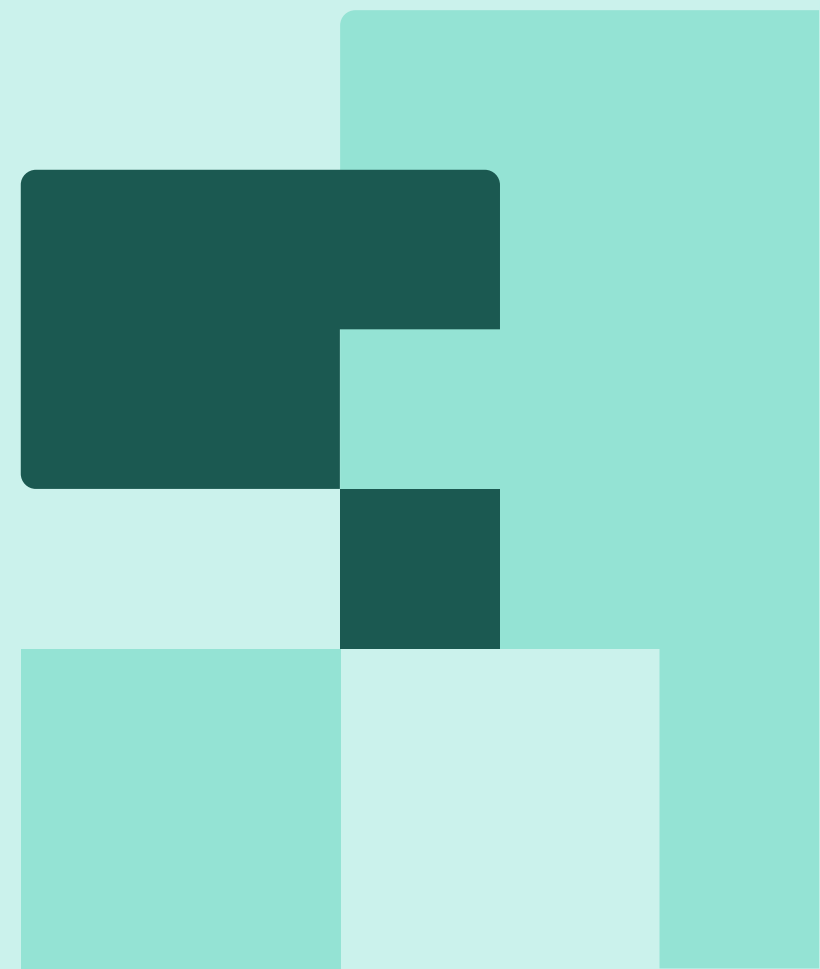


Refocusing Baloise



Investor Update 2024



Disclaimer and cautionary statement

This presentation was produced by Baloise Holding AG and/or its affiliates (hereafter "Baloise") with the best of its knowledge based on information available for Baloise on the day of its first publication. If nothing is indicated to the contrary, all figures are not audited. This presentation contains forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, and Baloise might not be able to achieve the predictions, forecasts, projections and other outcomes Baloise describes or implies in this presentation. A number of important factors, including internal factors and external factors such as changes to laws and conditions of the global economy, could cause results to differ materially from the plans, objectives, expectations, estimates and intentions Baloise expresses in this presentation. Neither Baloise nor any of its members of the board, directors, officers, employees, advisors or any other person make any representation or warranty as to the accuracy or completeness of the information contained in this presentation. Neither Baloise nor any of its members of the board, directors, officers, employees, advisors or any other person accept any liability, whether direct or indirect, for losses which might arise from making use of the information of this presentation. This presentation does not constitute an offer, a recommendation, or a solicitation to subscribe for or purchase any shares or other securities of Baloise and does not release the recipient from exercising his/her own judgment, if necessary, with the help of a professional advisor. Furthermore, Baloise does not intend to update these forward-looking statements except as may be required by applicable law. This presentation does in no respect constitute a prospectus in the sense of art. 35 et seq. of the Swiss Federal Act on Financial Services. This document may not be copied, reproduced, altered, offered, sold or otherwise distributed to any other person either in part or in full without the prior written consent of Baloise. This financial information is based on the new IFRS 9 and IFRS 17 accounting standards, which are effective from 1 January 2023. It is possible that, as Baloise and the industry adapt to IFRS 17/9 reporting, Baloise might determine that adjustments to its initial judgement will be needed. There can be no assurance that such judgments and, more broadly, the ultimate impacts of the IFRS 17/9 introduction on Baloise's presentation of its business, results of operations or financial condition will not differ materially from the information contained in this presentation. Copyright © 2024 Baloise Holding AG. All rights reserved.

Refocusing Baloise – Agenda

1. Ambitions and Overview	Michael Müller, <i>CEO</i>	
2. Business Portfolio	Michael Müller, <i>CEO</i>	
	Clemens Markstein, <i>CEO Switzerland</i>	
	Jürg Schiltknecht, <i>CEO Germany</i>	
	Matthias Henny, <i>CIO</i>	
3. Operational Profitability	Carsten Stolz, <i>CFO</i>	
4. Capital Productivity	Carsten Stolz, <i>CFO</i>	
5. Cash and Capital Discipline	Carsten Stolz, <i>CFO</i>	
6. Summary	Michael Müller, <i>CEO</i>	
Appendix		

1 Ambitions and Overview

**Refocus
Value Creation
Accountability**



Investor Update 2024 – Refocusing Baloise

Takeaways

Refocus 

Value Creation 

Accountability 

Stop “Simply Safe” strategy, incl. ecosystem strategy

Strengthen core business with improved profitability

Gain market share in our target segments

Capital productivity:
Return on Equity **12–15%**

Technical profitability:
Combined Ratio ~90%
Life EBIT > CHF 200 mn

Cost efficiency:
Reduce expense ratio in Non-Life **2–3%-pts**

Cash remittance:
2024–2027

> CHF 2 bn

Total cash payout ratio:

≥ 80%

Shareholder return:

Dividends ≥ prior year level

Share buy-backs Framework-based

High Profitability, Strong Cash Remittance and Capital Discipline Targets



Capital
Productivity
RoE
12–15%

Based on IFRS Net Income¹



Cash
Remittance
> CHF
2 bn

Cumulative
in 2024–2027²



Capital
Discipline
Payout
≥ 80%

Based on Cash Remittance for dividends
complemented by share buy-backs³

In addition: Guidance on Combined Ratio, EBIT Life and cost reduction

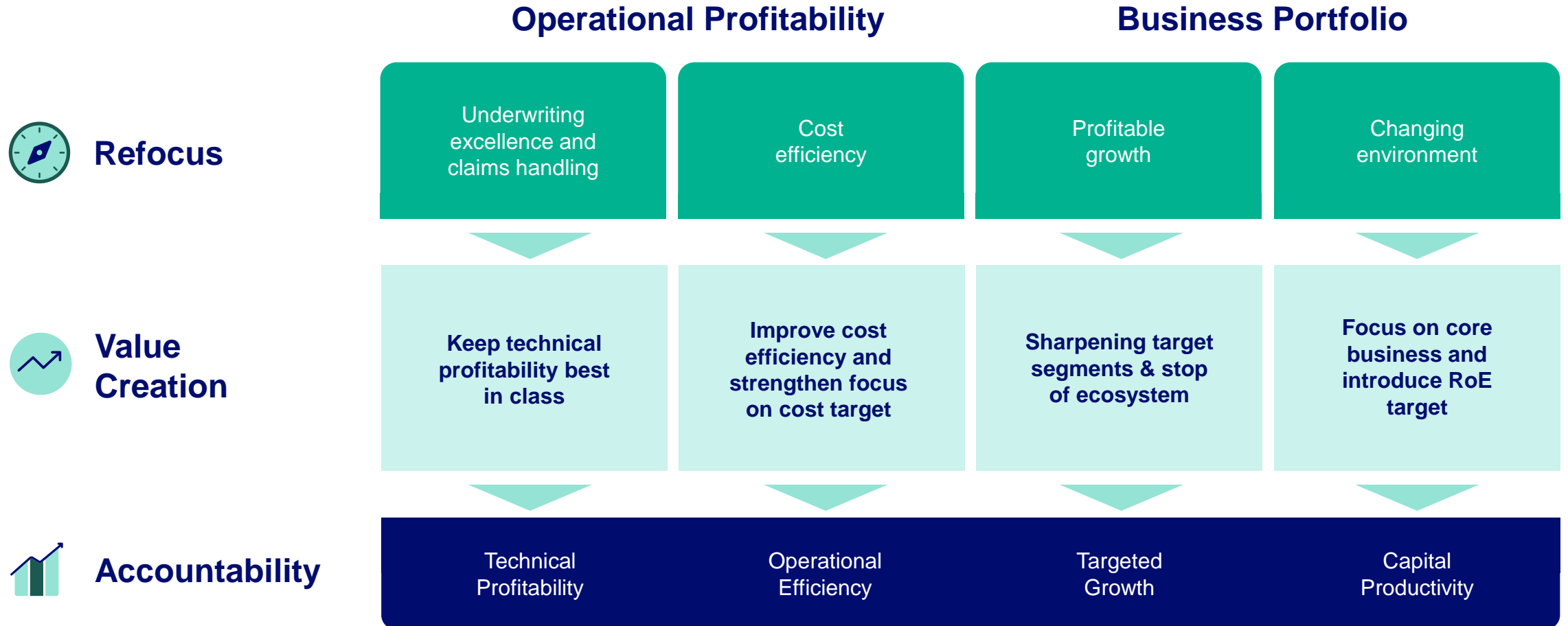
1) Adjusted for exceptional non-operating items

