

MS&AD Insurance Group Holdings, Inc.

MS&AD INSURANCE GROUP



MS&AD Thematic Meeting- MS Amlin Underwriting Ltd.

December 14, 2023 (Thu)



Andrew Carrier
CEO

MS Amlin
Underwriting Ltd.
(MS AUL)

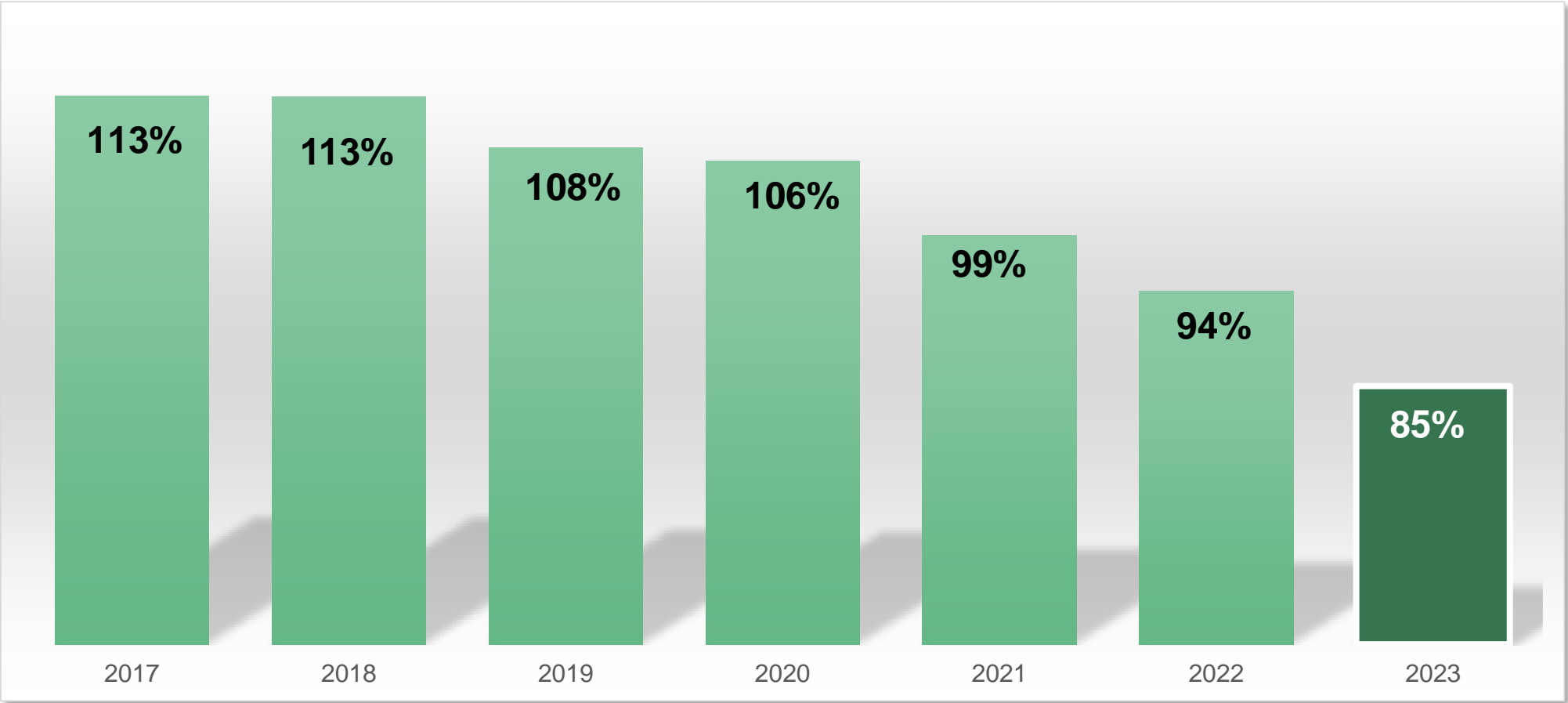
