

# REthinking Reinsurance in Latin America

INSTITUTIONAL PRESENTATION

2024

AUSTRAL/Re



A/Re

We are a Latin  
American reinsurer  
for those **seeking**  
value in a true  
partner.



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We invest in knowledge, technology, and the best professionals to truly innovate with autonomy and accountability.

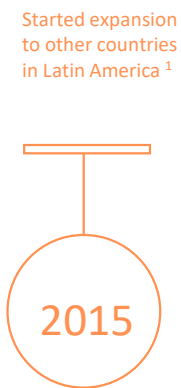
# Our entrepreneur journey and history

Strategic Vision to create the 2nd Largest Player in Brazil

Beginning of operations  
**AUSTRAL/Re**  
Multiline Approach  
Founded by Vinci partners  
Regulatory approval reinsurance business



Equity Investment from IFC



Started expansion to other countries in Latin America <sup>1</sup>



**S&P Global Ratings**

Austral Holding Rating upgrade to **brAAA**



Merger with Terra Brasis, Creating the second largest local reinsurer in Brazil



Austral Holding Receives positive outlook



Incorporation of Markel Reinsurance Brazil is concluded



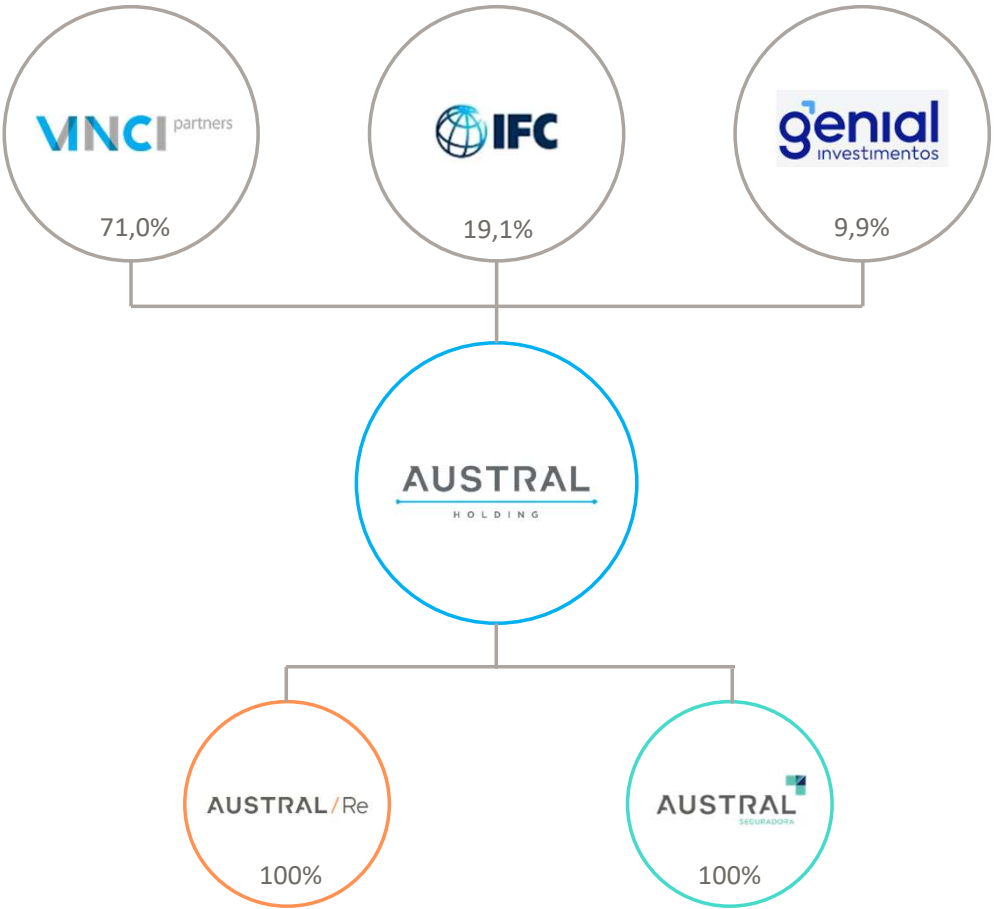
Investments in selected growth opportunities and increase penetration in Latin America

Strategic Planning



Strong  
Sharehold  
base

Ownership  
Structure



A/Re



Vinci Partners (NASDAQ: VINP) is one of Brazil's leading alternative investment platform specialized in asset management, wealth management and financial advisory with R\$50 billion under management, 400 funds/vehicles and 60 partners with complementary experiences.



IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in developing countries with \$56 billion in investment commitments in FY24. The IFC's Aaa rating (Moody's) is underpinned by its strong capital position, abundant liquidity, diversified portfolio and highly rated shareholder base.



Genial is a complete multiple bank which focuses on structured finance, financial advisory and asset management. The Bank delivers a strong performance in the Real Estate and Gas and Power markets.



High  
qualified and  
experienced  
leaders

Strong  
Management Team



**Bruno Freire**  
CEO

15 Years at Austral  
Founding Executive



**Elias Silva**  
Facultative  
Underwriting Director

8 Years at Austral



**Maria Victoria  
Barará**  
P&C Brazil  
Treaty Underwriting  
Director

15 Years at Austral  
Founding Executive



**Alessandra  
Monteiro**  
Life and Health  
Underwriting  
Director

4 Years at Austral



**Hernan Moreno**  
LatAm Underwriting  
Director

9 Years at Austral



**Brenda Cantisano**  
Actuary and Analytics  
Director

13 Years at Austral



**Rodolfo Rodriguez**  
CRO

12 Years at Austral



**André Caldeira**  
CFO

1 Year at Austral





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We seek sustainable growth, control of volatility, and preservation of capital solidity.

## Austral Group Highlights

The consistent growth of equity and high rating levels reinforce the solidity of our operations and excellence in risk management.