2) In addition: fully committed to CHF 2 bn target for 2022–2025

3) Payout ratio refers to dividends plus accumulated cash for buy-backs

Refocusing Baloise: Taking action

Focus fields



2 Business Portfolio

Potential in Core Business Underpinned by Strategic Review

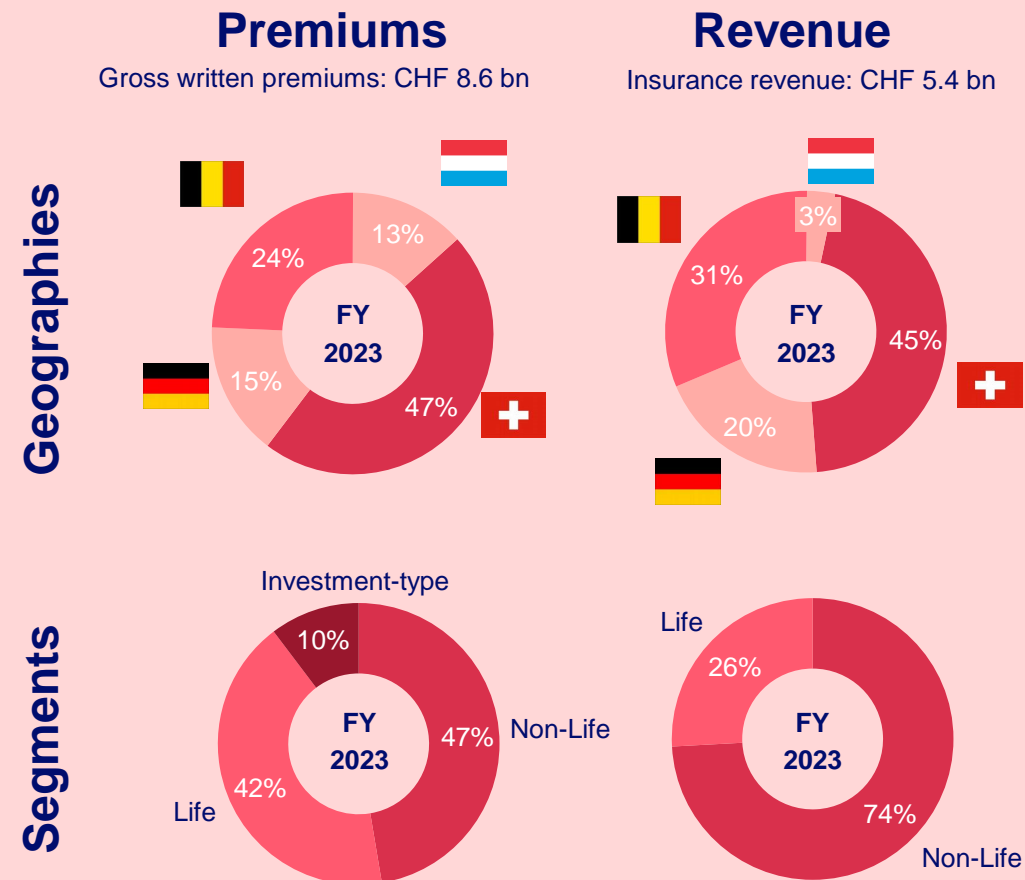
Business profile

Focused business portfolio with beneficial diversification across segments and geographies

In all markets, **well positioned for profitable growth** above market in target segments

Strategy and portfolios are **regularly evaluated** to ensure

- **Operational improvements** and **cost efficiencies**
- **Sustainable value creation** and **attractive returns on capital**



Portfolio Optimisation and Stop of Ecosystems

Status update

Portfolio Optimisation

- Continuous **reviews of business profile** to reduce risks, become more capital efficient, and improve diversification
- **Optimisation of Belgian life run-off portfolio** led to one-off capital release of CHF 62 mn in 2024

Dissolving ecosystem strategy

- About ¼ of innovation participations already in wind-down
- **Selective support** of promising ventures to increase value and create exit opportunities
- From now until 2027, we expect further investment requirements to be less than **CHF 30 mn**
- **No new investments** without direct benefits to core business
- Continuous **valuation assessments**
- Focus on innovation in core business. Ecosystem innovation **targets no longer pursued**

Compelling Customer Experience as Key Prerequisite for Growth

Customer proximity

- Focus on **private and SME customers**
- Deliver **compelling experience** to customers and partners
- Maintain **personal contact** with customers and invest more into **digitalisation** to **simplify customer and partner journeys**



Selected Examples:



89% customer satisfaction with digital claims management tool EasyAsk (Swiss Innovation Award)



Broker satisfaction: Top 2 in Non-Life and Top 6 in Life¹



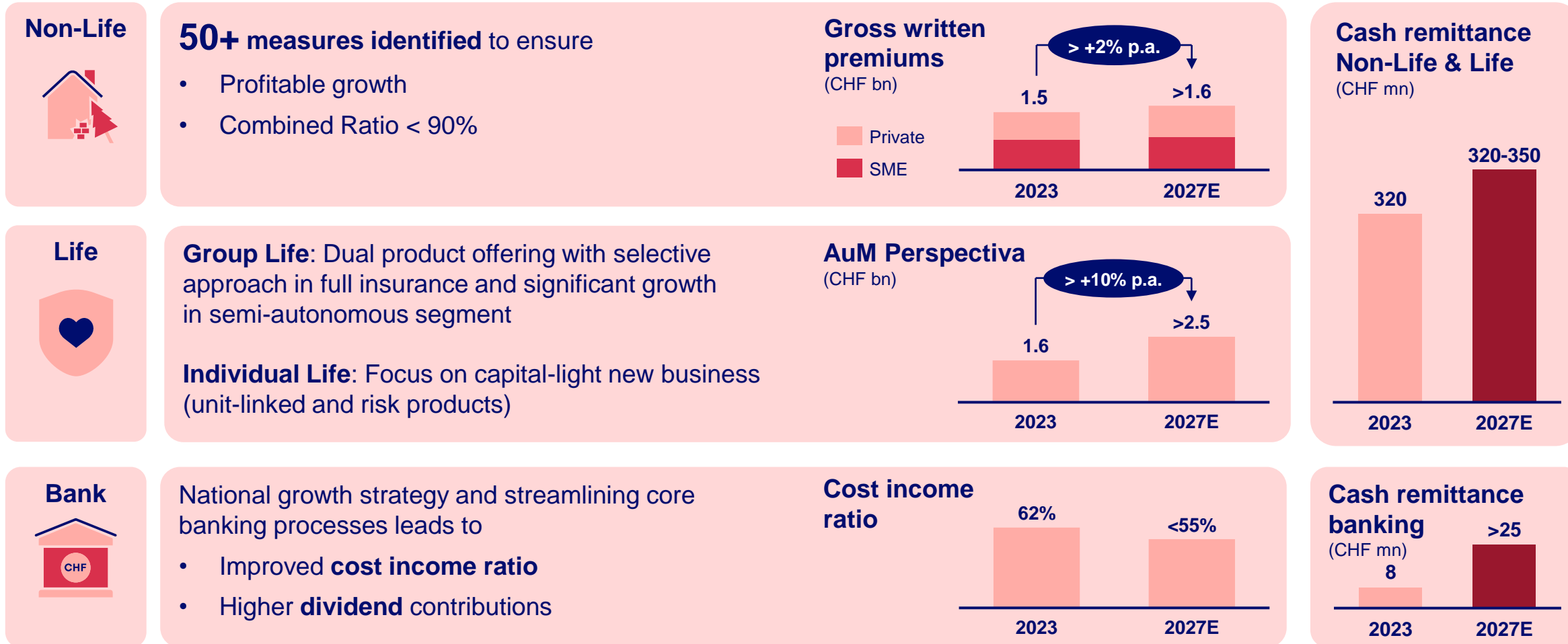
Excellent broker relationships with above average values for satisfaction, loyalty, added value and competitiveness²

1) Source: Kubus study 2023 2) Source: Profacts 2023

Switzerland

Switzerland: Focus on Growth by Strengthening the Core Capabilities

Overview and outlook



Leading Partner in the Areas of Pensions, Financing and Wealth Management

Combined insurance/bank model in Switzerland

Untapped market need for holistic financial advisory in Switzerland

- Potential of ~240k affluent clients currently with Baloise
- Financial planning as door-opener

Baloise bank allows to capture potential of affluent client base

- Strong direct mortgage distribution
- Main driver for Baloise's above-market reinvestment rates

