

wakam



2023
Mission report

Edito



Three years have passed since we adopted our status as a mission-driven company. Three years of transformation, learning, and daily commitment for the Wakamees.

The framework was set up, resources and means allocated, methods tried, tested and revised. We started shaking things up with our partners. Further to this building phase, I felt that we needed to trigger a new phase to gear mission progress up to attain significant results.

We were able to refocus on our core business thanks to the roll-out of this strategic refocus with assistance from the Mission Committee over nearly six months of discussion and brainstorming.

We are now striving single-mindedly to fulfil the four commitments forming our core mission and their tangible effects.

Our charted course remains the same: **at Wakam, insurance is to be transparent and impactful.** This Purpose is deeply rooted in how we work; it is time to provide tangible proof of this!

I would like to take this opportunity to thank the Mission Committee, embarking on a new 3-year term, with three new members, and I would like also to thank the Wakamees for making our mission a daily reality.



Olivier Jaillon

Chairman, Wakam

Wakam and its mission: Enable transparent and impactful insurance



Wakam is a B2B2C insurance company which designs Bespoke insurance solutions.

These products are marketed as white labels by intermediaries, brokers, insurtech companies and retailers.

A unique technological positioning

Wakam provides its distributor partners with its Play&Plug® technology platform.

This is a one-stop shop for its digital services helping them to put insurance products together.

Over 100

distribution partners
who may or may not be insurance professionals

32 countries,

the main ones being the UK, Germany, Italy, Ireland, Spain and Poland

8 product categories

home | mobility | travel & leisure | health | professionals | electronic devices | inclusive insurance

924 million euros

2023 turnover

A company with **strong and distinctive markers**, rooted in its mission

As a business with a sense of commitment, Wakam hopes to actively contribute to transforming the insurance industry.

We are striving to set up new rules, in a spirit of transparency and awareness of the societal

and environmental impact of companies.

Wakam is one of only a few insurance companies in France to have adopted a mission in 2021.

This mission was expressed as six operational commitments in 2023:

Four key commitments

Inclusive insurance

Wakam protects those who need it most, with insurance products at cost price, written in plain language.

Plain language

Wakam writes its documents in plain language, to make our products easier to read and understand for policyholders.

A financial fairness

Wakam excludes excessive commission levels and loss ratios that are too low, and provides top-quality, protective coverage.

The "Wakam for Good" endowment fund

Wakam funds charity programmes for vulnerable people through a special endowment fund.

Two commitments are being removed from our mission in 2024

Partnerships selection

SRI policy

Radicalisation of our mission: focusing on the essentials



After three years operating and maturing as a mission-driven company, we needed to review our strategy in early 2023.

This phase was initiated by Olivier Jaillon and conducted over six months with the support of the mission committee.

A desire for radicalization emerged from it.

This is reflected in a narrowing of our operational commitments to refocus on our core commitments. These are also what set us apart and deserve our full attention.

Four **impactful** key commitments

Our nine commitments determined in 2021 have now been distilled into four key commitments, those holding out the greatest potential for impact.

This 2-step ;transition will be rolled out in 2023 and 2024.

Each commitment comes with a set of clear, tangible operational indicators.

They now have a clear impact focus (amounts collected, number of beneficiaries, etc.). We will be presenting the results in the following pages.

We have drawn up a revisable roadmap for the next several years.

Reinforced governance to empower Wakamees

Our commitments have now been integrated into our incentive plans for individual employees and staff as a whole.

As yet uncommon in the mission-driven company ecosystem, this initiative seems opportune to ensure active, lasting Wakamee commitment.

We chose to start with the Wakam for Good commitment, as it involves most of our staff. It also fosters partner interaction and is expected to ripple out beyond our ecosystem.



Furthermore, the Mission Committee wished to bring Wakamees on as new members while renewing its term of office.

A call for applications was thus launched in Q4 2023. It garnered 18 enthusiastic, well-motivated responses. This affluence exceeded our expectations, as an impressive ratio of our 250 staff members!

We interviewed eight candidates and selected the three profiles demonstrating the highest level of commitment, and that best complemented each other to join the committee.