1. The Turnaround in Our Performance

2. Our Strategy

3. Recent Developments & The Future

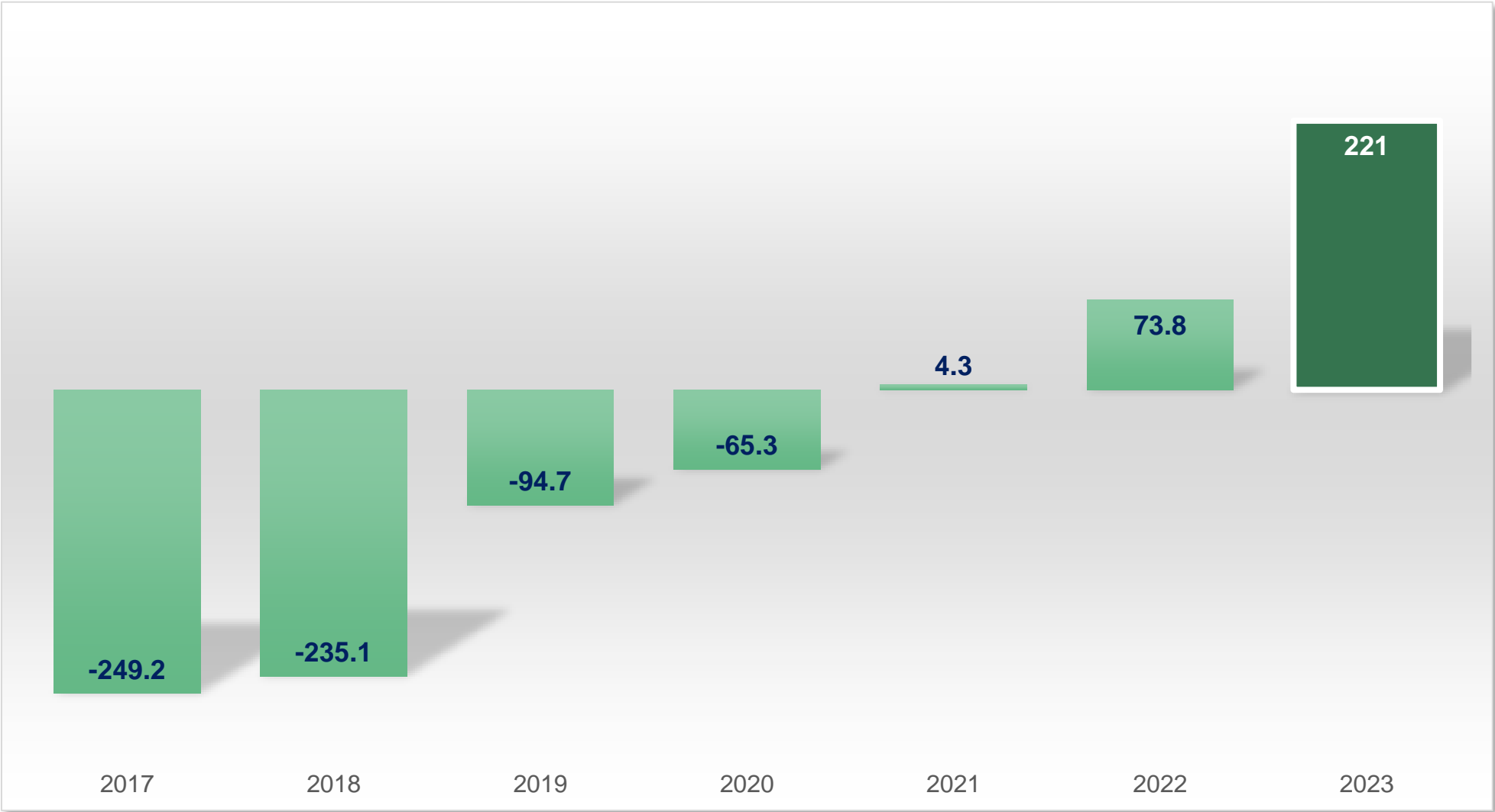
THE TURNAROUND IN OUR PERFORMANCE

Net Combined Ratio (Underwriting Year basis)