Effectiveness of insurbanking distribution proven and accelerating

- Insurance sales force delivered over CHF 0.5 bn in AuM and over CHF 0.5 bn in mortgages annually for the past three years
- HY 2024: business volume increase of 64% vs. HY 2023



Reinvestment ratio¹

~30%



Wealth management mandates

> 5,000



Mortgages managed
by the bank

> 20,000



New customers in
individual Life FY23

> 12,000

1) Reinvestment ratio of expiring life insurance policies as of HY 2024 (Peers: ~20%)

Germany

Germany: Profitable Growth Based on Focused Strategy

Target segments in Non-Life and Life



Non-Life

Focus strategy with defined target segments, only ~50% of the overall market in scope

	Target Segments Examples	Out of Scope Examples
 Liability	private liability	environment and building owners
 Motor	motor vehicle	fleet
 Accident	private accident	group accident
 Marine	transport of goods	showroom, warehousing
 Property	homeowners, household	art/valuables, luggage
 Engineering lines	renewable energies (onshore), photovoltaics	construction guarantee, construction outside EU
Further segments	Legal Protection, Credit / Deposit	

Life

Focus on capital efficient products and recurring premiums, only ~15% of new business market in scope

	Target Segments Examples	Out of Scope Examples
 Biometric products	disability, term life	Single-premium business, long-term care
 Capital-efficient products	unit-linked business, hybrid, basic pension	Single-premium, conventional and group business as well as Riester and pension funds
Further segments	group life, traditional guaranteed life business, single premium business	

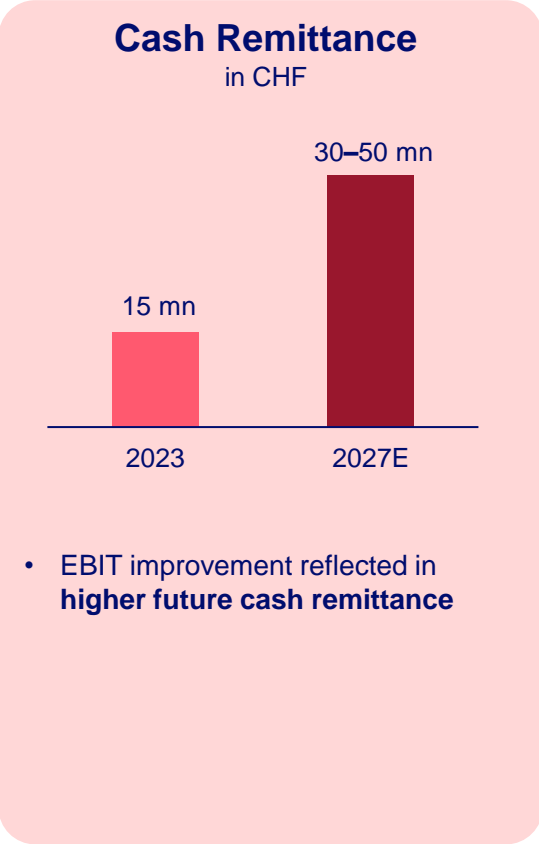
Germany: Focus on Growth, Margins and Cash Remittance

Track record and outlook

Track Record



Outlook



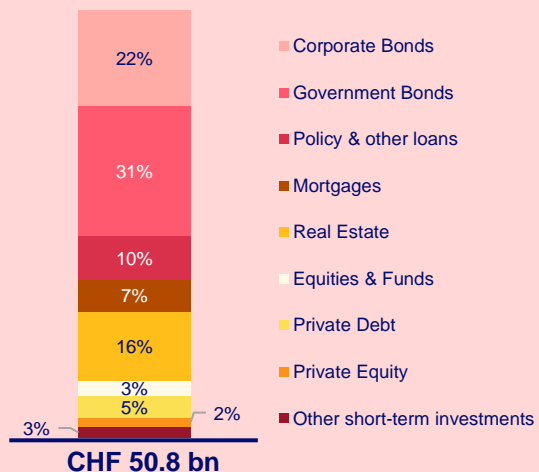
Asset Management

Asset Management: High-Quality and Capital-Efficient Asset Allocation

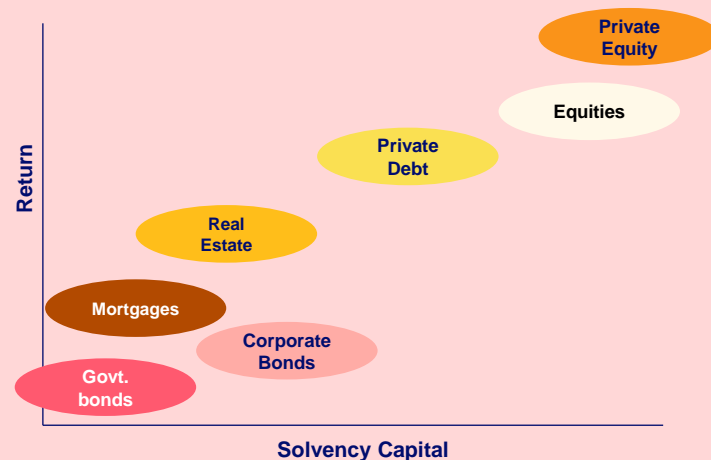
Insurance Assets

Asset Allocation

As of FY 2023

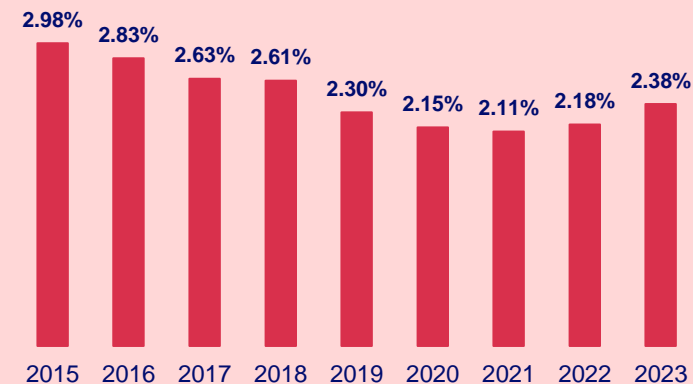


Return vs. Solvency Capital



Current Yield in Life

In % statutory reserves, before FX hedging cost



- Shift to asset classes with **high and stable recurring income** to be continued
- Further **build-up** of **private debt** to benefit from illiquidity premium
- Further **ramp-up** of **corporate bonds** in case credit spreads are sufficiently high
- **Optimisation** of **real estate portfolio** to be continued

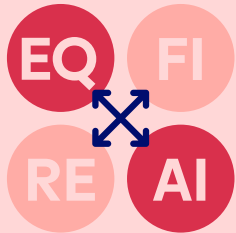
Asset Management: Focus on Multi-Assets and Swiss Real Estate

Third Party Assets



Positioning as **in-house provider** for **insurance products** and **Baloise Bank** as well as **real estate asset manager** for large institutional clients

Multi Assets

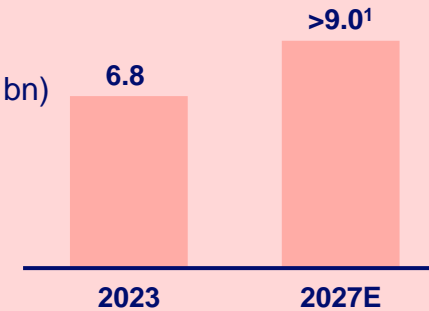


Integrated Asset Manager for Insurance and Bank

- **Multi assets offering** for all insurance and bank products
- 2/3 of products in **1. or 2. quartile** in respective peer groups

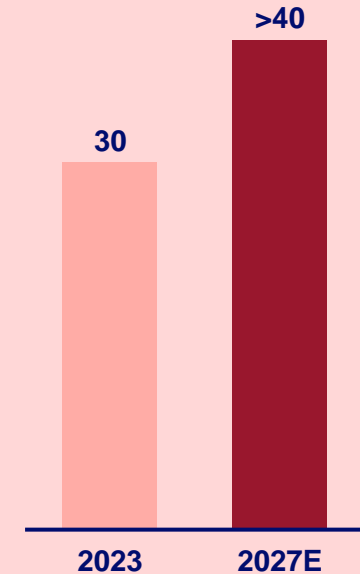
AuM

(CHF bn)



Cash Remittance

Asset Management
(CHF mn)



Real Estate

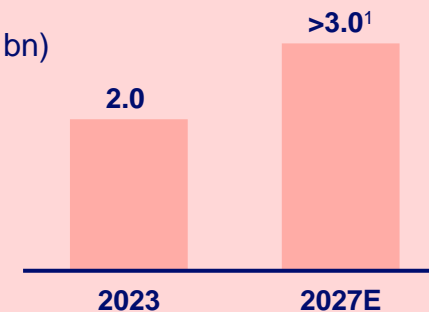


Real Estate Switzerland

- Continued **AuM growth**
- Latest capital increase of **CHF 127 mn** in Baloise Swiss Property Fund in August 2024

AuM

(CHF bn)