These three new members thus achieve balance among internal and external parties. They also bring specific expertise and added value to our core mission topics.

Activating mission levers



Fostering greater Wakamee involvement

While various teams work with our commitments on a daily basis, we do acknowledge that some staff have a great sense of involvement while others are more passive.

We needed to find solutions to this, and foster a greater sense of commitment among staff as a whole.

To achieve this, in 2023 we identified 20 ambassadors across Wakam departments.

Working with the People team, we hope to facilitate their monitoring and support role in order to develop and integrate the mission within the company.

84%
of Wakamees acknowledge the importance of Wakam values as a mission-driven company and state that they are proud to implement them!*

Including three Wakamees on the Mission Committee will also help to better align our goals with the aspirations of the various teams.

* Annual review of in-house perception of the mission (survey conducted in December 2023).

And as ever, mission practices, aligned with our **cultural markers**

- **Mission Workshops:**
45-minute sessions held quarterly to provide Wakamees with greater insights regarding each of our commitments.



- **Active participation:**
the mission team takes an active part in several weekly events, including the plenary meeting attended by all staff members.
- **On-boarding of new Wakamees:**
new hires are welcomed and trained in the mission viewpoint. With the internationalisation of our teams at Wakam, especially in the UK, we have started conducting bilingual events for greater inclusivity.

Monitoring of our partners' perception to **maximise the impact of our commitments**

Since 2022, we have integrated mission topics in our satisfaction surveys.

The results have helped us adjust our efforts to ensure that

our distribution partners are fully on-board.

We have especially noticed that plain language is clearly appreciated.

Policyholders understand their contracts better, which improves client relations for our partners, while cutting management costs.

This commitment is an ideal gateway to foster partner approval of our mission as a whole.

We have understood this and are leveraging the expertise we have acquired up to now in order to raise awareness among as many partners as possible.

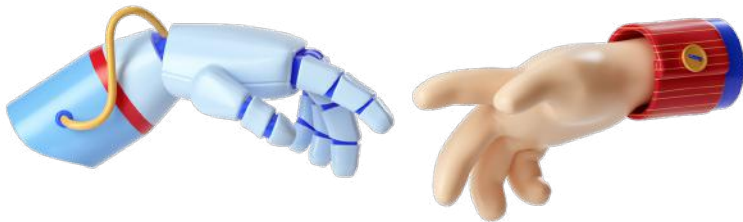
Lastly, we are aware that our mission actions have gained less traction beyond French borders. We are making special efforts for international markets, starting with the UK.

So we are setting up a Wakam for Good entity in London and adapting our methods

45%
of partners
consider plain
language to be
the most suitable
commitment
to handle
challenges in
the insurance
industry*

to transition towards plain language in English.

The UK partnerships manager has also joined our Mission Committee to help the mission projects gain traction beyond French borders.



** One of our four core commitments - Annual review of in-house perception of the mission (survey conducted in December 2023).*

Commitment monitoring: the 3-year review



The following pages provides a snapshot of our commitments, at the end of our first three years as a mission-driven company.

We have provided a fair amount of information about the tools and methods we came up with further to extensive experimentation and selection. The Means and Resources section provides the backstory to its construction along with an initial review.

Most of the commitments have matured, meaning that we can change our approach.

We are now transitioning from a duty of means framework to duty of impact.

Since 2023, we have concentrated our attention on attaining tangible results, mainly quantified in terms of impacted beneficiaries.

Lastly, like other previous commitments, some no longer need to remain as special operational commitments . The initial goals have been attained, or can be developed in a more suitable setting than the mission.

Inclusive Insurance



Our Commitment

Protect those who need it most, with insurance products at cost price, written in plain language.

Our resources and means

We have been working on this subject since 2019, long before becoming a mission-driven company. Today we have developed four ranges of tailor-made products. They are available at cost price and have been put together with partners in the field, geared to a clear view of reality:

- **"Kolibri" school bullying insurance**

a product comprising guaranteed legal protection, school protection, therapeutic protection and protection of both the child's e-reputation and that of their family, in partnership with the NGO Marion la main tendue.