**141<sup>mi</sup>**

Net  
Income<sup>1</sup>

**96,7%**

Combined  
Ratio<sup>1</sup>

**3,9<sup>bi</sup>**

Net Written  
Premium

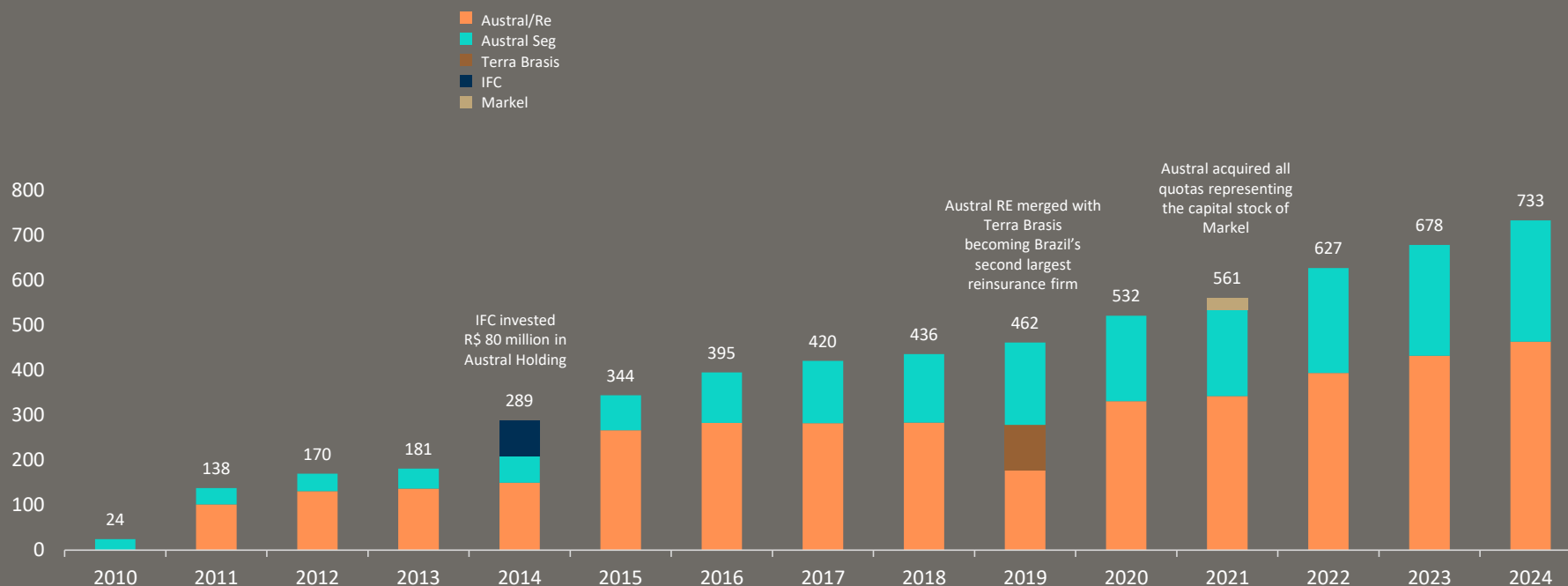
**733<sup>mi</sup>**

Shareholders  
Equity

**20,7%**

ROE<sup>1</sup>

SHAREHOLDERS' EQUITY (R\$ MM)





Solid capital strategy,  
reflecting high levels of  
solvency and strong credit  
ratings from leading  
agencies