Wrap-up Business Portfolio

Excellent Position in some of the Most Attractive Markets in Europe

Geographic footprint and focus fields



Switzerland



Clemens Markstein
CEO

*Technical
Profitability*



Germany



Jürg Schiltknecht
CEO

*Capital
Productivity*



Belgium



Christophe Hamal
CEO

*Targeted
Growth*



Luxembourg



Christine Theodorovics
CEO

*Operational
Efficiency*

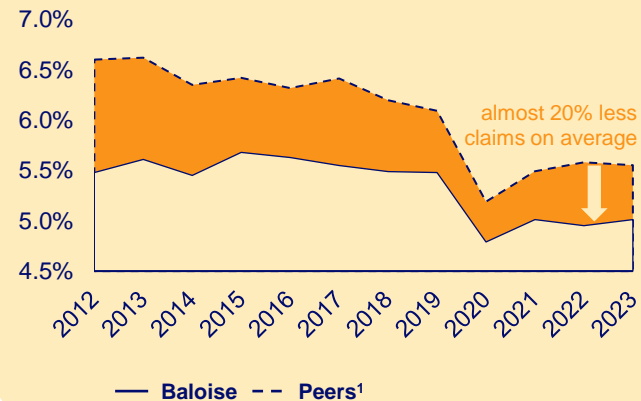
3 Operational Profitability

Non-Life: One of the Most Profitable Portfolios in Europe

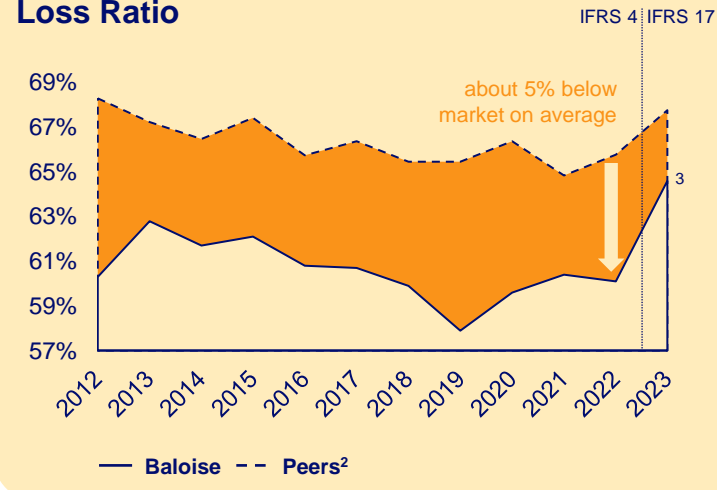
Track record 2012–2023

- Two decades of focusing on target customers led to one of the **most profitable insurance portfolios** in Europe
- **Combined Ratio < 95%** since 2012 despite pandemic, inflation and extraordinarily large claims events
- **Outperforming peers** for more than a decade

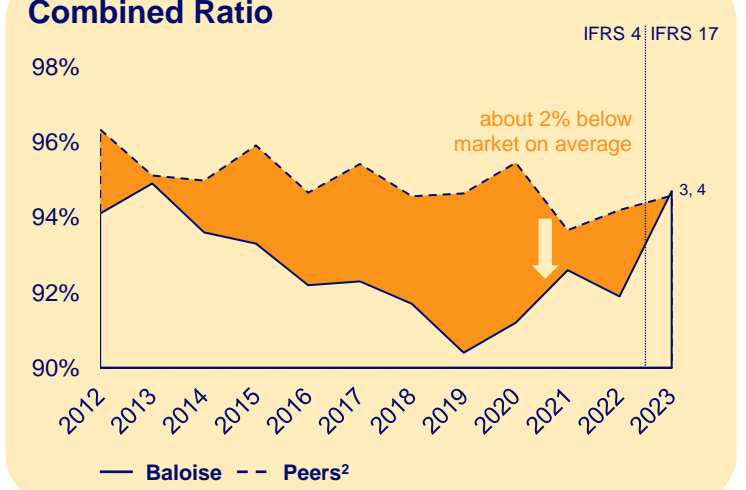
Loss frequencies¹ Swiss motor liability



Loss Ratio



Combined Ratio



1) A loss frequency of 5% means annually 5 claims out of 100 contracts; Peer Group: Swiss Insurance Market

2) Peers: Allianz, Axa, Generali, Helvetia, Zurich

3) Baloise Combined Ratio in 2023 negatively impacted by extraordinarily large claims

4) Baloise published value for combined ratio adjusted for operating non-attributable expenses (see next slide)

Aligning Combined Ratio Definition

Inclusion of operating non-attributable cost

- Combined Ratio definitions **differ between companies** which limits market comparability
- Aligning **Combined Ratio definition¹ to include “operating non-attributable costs”²** from FY 2024 onwards
- Impact on FY 2023 expense ratio of 2.6%-pts
- **No impact on P&L and EBIT**

In % insurance revenue	FY 2023	
	As published	Adjusted
Loss Ratio	64.6	64.6
Expense Ratio	27.4	30.1
Combined Ratio	92.0	94.6

1) Current definition (directly reconcilable from IFRS P&L): $1 - \text{Insurance Service Result} / \text{Insurance Revenue}$
New definition: $1 - (\text{Insurance Service Result} - \text{operating non-attributable expenses}) / \text{Insurance Revenue}$

2) Amounting to CHF 106 mn in 2023

Confirming Guidance

Outlook



~90% Combined Ratio

- Based on aligned definition incl. “operating non-attributable costs”
- Assuming a “normal” large claims¹ and a stable interest rate environment²

Outlook FY 2024: 91%–94%

- Taking into account the claims and interest rate environment of the first 8 months

1) In line with historic average of 3–4%-pts net impact on Combined Ratio

2) Assuming a discounting impact on the Combined Ratio of 2–3%-pts




Loss Ratio: Ensure “Best-in-Class” Level

Technical profitability measures

Various measures across all business units

- Product, tariff and portfolio optimisation
- Improved broker and customer segmentation
- Improved claims handling
- AI-powered fraud management
- Optimised leakage detection
- Sharpening of target segments
- ...

Example: Motor business

-  Disciplined price increases and successful target customer management
-  Profitability-over-growth approach with disciplined price increases and target broker selection
-  Motor underweighted in business mix and technical profitability better than market



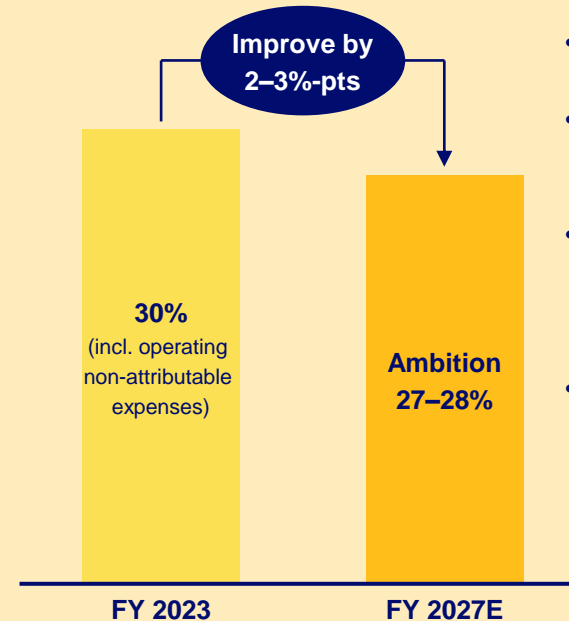
Loss ratio remains at least at today's strong level

Cost Ratio: Improving Cost Base

Operational efficiency measures

- **Group-wide cost measures** across all business segments (not only Non-Life)
- **Higher labor productivity** and group-wide **reduction of around 250 FTEs** across all business units and business lines
- Digitalisation and automation, e.g. via
 - **Guidewire**, a platform with cloud-based claim center
 - Systems architecture **simplification and modernisation**
 - **Journey to the cloud**
 - Digital claims management with **EasyAsk**

2–3%-pts Expense Ratio improvement



- To be implemented by 2027
- Corresponds to cost efficiencies of CHF 80–120 mn¹
- Based on the aligned definition incl. the “operating non-attributable costs”
- In addition: Reduction of costs outside expense ratio²

1) Based on insurance revenue of CHF 4 bn (as at FY 2023)
2) E.g. non-insurance expenses and non-operating overhead costs