Available directly by subscription online or via a broker partner, the

programme has not yet met with the success expected (only 120 contracts).

Attempts to reach out to private establishments and local authorities have not yet come to fruition. We also plan to test other methods of distribution. Folding Kolibri into other, more general product categories, such as home insurance, would boost uptake considerably.

- **"Coup de Pouce" micro-insurance**

a product fully paid for by the employer on behalf of employees under the income tax threshold. It is a scheme offering up to €6,000 in case of heavy blows dealt by everyday life.

This programme has not been widely distributed for the time being. It is subject to taxation when distributed via companies, which point has been identified as curbing uptake by the companies.



"With an amendment to the proposed 2024 budget due to be presented to the French Senate, we are not giving up, and hope this point will no longer apply to micro-insurance! We are continuing our lobbying efforts to persuade MPs of the importance of reducing employer welfare payments for this product."

Denis Thaeder
Chief Mission Officer

- **Solidarity Home Insurance**

an all-round, multi-risk product, with availability depending on resources, to tenants in public and private housing in partner cities.

This product was developed with VYV in 2023 in response to a call for expression of interest launched by the Paris City Council.

The results are very encouraging with over 3,500 contracts signed in under 12 months.

We are convinced that this initial success in Paris will lead to others, in 2024 and subsequently. We are already working on deployment with the city of Tourcoing and a plan of approach for large cities.

- **Solidarity insurance serving neighbourhoods earmarked for priority in city policies**

A project to sell compulsory insurance products (starting with home insurance), via simplified subscription on WhatsApp, with training for referee solidarity brokers from these neighbourhoods.

This project was initiated in June 2023 and is to be rolled out by the end of Q2 2024, in partnership with Confiance Assurance and the NGO in the field Voisin Malin.

"Solidarity brokerage is a project to reconcile inhabitants with insurance, and vice versa. Meetups with inhabitants and our workshops brought to light reciprocal mistrust between these two worlds. So the idea emerged of getting inhabitants involved in jointly designing a truly appropriate service, aligned with their expectations and realities."



Anne Charpy
Founding Director, Voisin Malin

This is a new model for solidarity insurance, blending technological and social innovation.

It has created jobs in the low-income neighbourhoods and simplified the uptake and understanding of insurance.

It has also helped to foster close ties and trust between beneficiaries and insurers.

Aims for 2024



- Generate ever more impact by incentivising Wakamees with individual and team targets involving the creation of inclusive partnerships,
- Enrol new partners to distribute inclusive products,
- Concentrate on the programmes designed or approved with NGOs in the field to ensure they are pertinent for beneficiaries.

Conclusion

With our B2B2C model, we do not have direct contact with final policyholders. So it is very difficult to be more proactive regarding distribution. We have room for manoeuvre in choosing distributors and making the right tools available for them to distribute insurance products to the best of their ability. However we are powerless when the partner lacks energy or conviction when performing their tasks.

Convincing our current partners to integrate inclusive guarantees in their products is on our to-do list. Another item is ongoing collaboration with players in the field, who come up with new solutions for alternative distribution, as with the solidarity brokers.

Measuring impact

Number of beneficiaries having signed up for an inclusive contract.

2023 goal	2023 results	2024 goal
5,000 to 15,000	3,638	15,000 to 40,000

Financial fairness



Our Commitment

Ensure financial equity between insurers, distributors and policyholders.
Provide high level guarantees of protection.
Renounce any activities that do not align with these principles

Our resources and means

We implemented this commitment in 2020, while building our mission model.

"We believe the concept of financial equity is crucial if we are to maintain insurability in tomorrow's world and leave behind the relative opacity in the financial fairness in risk transfer."



Olivier Jaillon
Chairman, Wakam

Practically speaking, we started by integrating two specific criteria into our partnership building tools:

- Distributor commission below 50%
- A level of guarantees above market standards

We proceeded in the same way when renewing existing partnerships.