Global Rating

A-



Local Rating

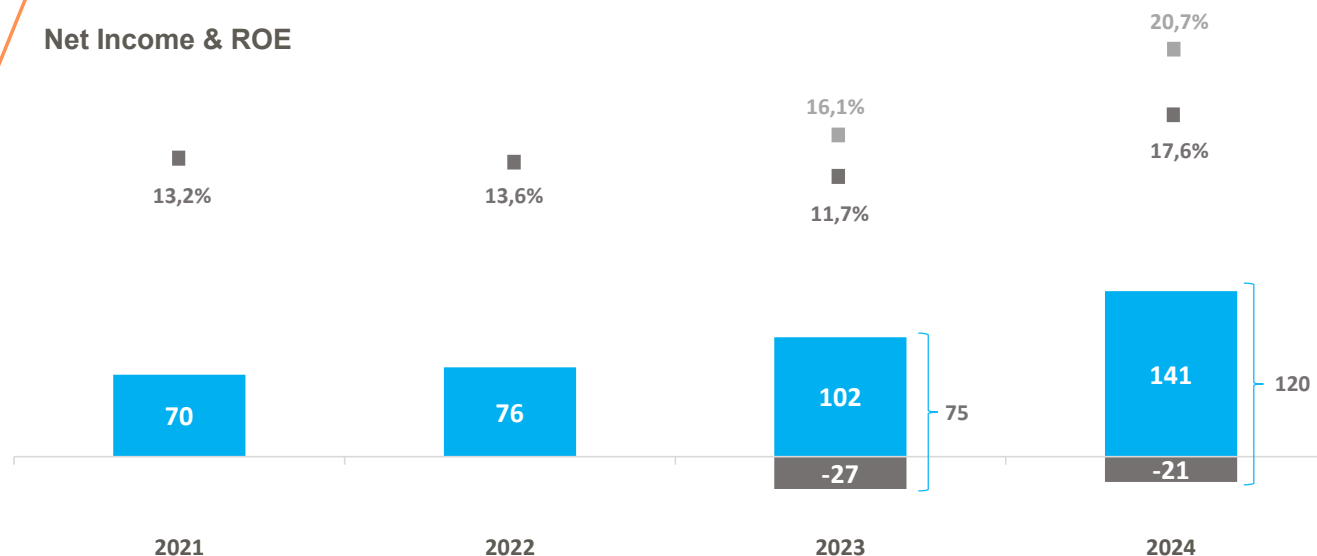
AAA

**S&P Global**  
Ratings

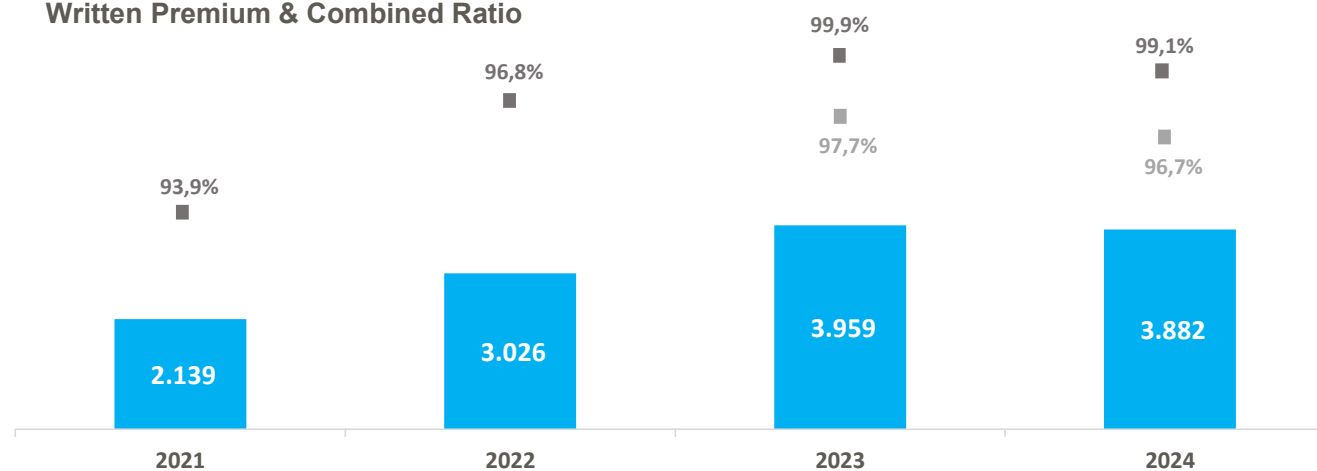
## Austral Group Highlights (BRL Mn)

Strong business results are the foundation of our sustained growth.

### Net Income & ROE



### Written Premium & Combined Ratio

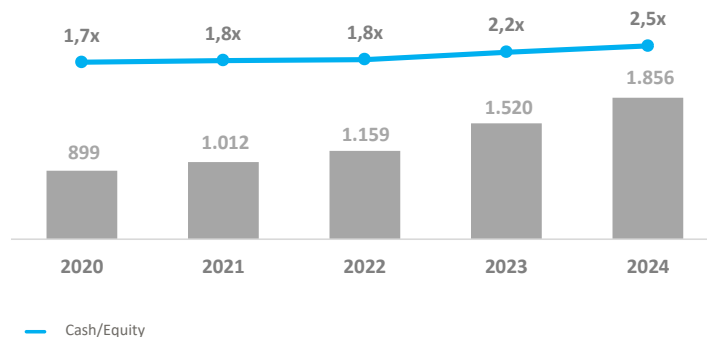


■ 2023 and 2024 not considering Hurricane Otis and Rio Grande do Sul Flood impacts  
 ■ 2023 and 2024 considering Hurricane Otis and Rio Grande do Sul Flood Impacts

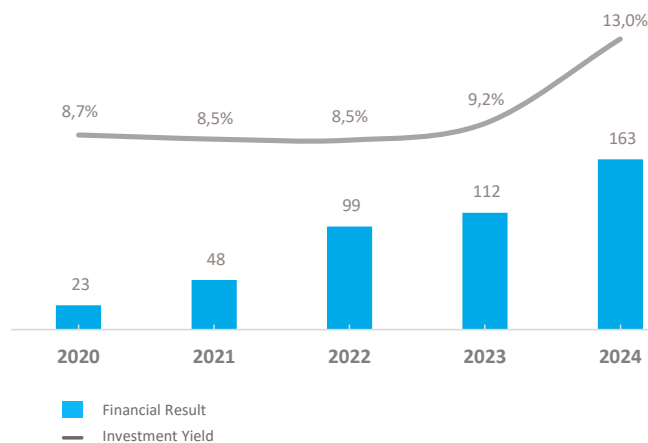
## Austral Group Highlights

Strong cash flow generation and efficient portfolio management to ensure solid, conservative financial results with high liquidity.

