Our approach to

Claims Management

Based on the Claims Management Policy, version 3.3

approved by the Board of Directors on the 12th of December 2024

INTRODUCTION

The core business activity of Ageas is to provide (re)insurance coverage for a wide range of events, including life, non-life and health hazard events. The realization of any such a hazard event results in a loss for the insured which is compensated through claim pay-outs. Prior to paying out to the claimant, all parties involved (claimants, intermediaries and Ageas) perform an assessment of the contractual and legal obligations that arise from the issued policies.

The Claims Management process comprises two main stages: claims handling and claims monitoring. Claims handling includes claims reporting, claims recording, claims assessment, and claims settlement. All these processes are implemented to ensure that operational risk is mitigated, and client satisfaction is maintained.

The objective of the Claims Management Policy is to provide general guidance as to how Ageas organizes its Claims Management process to ensure that: high standards are applied to maintain or improve client satisfaction; efficiency of the process is achieved to minimize handling costs; operational risks are minimized through adequate control mechanisms.

Processes and tools are in place to identify blocking phases of the process that hamper a swift settlement of claims. On a regular basis, reporting is foreseen to escalate blocking issues and take resolute action. Special attention is given to the operational risks inherent to the Claims management process.

SCOPE

The Claims Management policy applies to ageas SA/NV and its Subsidiaries, hereinafter referred to as “Ageas”. For the Subsidiaries, should compliance with this policy result in non-compliance with local legislation or regulations, the latter must take precedence. The Group Policy owner must be informed and consulted immediately in such circumstances. For the Affiliates, requirements of the local law, the local regulator and the majority shareholder’s policy apply. However, Ageas advises similar principles with reasonable effort.

For the purpose of this policy, a “Subsidiary” means any entity in which ageas SA/NV directly or indirectly holds operational control. An “Affiliate” means any entity in which ageas SA/NV holds neither direct nor indirect operational control.

The Claims Management policy applies to both insurance and reinsurance activities. The scope of the policy encompasses all types of claims, including life, non-life and health. Claims include customer benefits. The Claims Management process is broader than mere handling of Claims and includes adequate follow-up and monitoring of the process. Key areas to monitor are the costs related to the process and the service delivery quality.

CLAIMS MANAGEMENT PRINCIPLES

The principal mandate of the claims department is to settle claims in terms conforming to the policy conditions accepted by the (re)insured and (re)insurer counterparties, and following the principles of related policies, including the Treat Your Customer Fairly Policy, Conflict of Interest Policy, and the Complaints Handling Policy.

Claims Management implies direct contact with clients. Creating empathy, treating clients fairly and respectfully, and responding to client needs, are all a cornerstone of Claims Management. With a view on client satisfaction, service parameters are monitored and improved where necessary. Potential impact on reputational losses is considered throughout the process.

Where settling a claim is less costly than engaging into long legal procedures, the former should be preferred. Materiality thresholds for claims pay out should be based on cost benefit analysis. Quick settlement at optimal cost

and responsible use of new technologies like AI and Gen AI provide a competitive advantage in the long run. Control over claims reserves, indemnity claim costs, subrogated recoveries and payments to third parties contribute to improve the cost consciousness.

Due attention is given to the environmental impact of reparations and other claim services. Where possible, adopting the principle of circularity, repair is preferred to replacement, and the use of recycled products is encouraged during reparations. ESG considerations are also integrated in the selection process for suppliers assisting in this respect.

Claims Management is an area particularly susceptible to fraud and moral hazard. Inflated Claims and false declarations have costly consequences for insurers and reinsurers. Additional enquiries are carried out where expert judgement or claims adjusters are called upon. Reliance on automated processes is favoured to reduce the risks of human errors and to reduce the opportunity bypass internal procedures in case of fraud. The responsible use of data, particularly the use of AI (and Gen AI) can play a critical role as well.

Communication refers to both external and internal stakeholders. Externally, clients are kept up to date on the status of their claims. Internally, proper communication with e.g. claims reserving ensures that adequate reserves are booked to ensure that loss trends and appropriate renewal conditions are identified in a timely manner (e.g. rising trend in health care costs).

Claims are regularly reported to the product and underwriting departments as a means to contribute to detect fraud patterns, promote claim prevention, and to improve on product features, product documentation and underwriting. The Claims Management process is periodically reviewed.

Regular training of competences is required. Claims staff are instructed on the latest trends, regulation and processes (including IT-software) that impact their activities (e.g. training on fraud indicators). To ensure fair treatment of customers, Staff members are trained to deal with difficult situations and how to create empathy towards the customer.

GOVERNANCE

Board: Defines and supervises the Claims Management Policy, endorses its principles, which is evidenced by their validation of this policy.

Executive Committee: Implements this policy, as well as the related documents as herein described.

Senior Management: The Chief Executive Officer, Senior Management and Line Management are responsible and accountable for ensuring that the Staff under their supervision are complying with this policy, in accordance with the supervisory requirements in their locations.

Line Managers are expected to inform the Policy Owner in case they become aware of any material breaches of the principles included this policy.

Compliance: gives reasonable assurance, in line with its universe and associated plan, that, subsidiaries apply Treat Your Customer Fairly principles in line with both the *TCF policy* and its related documents, including this policy document. In doing so, Compliance may rely on the policy owner(s) following the check-the-checker approach.

Staff: All Staff members are expected to adhere to the policy principles.