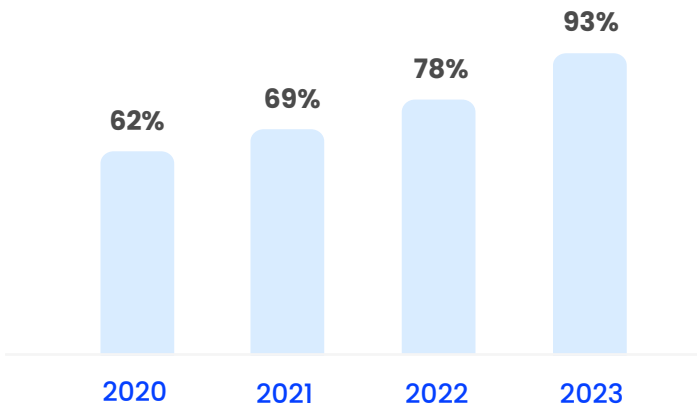
"We are working to convince all our partners that our actions are well-founded. Sharing our values and convictions makes our daily work meaningful. For sure, since we are pioneering this transformation, we have had to give up on some non-aligned activities, but our initiatives are coming to fruition. We have now achieved a compliance rate of 93%, up from 62% in three years. Wakam is now considered a pioneer, reshaping the market!"

Philippe Fassier

Country Manager France & Pan European Partners

Changes in compliance rate*

** criteria: commission and level of guarantees*



In 2023, we introduced a new indicator for our partnerships. We also hope to guarantee claim levels above 30%.

This is an ambitious project because in order to monitor fulfilment of this criterion we will need to assess it at the end of

each financial year, once we know how much compensation has been paid out.

We need to ensure that the premium income ratio is in line with projections.

Aims for 2024

- Assess performance relative to our claim levels.
- Define remediation plans in case of failure to comply with criteria, and implementing them with partners.

Conclusion

This commitment helped us assess market resistance to necessary changes; we had to spark a dynamic of change in mentality, first in-house, then with our partners.

The results obtained show positive, lasting transformation at Wakam and in our ecosystem. This transformation has taken place over several years, conducted with solid conviction.

Measuring impact

Rate of partnerships preserving financial equity

Criterion	2023 goal	2023 results	2024 goal
Rate of partnerships with commission \leq 50%	90 to 95%	93%	\geq 95%
Rate of partnerships with a level of guarantees \geq standard	90 to 95%	100%	\geq 95%
Rate of partnerships with claims-to-premiums ratios at least \geq 30%	90 to 95%	91%	\geq 95%

Plain language

Our Commitment

Write our documents in plain language, make our products easier to read and understand for final policyholders.



Our resources and means

After two years of experimentation, our transformation method has yielded good results. It involves product managers, legal advisers and copywriters with training in plain language.

To factor in our partners' requirements and goals, we have suggested "intermediary" or "full" transformation of their documents in plain language for the time being.

More over, since the Data Science team conducted conclusive tests in 2023, our method has been perfected

even further. It now uses Extended Language Modelling technology, as in ChatGPT.

Over the past months, the product team, which is in charge of this transformation, has acquired good practices for conversion assisted by artificial intelligence, thus saving considerable time.

Lastly, we use **Lisiscore®**, the most advanced readability checker on the French-language market, to objectively measure how clear our transformed documents are.

Example of transformation into Plain language

The General Terms & Conditions of our "Cyclo" insurance product scored 11 extra Lisiscore points after a full transformation assisted by artificial intelligence.



"A Lisiscore of 60 to 70 is amply sufficient and fully aligned with our core business and targets. Below this score, the text is too technical. Above, the language is too simple, and may fail to meet regulatory requirements"



Quentin Le Roux
Product Manager

Lastly, we share our accumulated expertise in a white paper, with a view to raising awareness among our partners as to the importance of plain language.

A new version is being drafted to report on our transformations using artificial intelligence.

We hope to present a turnkey solution that will help our partners transform their documentation into plain language themselves.

Aims for 2024

- Continue the transformation initiated in 2023 of our products for the UK market.
- Encourage partners having operated an intermediary transformation of their publications, to gear up to full transformation
- Include the AI-assisted plain language transformation tools on our Play & Plug® platform so that partners can transform their policy documents in a matter of clicks.

Conclusion

We know that this commitment is a great opportunity to get our partners on board with our mission. We continue to assert our intention to promote plain language in France and Europe, for as many beneficiaries as possible.