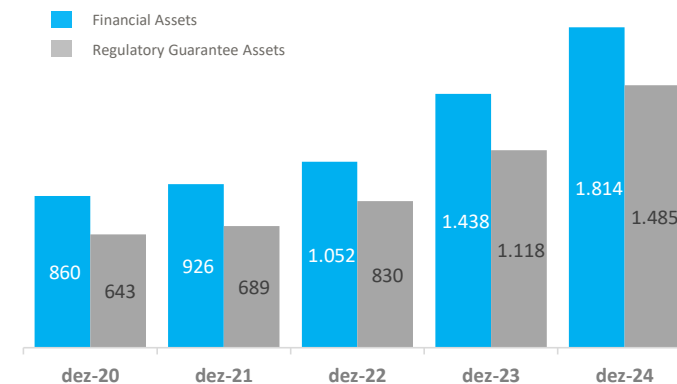
CASH AND INVESTMENTS



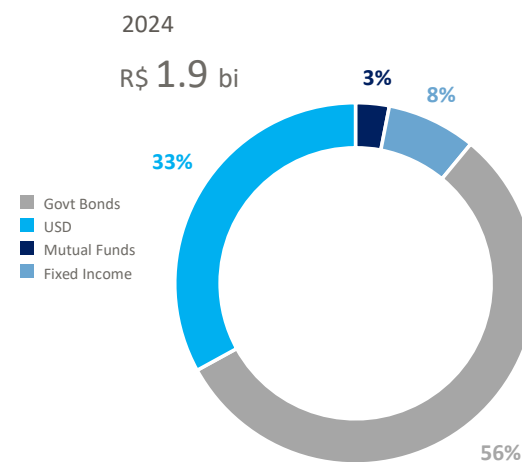
FINANCIAL INCOME & INVESTMENT YIELD



FINANCIAL ASSETS & REGULATORY GUARANTEE ASSETS



ASSETS PORTFOLIO STRATEGY







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With agility and innovation, we offer customized solutions to meet the needs of our partners in different segments.



With BRL 1.21 billion in NWP, we are a well-positioned company and in constant growth.

Diversified book of business

Know-how in different market segments

Long term relationship with clients

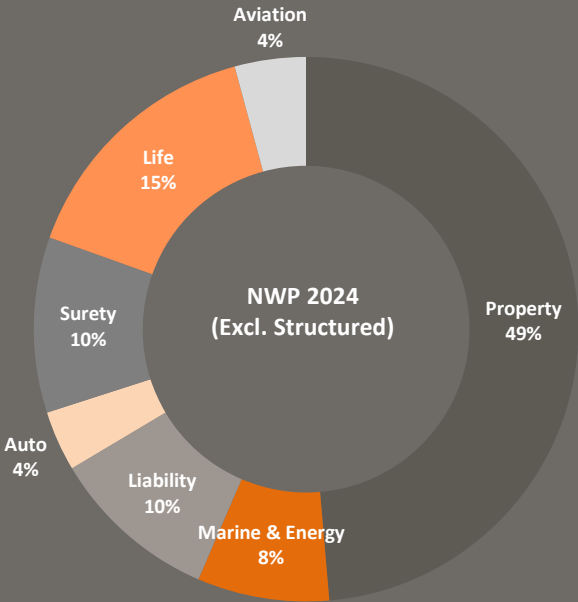
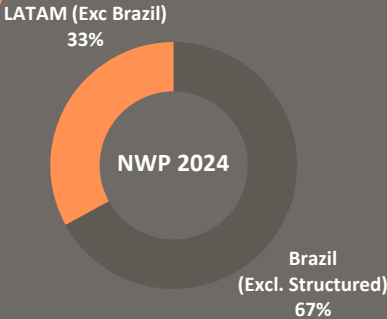