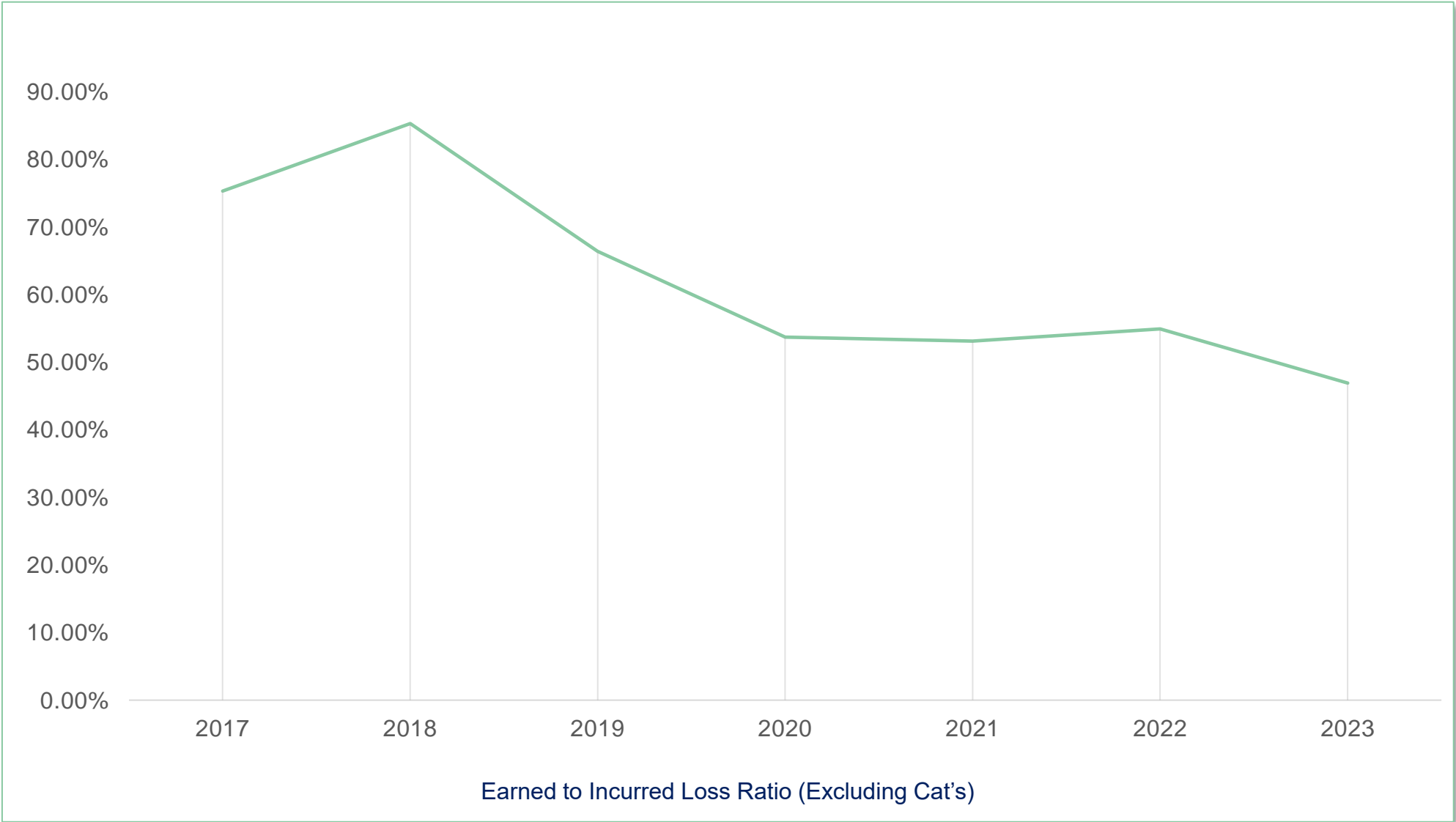
**Forecast Ultimate Net Combined Ratios based on 2023 Q2 estimates (Underwriting Year basis)*

Net Profit by Underwriting Year (£M)