The initial results greatly exceeded our expectations, with an impressive total of 121,000 people impacted in 2023. That said, it is above all down to intermediary transformations.

We are now aiming for AI-assisted full transformations, for as many beneficiaries as possible.



Measuring impact

Number of beneficiaries with contracts written in plain language

2023 goal	2023 results	2024 goal*
25K to 50K	121K	50K to 150K

** Fully transformed documents using AI*

Wakam for Good



Our Commitment

Fund charity programmes serving vulnerable people by way of an endowment fund.

Our resources and means

The Wakam for Good fund was created in late 2021, on a basis of one euro donation per contract issued, and an allocation of funds further to a call for projects.

Wakam started donating in March 2022 and the first NGOs started receiving funding a few months later.

Since 2023, all new Wakam partners in France contribute systematically to Wakam for Good.

Almost all existing partners also signed up to join the fund.

A first step was taken in mid-2023 to extend this initiative to all European partners, with the setup of Wakam for Good UK.

A mission indicator pertaining to fund-raising goals was integrated into the 2023 incentives and profit-sharing policy. It acknowledges and reinforces Wakamee involvement on the subject.

In 2023 Wakam for Good chose to fund **four organisations** via multi-annual partnerships allocating a total of **225,000 euros**

fondation
fondamental

 **habitat &
humanisme**

la maison
perchée

Lazare



"Wakam for Good's contribution has helped Lab'FondaMental to support clinical research projects that approve solutions that will improve patients' lives. For example, digital innovation focussing on cognitive issues associated with mental disorders. The Lab' also has projects to help carers, improve their daily life and support patients' families."

Dr Véronique Briquet-Laugier
Director, Lab'FondaMental

Aims for 2024

- Continue gradual, controlled development in Europe; localise and adapt the operational, legal and financial model for each country roll-out.
- Improve the fund-raising chain, by automating calculations and payments.
- Foster more interaction between the NGOs supported and stakeholders, Wakamees and partners, looking beyond financial aspects.

Conclusion

After a full year in operation, we can be proud of meeting our fund-raising goals!

We hope to continue in this vein, as well as fostering partner interaction with the NGOs.

We thus hope to give them the means to promote the fund and especially its aim beyond Wakam's reach.

We also need to adapt the programme to all European countries, despite taxation challenges to be resolved, to fulfil our role as an economic and social stabiliser.

Measuring impact

Amounts collected

2023 goal	2023 results	2024 goal
€400K to €600K	€447K	€900K to €1.1M

Socially Responsible Investment Policy



Our Commitment

Roll out a strict, far-reaching SRI policy, empowering investment to benefit the common good.

Our resources and means

We use the “Best in Universe” ESG selection approach and are committed to investing 5 million euros to an impactful fund.

SRI monitoring has been integrated into all the monthly Investment Committee

meetings and we continue to improve transparency in the investment report.

We are also committed to gradually disengaging from fossil fuel assets, with a compliance rate of 97.9%.

Review

Initiated along with the mission, this commitment is no longer part of its scope.

It will continue to be deployed in the more appropriate framework of our CSR policy. In this arena we will be able to handle this subject alongside our work to implement our climate strategy, aiming for carbon neutrality by 2030.

Investment compliance rate

99.5%

Investment in impactful fund/s

€1.1M / €5M

Partnerships selection



Our Commitment

Ensure that our partners are in agreement with our most important mission commitments.

Our resources and means

Our method for building partnerships includes checking compliance with four filters relative to our commitments:

- Controlling commission rates and minimum rates of compensation
- Guarantees above or equal to market standards
- Use of plain language
- Joining the Wakam For Good endowment fund.

Review

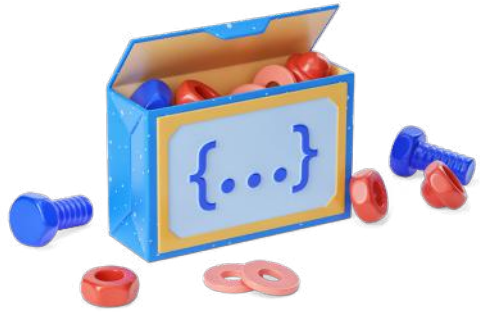
In 2023, the rate of application of the filters hit 99% for our new partnerships: the goal has been reached.