Wide operation across Latin America

16 countries

Offices in Rio de Janeiro, São Paulo and Bogota

2024

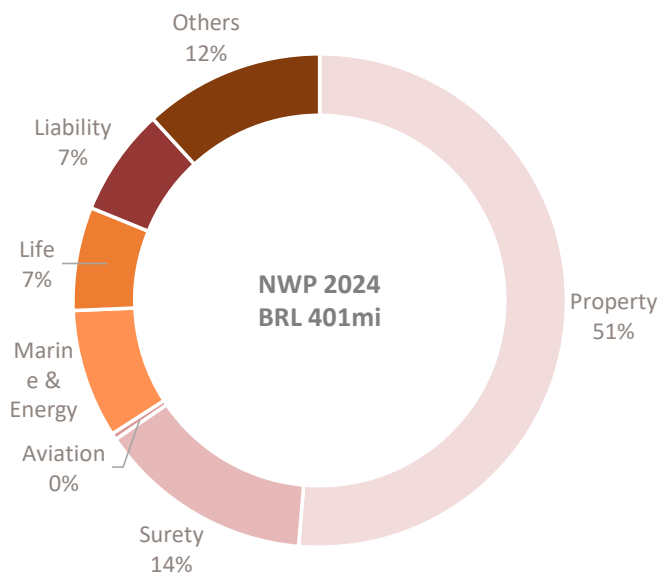




Focus on regional market with a diversified book of business

Geographic Expansion Across Latam

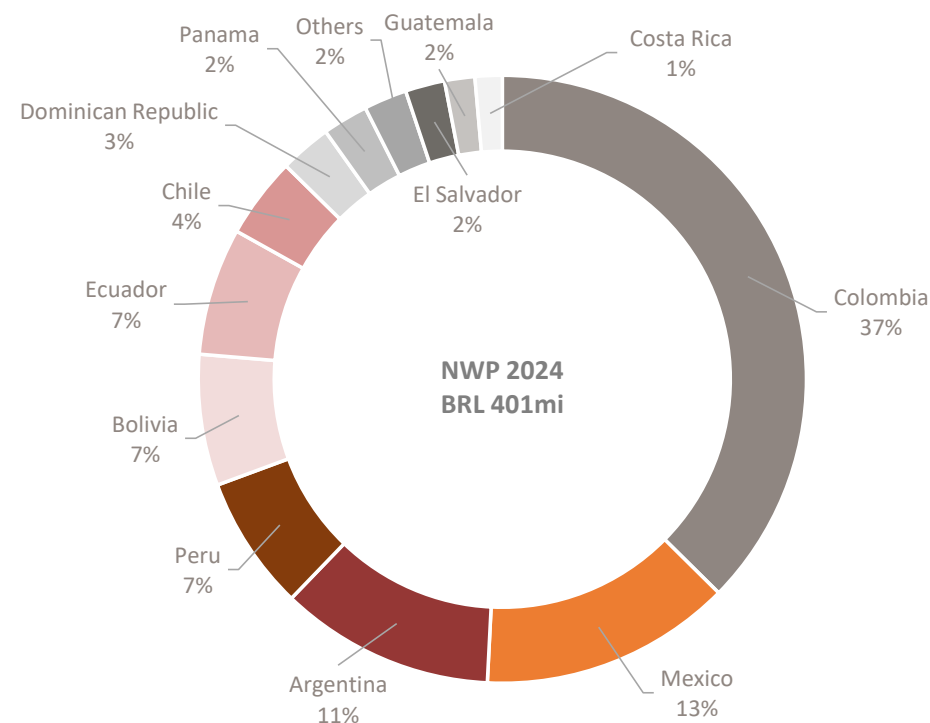
LATAM SPLIT BY LINE OF BUSINESS (EX BRAZIL – NWP 2024)



**Highly experienced team of underwriters** based in Colombia with local knowledge to address business opportunities in Latam;

Austral **uses state-of-the-art tool** such as Remetrica, RMS, and @Risk to enhance its technical expertise, enabling swift monitoring of expected modeled losses before risk acceptance and ensuring effective accumulation control.

LATAM – REGIONAL SPLIT (EX BRAZIL – NWP 2024)



## Our Ecosystem

Main points that make a difference for our Stakeholders and Partners



### Reputation

Austral Re is among the most reputable reinsurance companies in the country



### Relationship

The company has established long-standing relationships with leading market players, including clients and brokers



### Knowledge

Austral Re boasts an extremely experienced management team with deep knowledge of the reinsurance market



### Flexibility

Austral Re is well-known for its ability to design unique solutions for its clients



### Entrepreneurship

The company fosters innovation throughout its main operating processes, enabling constant improvement and evolution



### Team

Austral Re has assembled an elite management team of long-time executives who have guided the company side-by-side for 10+ years



### Agility

The company's horizontal, lean structure allows quick and accurate decision-making