Life: Active In-Force and New Business Management

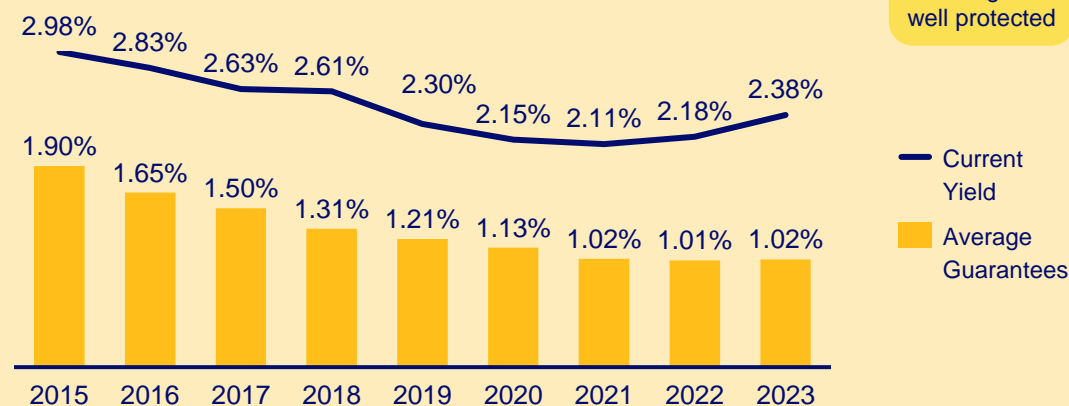
Margins in Life and growth of Perspectiva

Improved business mix and resilient interest rate margin due to active in-force management and profitable new business

- Portfolio optimisations (e.g. Belgian Life run-off portfolio)
- Profitable and capital light new business
- Selective growth in Swiss Group Life and strong growth with Perspectiva

Interest rate margin

Statutory basis¹

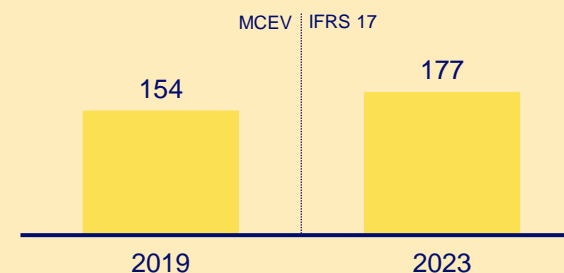


Outlook:
Interest rate margin well protected

— Current Yield
■ Average Guarantees

Profitable new business

New Business Value, in CHF mn

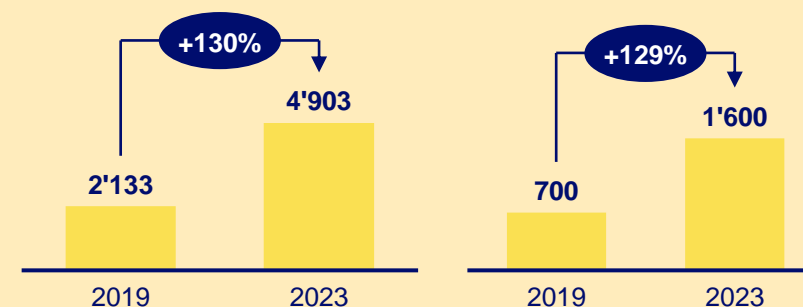


Outlook:
Swiss Group Life depends on regulatory and economic parameters

Semi-autonomous solution «Perspectiva»

total companies

AuM, in CHF mn



Outlook:
Further growth expected

1) Before FX hedging cost and policyholder participation, in % statutory reserves

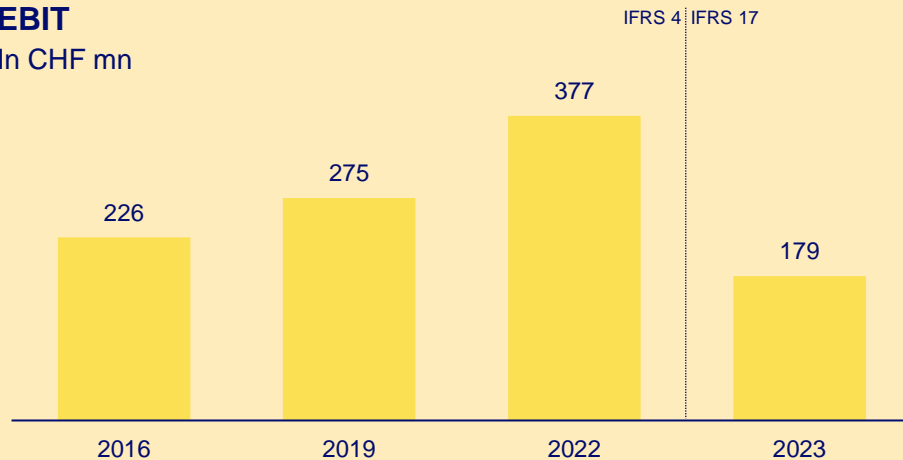
Life: Strong Cash Contributions and EBIT of at least CHF 200 mn

Track record and guidance



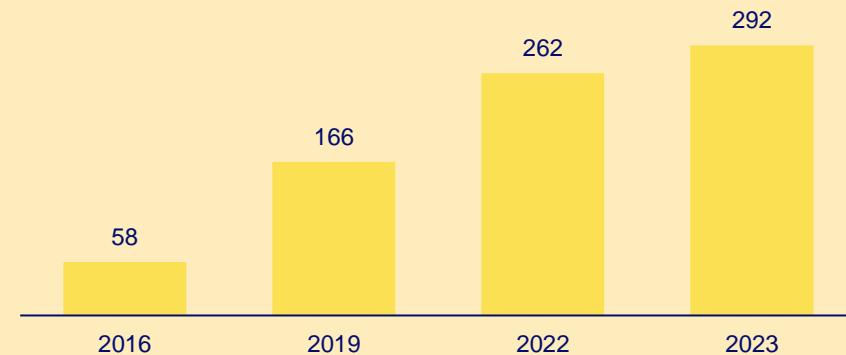
> CHF 200 mn EBIT and significant contributions to Cash Remittance

EBIT
In CHF mn



- Profits in Life are recognised differently over the lifetime of the contract under IFRS 17 than under IFRS 4

Cash Remittance
In CHF mn



- Cash contribution significantly improved since 2016
- In 2022 and 2023, strong cash remittance in Life mitigated a lower cash remittance in Non-Life

4 Capital Productivity

Strong Balance Sheet Capitalisation

S&P financial strength rating

A+

June 2024

Excellent financial risk profile and capital and earnings score

Share of intangibles

3%

per 31.12.2023

Goodwill-to-equity ratio significantly lower than 25% market average²

Leverage ratio¹

25%

per 31.12.2023

In line with peers²

Share of core capital

98%

SST core capital / SST risk bearing capital per 01.01.2024

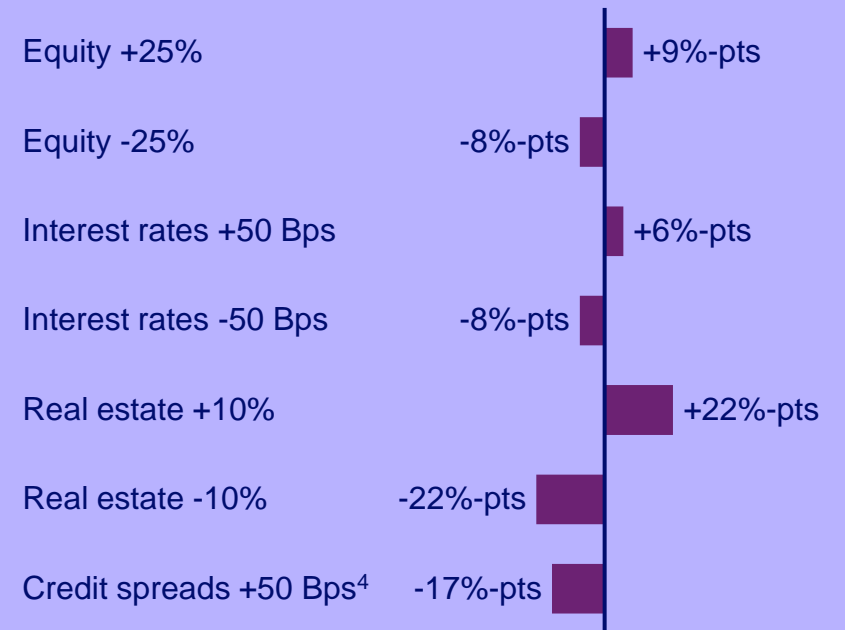
Hybrid share well below market average with the benefit of low financing cost and risk

Resilient Capital Position

SST Sensitivities³

Solvency ratio: 207%

As of 01.01.2024



1) Debt / (Debt + Shareholder's equity + CSM (post tax))

2) Peers: Allianz, Axa, Generali, Helvetia, Swiss Life, Zurich

3) Prior to comprehensive ALM measures in any stress scenario

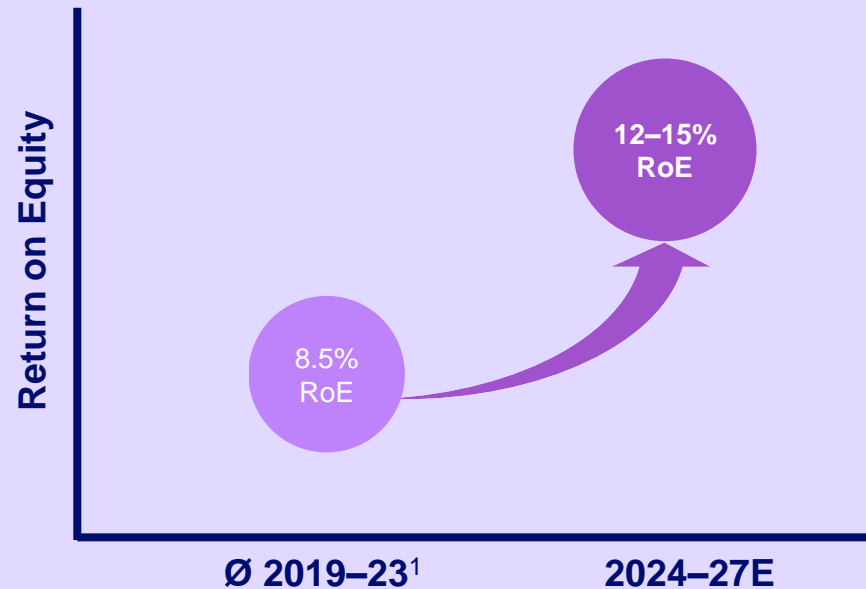
4) Corporate bonds and government bonds with a rating of BBB and lower