This commitment has been an excellent exercise for the mission; it is now well-established in our daily work and in those of Wakamees involved and shall last a long time.

It is time to remove it from the scope of the mission, given the maturity we have reached.

Appendices

Good Practices



We have just spent three years within an ecosystem of companies having undertaken similar audacious transformations. This community's contributions have been precious, so we in turn would like to contribute some of the good practices we have identified in the course of our mission.

Focus on impact

Prioritise tangible corporate results and impact once the goals have matured sufficiently.

Provide on-going training and awareness raising

It is important to bring teams on board with the new orientation by setting up training and awareness-raising programmes alerting them to the importance of social and/or environmental impacts.

Simplify and clarify

Improve understanding and communication of corporate commitments towards corporate stakeholders: simplify its goals, make information more concise, accessible and comprehensible.

Feel free to redefine and/or change the KPIs:

The key performance indicators must reflect initiative results and impact rather than only the means. They must be significant and measurable, focussed on the direct effects of initiatives for beneficiaries.

Collate feedback from beneficiaries and stakeholders

This stage may be difficult to set up during the assessment process, but it gives more accurate readings of impact, making it possible to redirect as necessary.

Changes in the mission model



Statutory aim 1

Ensure that transparency and impact principles are adhered to for the benefit of our policyholders, by forming general policies and bodies, in collaboration with our distributors.

Partnerships selection

Statutory aim 2

Design & distribute **insurance products with tangible impact for our policyholders**, in collaboration with our distributors.

Plain Language

Financial fairness

Former mission model

Statutory aim 3

Serve vulnerable people especially via inclusive partnerships and by fostering the sponsorship of competence among our staff members.

Inclusive insurance

Wakam for Good

Statutory aim 4

Encourage efforts to reach **goals involving improvement in both social and environmental terms in our investment policy.**

SRI policy

In late 2023, Wakam defined new statutory aims, in line with its radical strategy. The statutes will be officially adopted in Q1 2024.

Statutory aim 1

Design & distribute insurance products providing **transparency and value for our policyholders**, in collaboration with our distributors.

Plain language

Financial fairness

New mission model

Statutory aim 2

Develop insurance programmes with **social or societal impact** via partnerships.

Inclusive insurance

Statutory aim 3

Fund general-interest initiatives to help **protect vulnerable people**, especially in collaboration with our distributors.

Wakam for Good

2023 performance measurement cockpit for commitments and indicators



Inclusive Insurance

Number of beneficiaries

3,638 ✗

Initial goal

5K to 15K

Financial fairness

Rate of partnerships meeting the criteria

commission
≤ 50%

93% ✓

guarantees
≥ standard

100% ✓

Claim levels
≥ 30%

91% ✓

Initial goals

90 to 95%

Plain Language

Number of beneficiaries

121K ✓

Initial goal

25K to 50K

SRI policy

Investment compliance rate

99.5% ✓

Investment in impactful fund/s

€1.1M / €5M

Wakam for Good

Amounts collected

€447K ✓

Initial goal

€400K to €600K

Partnerships selection

Rate of application for filters on new businesses

99% ✓

Initial goal

≥ 95%

2024 goals and ambitions



Goal 1

Design & distribute insurance products providing transparency and value for our policyholders, in collaboration with our distributors.

Plain Language

50,000 – 150,000 beneficiaries of Wakam products written in plain language

Financial fairness

Compliance \geq 95%
distributor commission rate \leq 50%

Compliance \geq 95%
level of guarantees \geq standards

Compliance \geq 95%
Claims-to-premiums ratio at least \geq 30%

Goal 2

Develop insurance programmes with social or societal impact via partnerships.

Inclusive Insurance

15,000 to 40,000 beneficiaries

Goal 3

Fund general-interest initiatives to help protect vulnerable people, especially in collaboration with our distributors.

Wakam for Good

€900K – €1.1M funds collected

wakam

wakam.com