### Efficiency

Large operational scale through digitalization and SG&A synergy gains



### Multiline Partnership

Diversified knowledge in multiple lines of business, including Life and Non-Life

We know  
the market

Austral  
Report and  
Insight

AUSTRAL REPORT



**1<sup>st</sup> periodical** about the Brazilian  
(re)insurance market

Share of knowledge  
Active participation  
Market understanding

Distributed  
to 2,000+  
professionals  
across 5 continents

AUSTRAL INSIGHT



The impact of the pandemic on the  
insurance market






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We are committed to  
our values and  
principles with the  
highest governance  
standards




Well-established  
corporate  
Governance  
initiatives


Board Members



**Bruno Zarembo**  
(Board Chairman)  
VINCI PARTNERS


14 YEARS AT THE BOARD






**Gabriel Felzenszwalb**  
(Vice Chairman)  
VINCI PARTNERS


5 YEARS AT THE BOARD






**Vinicius Albernaz**  
VINCI PARTNERS


3 YEARS AT THE BOARD






**Michael Cukierman**  
VINCI PARTNERS


5 YEARS AT THE BOARD






**Laura Gé**  
Independent Member


4 YEARS AT THE BOARD






**Margo Black**  
Independent Member


6 YEARS AT THE BOARD











**Rodolfo Riechert**  
GENIAL INVESTIMENTOS

2 YEARS AT THE BOARD



Committees

-  RISK
-  HR & COMPENSATION
-  AUDIT
-  INVESTMENTS
-  ETHICS
-  ESG



Strong and efficient governance structure aligned with risk appetite

Strong risk management in all areas.

#### Regulatory

Constantly monitor regulatory changes in order to anticipate needs.

#### Credit

Exposure to diversified counterparties with a minimum "A-" rating;  
Cultivate a long-term relationship;  
Retrocession always married and correctly aligned with the reinsurance contract;  
Diversification of retrocession

#### Market (Exchange included)

Preserve invested capital;  
Return above CDI in local currency and higher than LIBOR in foreign currency;  
Low appetite for foreign exchange risk seeking marriage between assets and liabilities

#### Strategic

Maintain good relationships with capacity providers;  
Maintain a capital level above the regulatory capital and that is sufficient to guarantee a good rating level.

#### Underwriting

Combined index less than 100%;  
Seek to spread the risk portfolio by region, business lines, assignors and brokers;  
Strategy focus on obtaining an ROE above the cost of capital;  
Operations that do not cause liquidity problems.

#### Operational

Monitor and control risk factors related to fraud, failures or inefficiencies in the process, system or people;  
Conservative profile in order to avoid litigation;  
Always perform operations within the legal framework.

#### Liquidity

Ensure the necessary liquidity for future obligations;  
Avoid mismatches of term and / or indexers.

#### Compliance / Image

Ensure the necessary liquidity for future obligations; and  
Avoid mismatches of term and / or indexers