RoE Target: 12–15% from 2024 onwards

Return on Equity

RoE Development

Illustration not to scale
(size of circle corresponds to cash remittance)



1) As reported (2019–2022 IFRS 4, 2023 IFRS 17/9)

2) IFRS profit for the period adjusted for exceptional non-operating items divided by the average IFRS equity



12–15% Return on Equity²

Based on IFRS, adjusted for exceptional items

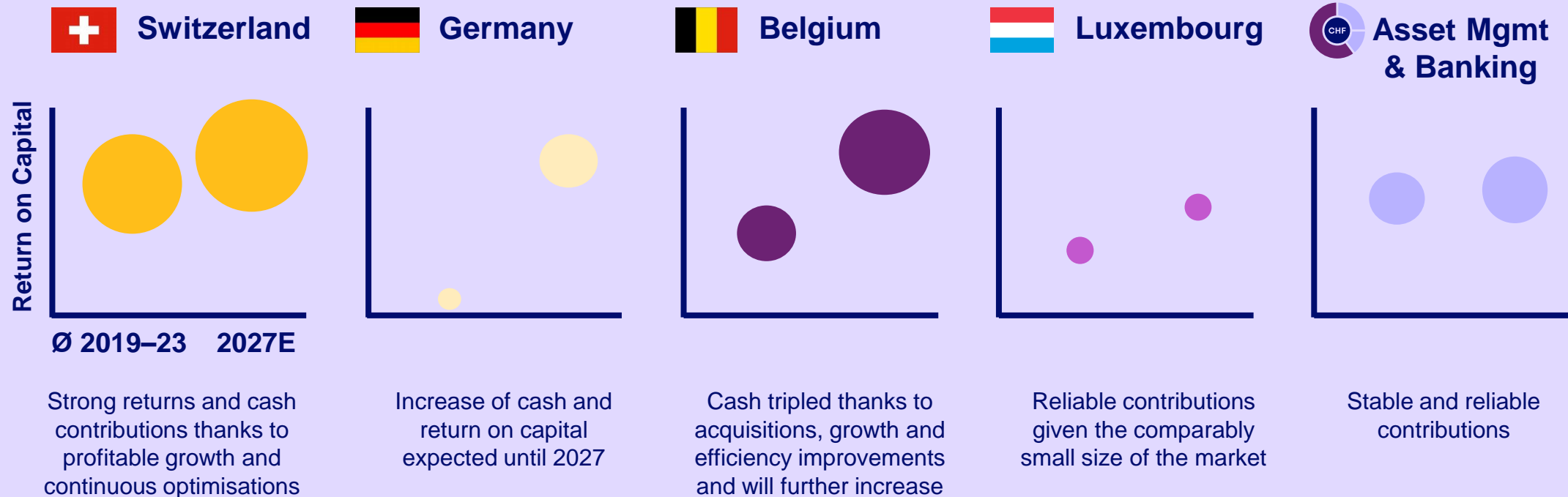
- All business units contribute to higher capital productivity
- Higher capital productivity fosters cash remittance (Ø 2019–2023 cash remittance: CHF 454 mn p.a.)

Sustainable Value Creation and Attractive Returns on Capital

Return on Capital by business unit

Development of return on capital

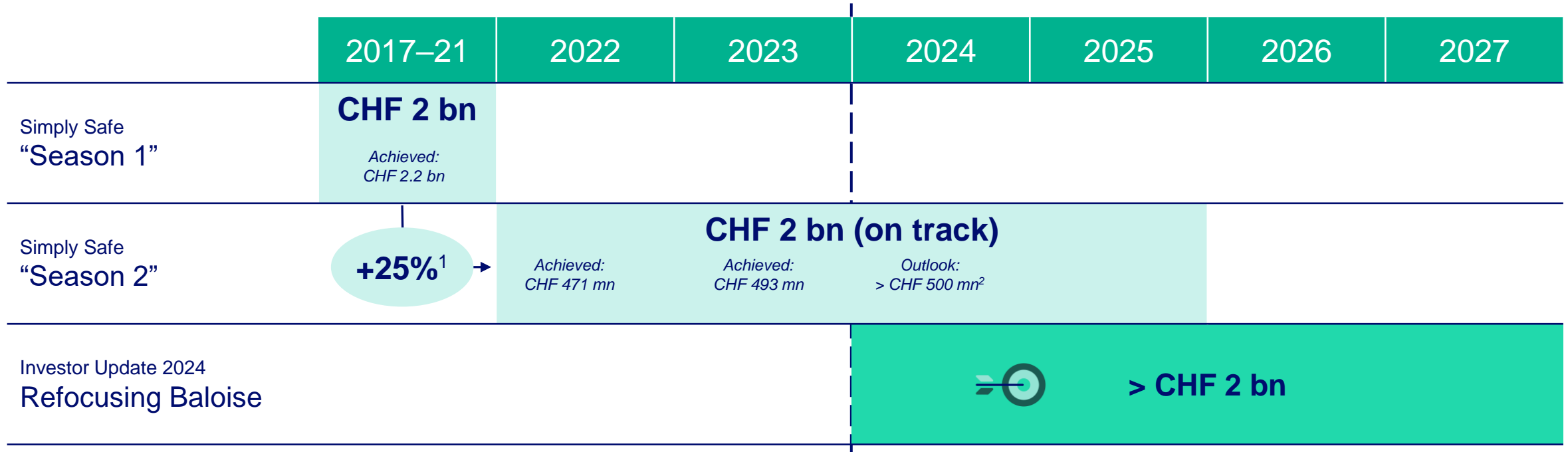
Illustration not to scale
(size of circle corresponds to cash remittance)



5 Cash and Capital Discipline

Delivering Strong Cash Remittance

Targets on cash



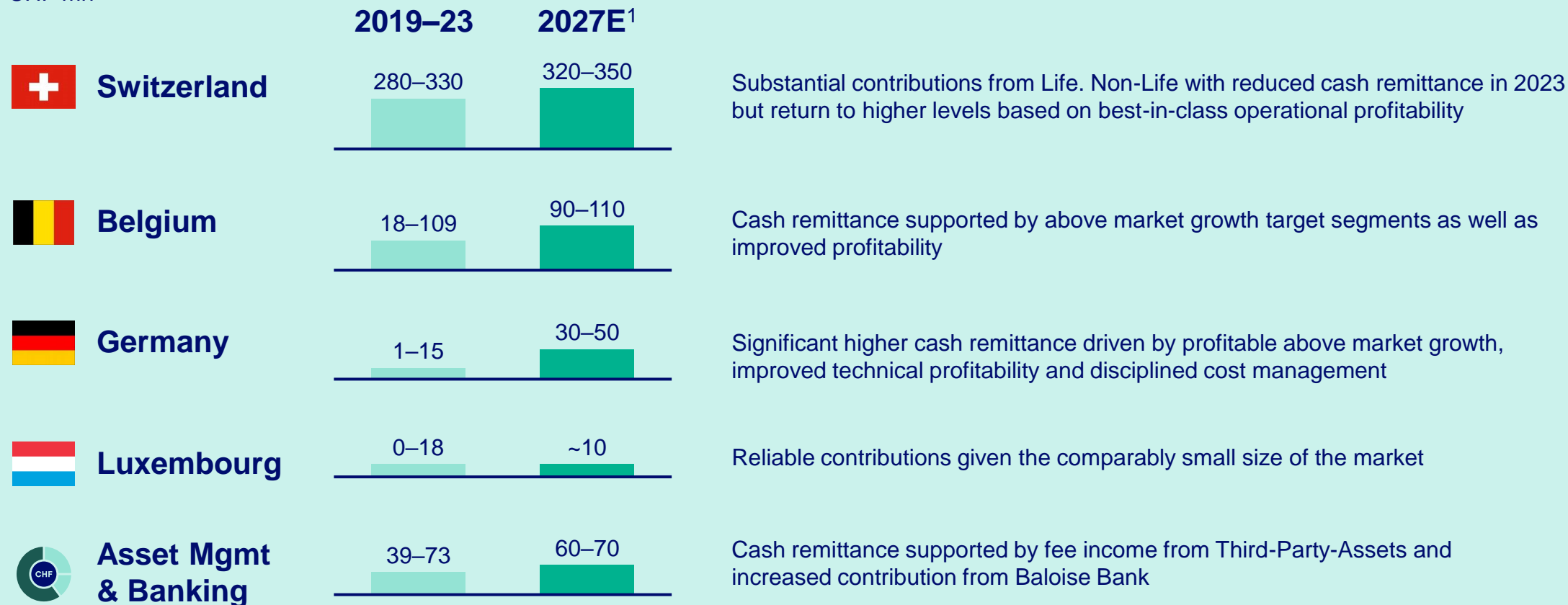
1) CHF 2 bn over 4 years instead of 5 years

