well; Lucy did concentrate in some areas more than others. If we take European Lucy, for example, what we have been doing so far this year is concentrating on more 'defensive' type of stocks, meaning ones that display lower volatility and tend to be larger in size (smaller firms are riskier). These types of equities tend to do well when there are some concerns around growth, but interest rates are coming down, which is exactly what has happened in 2019. Indeed, one of the central ideas behind Lucy is that it can pick up on these 'themes' emerging in the market and in doing so can be ahead of the crowd.

FWU CLUB FRANCE

FWU News (07/2019)

On July 4, the French team held the very first FWU Club event in their office in Paris.

But wait... what is the FWU Club?

The FWU Club is an exclusive club for premium, hand-picked distribution partners.

It consists in three yearly events, all structured around an exclusive advanced training, an in-house gourmet lunch and an afternoon activity during which club members are encouraged to exchange on best business practices.

This Club aims at :

Supporting promising brokers further in their development by offering high quality advanced training

Creating a community of professionals and a favorable environment to exchange on business and sales topics

Providing an added-value to retain our key partner brokers with a disruptive concept, unique in the market.

In attendance on 4 July, we had six managers from key partner companies participate in a training held by the General Manager of FWU Invest, Michael Gram-Madsen, and the Market Data Analyst, Kevin Fernandes Duarte.

They came all the way from Luxembourg to reveal (almost) all the secrets of FWU investments – more specifically how FWU tackles tail risks and has positioned itself at the forefront of investment innovation, as we are moving into a new era of portfolio management.

It was the perfect opportunity to get acquainted with one another and exchange views and ideas that enriched our common knowledge on best business practices. The mood was light-hearted and lively discussions went on for the better part of the afternoon.



All in all, we are happy to say that this first FWU Club event was a great success and feedback from our distributors has been overwhelmingly positive.

They particularly enjoyed reflecting with peers on topics that are at the heart of their activity, thus creating a close-knit and vibrant community of professionals, willing to look *forward* together.

LAUNCH OF THE F-SERIES IN ITALY

FWU News (05/2019)

Beginning from the 1st of May we have started the new generation of products in the Italian Market: F-Series.

The F-Series consists of two products: Forward Guard and Forward Quant, both of them more focused on customers' needs, following the recent update of IDD guidelines.

The three main messages for Forward Guard are performance, security and liquidity which are the most important factors a customer is seeking for in his long term investment plan. This product is a valid and solid offer for the more traditional customers

ISLAMIC FINANCE CONFERENCE 2019

FWU News (05/2019)

FWU organized the “Islamic Finance Conference 2019” in Bavaria’s capital Munich on the 4th of May. Invited guests were all FWU partners, distributing the Takaful products in the Middle East. The opening key notes by Owais Ansari offered a valuable insight about how organizations are fighting with technology disruption to avoid their own Kodak moments (i.e. the moment when you lose market relevance). He articulated minutely what is being followed in FWU “Devising an enterprise outlook that is open to change” and “Acclimate the business strategy to changing environments”.

Dr. Manfred Dirrheimer took the stage with light humor to tickle our nerves after lunch, in an ambiance offering beautiful city views. He presented the right ideology of fostering an ecosystem which supports the growth of Islamic insurance in global markets. Further he was presenting the difference of business value and data science capabilities of Takaful and conventional insurance.

Other main speakers like Jauhar Salem (Ambassador of Pakistan), Peter van Binsbergen (Global Head of Sales & Marketing at BMW Germany) and Prof. Ernst Mohr (University of St. Gallen)



shared their professional knowledge and experience on global insurance, the financial market, and the significance of customer insight and centrality.

Next day the Tennis Finals of the BMW Open by FWU followed. I feel watching any kind of sports provides a high spirit, healthier and happier environment not only to the fandom kind but to the normal occasional viewer. Strong chilled weather and rain didn't affect the player and the viewer enthusiasm.

How can I forget to mention the hospitality at FWU and in Munich. The chance to meet and greet cross boundary FWU team members and the seasoned professionals provided a great opportunity to develop our network, market acumen and global knowledge. We owe the heartiest representation of thankfulness to our management.