Strong and efficient governance aligned with risk appetite

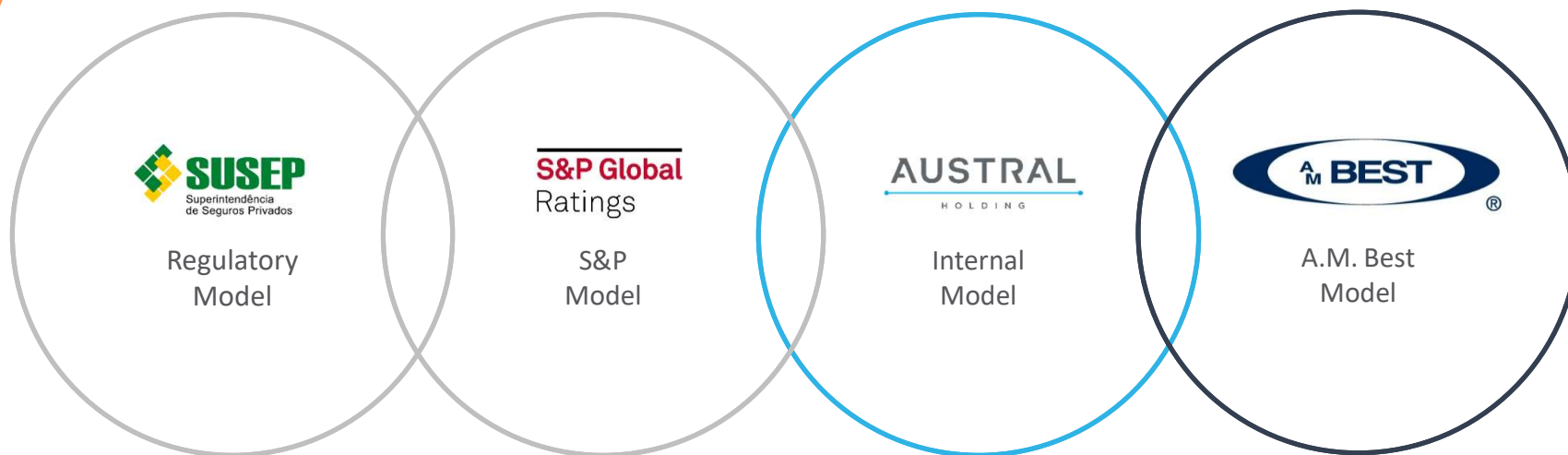
Risk Framework



Overall Statment points

We aim to be a reference in market, helping to leverage the business of our customers and partners	We seek growth, profitability and volatility control to ensure the solidity of our business	We seek to act as pioneers, preserving profitability and the technical level, keeping our commitment to our values	We value real, long-term partnerships and seek to be preferred partners for our customers – brokers are clients
All our operation is based on transparency and trust	We do not tolerate any conduct out of our ethical standards - We adopt a level of governance that preserves value, keeping the long-term interests of our stakeholders	We understand that people are an essential part of our strategy - we strengthen and develop our team	

Full control and  
management of  
capital,  
ensuring  
efficient  
monitoring of  
assets in  
relation to the  
risks  
undertaken





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We believe that each action counts, so we are committed of continuously generating positive impacts on society by boosting initiatives that reaffirm our social responsibility.

We support and promote sustainable actions

## Social-environmental Programs

### Iniciatives



#### Na IFC invested company

We have a social-environmental guidelines established:

Training to all new employees;

Exclusion and attention list to avoid that we carry out social, reputational and environmental risks operations;

Annual report regarding the company's exposition to these risks



#### Recycling programs

Through the Organic Cycle Project, the company will adopt the composting of its organic waste

Discontinue the use of disposables within the company



#### KYC/E/S guidelines

Assessment procedures of our clients and business to determine their risk level regarding AML, reputational and Fraud risks;

Constant monitoring procedures;

Authority level to high-risk rated;



#### Valorization of our human capital

Several benefits and actions regarding our employees well-being and health;

Support the development of our staff with training and studying and also a Career and Succession Plan Development;

Discussions along diversity and corporate culture

Adoption of partial Work from Home Policy

### Continuous work



Impact analysis to identify strength and opportunities regarding Environment, Community, Employees and Governance to develop actions



New SUSEP regulation regarding the theme - regulatory adaptation needed – more effective insertion into the risk framework



We support and promote actions in development programs

## Social Impact Programs



### Instituto Reação

NGO that promotes human development and social integration through sport and education



### Instituto Apontar

The organization provides academic, cultural, and ethical education with a focus on developing socio-emotional skills, in addition to social assistance.



### Ação Social pela Música

Social and cultural education through the teaching of classical music, aimed at promoting the social inclusion of children, teenagers, and young people from communities in situations of social vulnerability



### Projeto Tomates Verdes Fritos

Digital reading club, aimed at men and women over 60 and formed by 8 to 12 people, who meet in São Paulo once a week to read and talk about the same book



### BR Click

A training, entrepreneurship, and Information Technology education project designed to benefit minorities by giving young students the opportunity to acquire relevant knowledge related to the technology field.



### Instituto Apontar

It promotes interventions in the children's hospital aimed at entertaining them.



### Hospital Pequeno Príncipe

The Pequeno Príncipe is more than the largest and most complete pediatric hospital in Brazil. It is a reference center where the most advanced practices, teaching, and research are carried out for the diagnosis and treatment of children and adolescents.



### Oficinas Culturais Mão Amiga

With the goals of filling the school shift and developing extracurricular skills in students, Mão Amiga offers cultural workshops.

With the initiatives we sponsor, we are committed to helping formulate actions that contribute to the development of the communities and our society.



australre.com

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