2) In 2024, extraordinarily high cash remittance expected due to the non-recurring cash remittance of CHF 62 mn from the Belgium Life back-book transaction

Diversified Sources of Cash Remittance

Cash by business unit

CHF mn



1) Shifts between business units possible

Attractive and Reliable Dividends Complemented by Share Buy-Backs

Track record 2003–2023

Total Payout

In CHF, gross



Never lowered dividends in the past 20 years



Total Cash Payout Ratio of at least 80%

Capital Allocation Framework



≥ 80% Total Cash Payout Ratio

Based on Cash Remittance and delivered via Dividends and/or Share Buy-Backs



Fully committed to attractive and reliable dividends²:

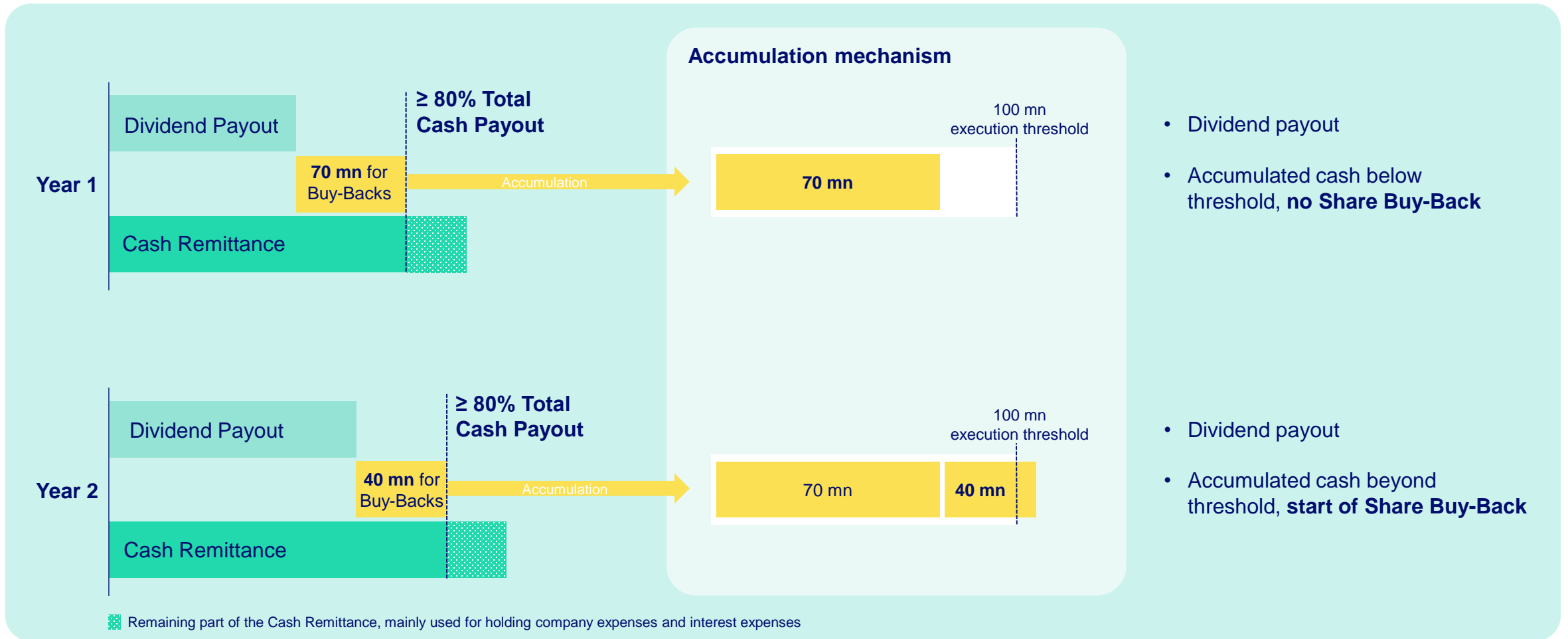
- ≥ 80% Total Cash Payout Ratio to be achieved through **Share Buy-Backs** as complementary measure
- **Remaining part** of the Cash Remittance mainly used for holding company expenses and interest expenses for outstanding bonds
- Extraordinarily **high Cash Remittance 2024** expected due to the non-recurring Cash Remittance of CHF 62 mn from the Belgium Life back-book transaction

1) The difference between the dividend payout and ≥ 80% total cash payout ratio is accumulated on an annual basis and paid out as a share buyback once the accumulated amount exceeds CHF 100 mn

2) Subject to annual Board and Shareholder approval. The Board will consider financial condition, capital and solvency requirements, market conditions, and the economic environment

Total Cash Payout Ratio

Illustrating example




- **Shareholder-oriented capital discipline**
- **Attractive and reliable dividend policy since over 20 years**
- **Complementary share buy-backs**



6 Summary

Investor Update 2024 – Refocusing Baloise

Takeaways

Refocus 

Value Creation 

Accountability 

Stop “Simply Safe” strategy, incl. ecosystem strategy

Strengthen core business with improved profitability

Gain market share in our target segments

Capital productivity:
Return on Equity **12–15%**

Technical profitability:
Combined Ratio ~90%
Life EBIT > CHF 200 mn

Cost efficiency:
Reduce expense ratio in Non-Life **2–3%-pts**

Cash remittance:
2024–2027

> CHF 2 bn

Total cash payout ratio:

≥ 80%

Shareholder return:

Dividends ≥ prior year level

Share buy-backs Framework-based

**Refocus
Value Creation
Accountability**



Appendix

Refocus on Core Business with New Targets

Baloise Investor Update 2024

		Refocusing Baloise (2024–2027)	<i>Simply Safe: Season 2 (2022–2025)</i>
Financial Targets	RoE	12–15%	<i>n.a.</i>
	Cash	> CHF 2 bn <small>(CHF 2 bn in 2022–2025 fully committed)</small>	<i>CHF 2 bn</i>
	Cash Payout	≥ 80% <small>for dividends and/or share buy-backs</small>	<i>60–80%</i>
Financial Guidance	Cost Efficiency	2–3%-pts Expense Ratio improvement NL by 2027	<i>CHF 200 mn cost efficiencies 2019–2025</i>
	Combined Ratio	~ 90% <small>incl. operating non-attributable cost</small>	<i>~ 90%</i>
	EBIT Life	> CHF 200 mn	<i>> CHF 200 mn</i>
Streamline	Net New Third-Party Assets	no target anymore	<i>+ CHF 5 bn</i>
	Net New Customers		<i>+ 1.5 mn</i>
	Employee Satisfaction		<i>Top 5%</i>
	Ecosystem Strategy		<i>CHF 1 bn valuation</i>



Switzerland: Offering the Best of Insurance & Banking and the Full Range of Pension Solutions

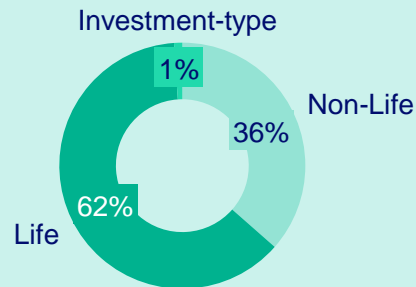
Strong market positions in an attractive market

- Growing, profitable and stable market
- Unique insurance/bank model
- **#3** in Life, **#6** in Non-Life
- High-quality advice
+ personal relationship
+ easy to work with
- Comprehensive range of solutions for individual clients
+ adapted solutions for SME
+ selected offering for large companies

Balanced business mix and well-positioned for profitable growth

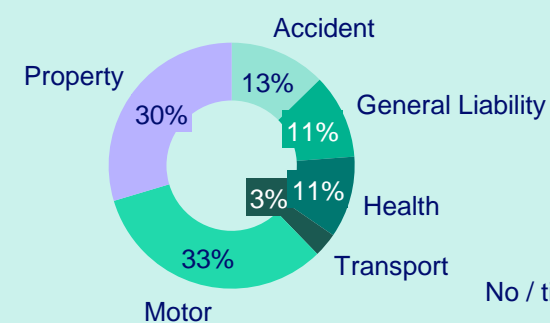
Gross Written Premiums

CHF 4,026 mn



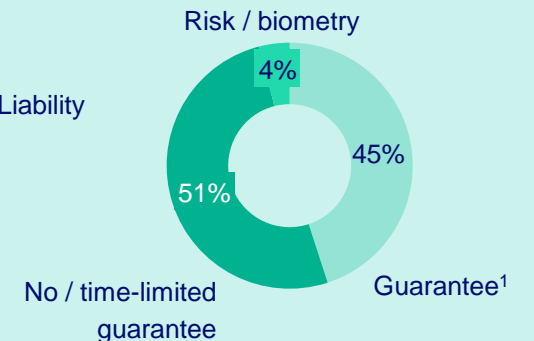
Non-Life

in % GWP



Life New Business

in % APE



- **Proven distribution model:** Steered omnichannel approach with own sales force, intermediary and broker, online channel
- **Strong client base:** Focus on retail and SME with 847,000 insurance clients
- **Growing semi-autonomous solution:** CHF 1.6 bn AuM with 5,100 companies
- **Growing banking business:** CHF 4.7 bn AuM, CHF 5.3 bn customer deposits and CHF 7.4 bn mortgages and loans