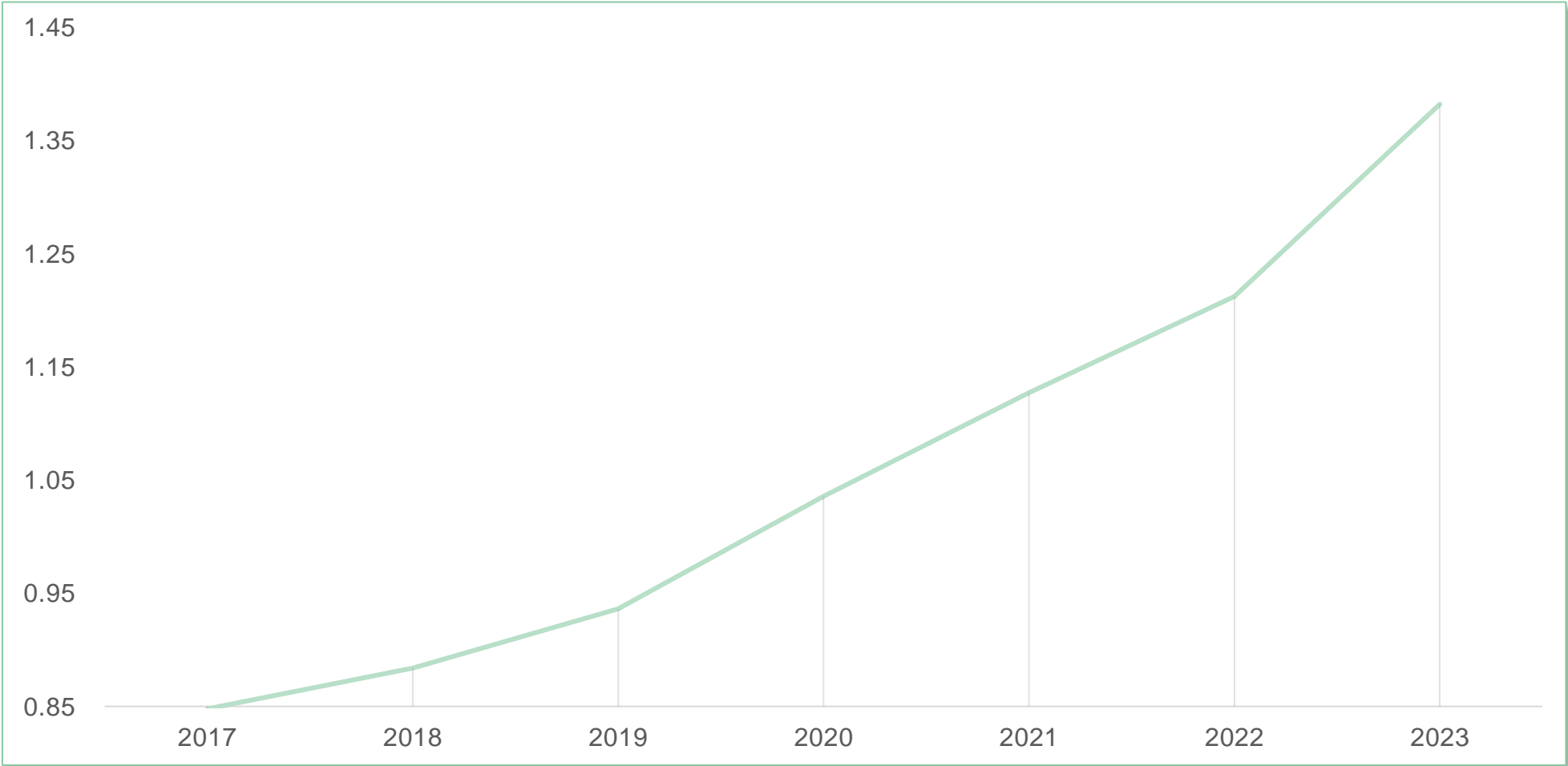


**Forecast Ultimate Underwriting Net Profit based on 2023 Q2 estimates (Underwriting Year basis)*

Attritional Loss Ratio by Underwriting Year



Rate Index (Risk Adjusted)



Our 2023 performance is in an excellent position, this is down to three reasons:

- **Our Attritional Loss Ratio has forward momentum**
- **Actual vs. Expected losses at Q3 YTD are materially favourable**
- **Large loss and catastrophe activity is comfortably within plan at Q3 YTD**

Q3 UK GAAP Indicative Underwriting Figures

	Plan	Actual
Attritional Loss ratio	48%	46%
Major Claims Ratio	9%	4%
Prior AY Loss Ratio	-	-2%
Operating Expense Ratio	12%	12%

OUR STRATEGY

Our deliberate move to a focus on positive outcomes

**MS Amlin provides
Continuity in an
Uncertain world:**

**Continuity of
Strategy, but with
an Evolution in the
Focus**

From

Independent strategic pillars...



To

Pillars that support underwriting



Process-focused activity...



Outcome focused action



Our Updated Claims Proposition

- Our strategy will be driven by our 'market-facing' activities.
- This is not just Underwriting but also Claims
- Therefore we have a refreshed Claims proposition, with efficient and effective underlying process, and confidence in service delivery



T

Transparency

R

Responsiveness

U

Understanding

S

Solution-Driven

T

Technical Expertise

Our Vision & Intended Outcomes

Our focus...	We want to be...	What we need to achieve...
Underwriting	A leading underwriting powerhouse	A market leading Combined Ratio
Claims	A trusted, market leading claims service provider	Positive recognition for delivery, complementing underwriting
Finance & Operations	Modern, efficient and stable	Reliable & accurate at appropriate cost
People & Culture	Stable teams with aligned objectives	A place for people who “want to win”

RECENT DEVELOPMENTS & FUTURE OUTLOOK

Russia/ Ukraine

- Careful risk selection
 - Deliberate emphasis on certain occupancies
-

Gaza/ Israel

- Affirmed our underwriting philosophy
 - Consistent approach in the region
-

Natural Catastrophes

- Reduced frequency exposures
 - Eliminated extreme tail risks
-

GWP

- £2,000m; 15% growth

U/Wg

- Net Combined Ratio 87%
- Rate Change +2.5%

Expenses

- Operating Expenses from 12% to 11%

Profit

- +30% UW Profit growth
- Confidence in retained portfolio

- **Seek continued gross premium growth, and push beyond £2bn**
- **Be the true profit ‘engine room’ for MS&AD’s international operations**
- **Add enterprise value for ourselves and MS&AD through intelligent deployment of ESG guidelines to support profitable growth and to insure the transition**
- **Continue to improve our underwriting position with effective cycle management, mitigating portfolio volatility to achieve a cross-cycle RoE of 10%+**