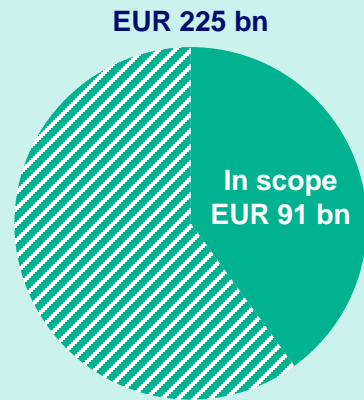
All figures as of FY 2023

1) Average guarantee of 0%



Germany: Focus Strategy to Strive for Profitable Growth

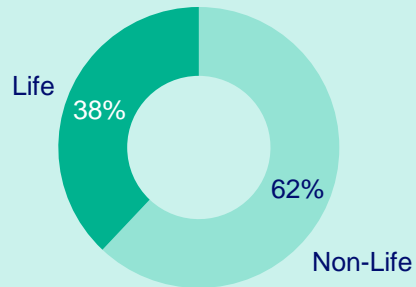
Target segment strategy



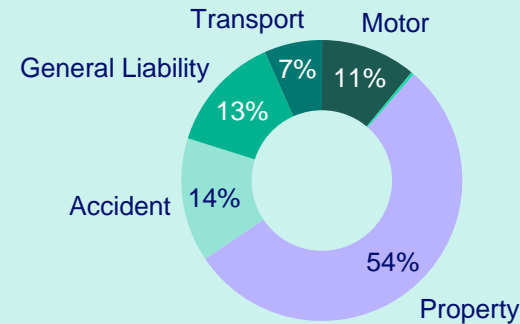
- In the large and fragmented German market focus on specific **target segments** with good margins and growth perspectives
- Successfully reduced industrial business, strongly focusing on **SME and private** customers

Well-focused business mix

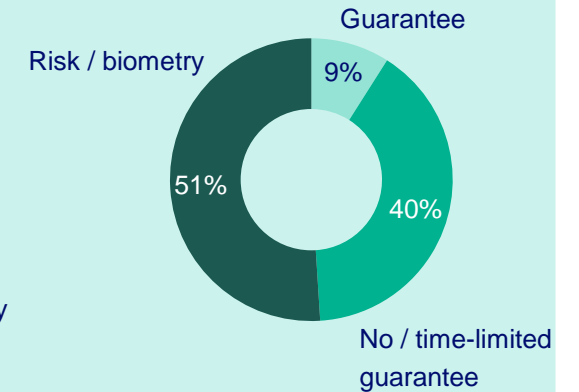
Gross Written Premiums
CHF 1,316 mn



Non-Life
in % GWP



Life New Business
in % APE



Strong focus on broker channel



All figures as of FY 2023



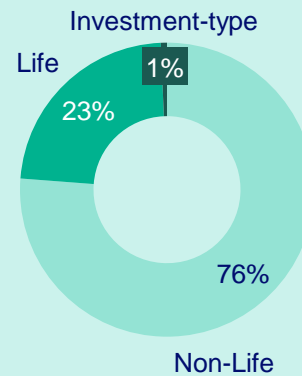
Belgium: Top 4 Insurer in Non-Life with Outstanding Broker Relationships

Strong market positions in an attractive market

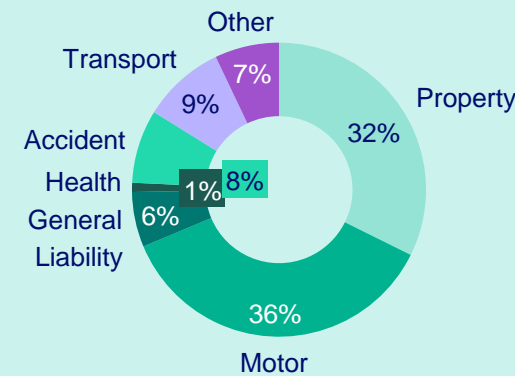
- Stably growing and profitable market with a steady competitive landscape over the past years
- **#4** in Non-Life and **#10** in Life¹
- Strong market positions underpinned by the successful bolt-on acquisitions of Fidea (2019) and Athora (2020)
- Distribution model based on excellent broker relationships

Business Mix with Non-Life focus and selective growth in Life

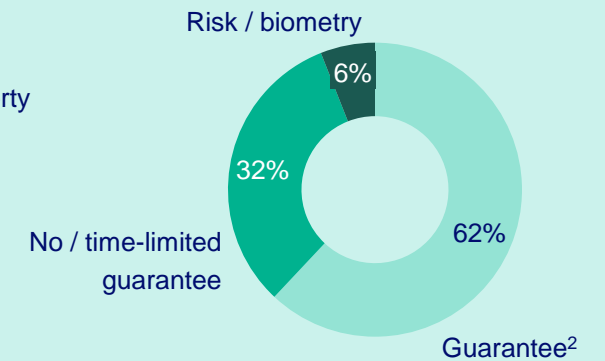
Gross Written Premiums
CHF 2,086 mn



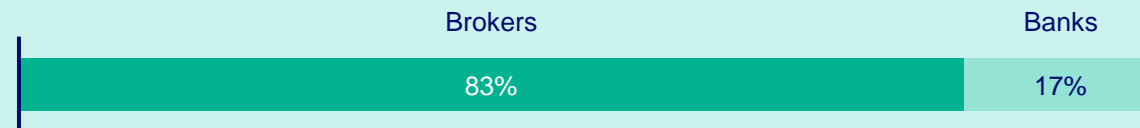
Non-Life
in % GWP



Life New Business
in % APE



Broker-centered distribution



All figures as of FY 2023

1) In Life focused positioning in attractive Life individual and group segment

2) Universal Life products (incl. in the guarantee segment) have no guarantee in future premiums and hence a significantly reduced ALM risk

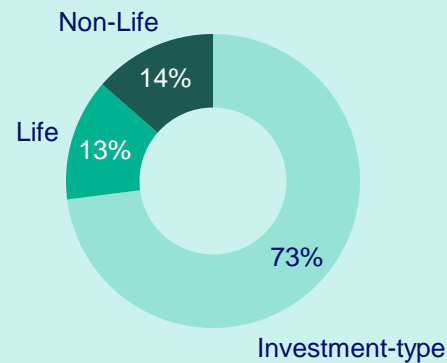
Luxembourg: Top 3 Locally and One of the Top Players Internationally

Strong local market and growing internationally

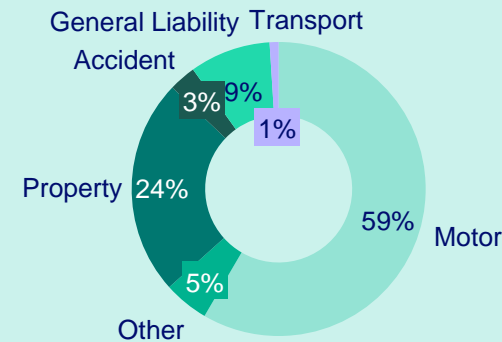
- Small but stably growing local market complemented with hub for international business
- **#3** in Local Market
- **#10** in Freedom-of-services business active in Western Europe
- Sales model based on different distribution channels with a steadily growing share of brokers

Diversified business mix

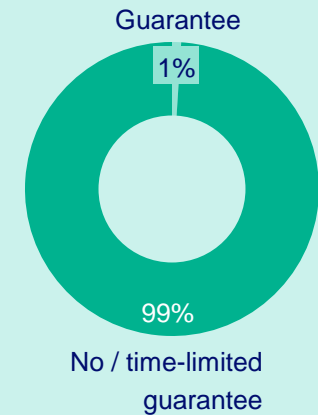
Gross Written Premiums¹ CHF 1,138 mn



Non-Life in % GWP



Life New Business in % APE



Multichannel distribution model



All figures as of FY 2023

1) Incl. Liechtenstein

Financial Calendar and Contact Details

Financial Calendar

Q3 Interim Statement 2024

20 November 2024

Full-year Results 2024

25 March 2025

Annual General Meeting

25 April 2025

Investor Relations:

+41 58 285 81 81

www.baloise.com/investors

investor.relations@baloise.com

Media Relations:

+41 58 285 82 14

www.baloise.com/media

media.relations@baloise.com

