

MOMENTUM RETAIL

Momentum Retail's purpose is to enhance the lifetime financial wellness of people, their families, communities and businesses.



STRATEGY

The focus is on three main segments – the upper and middle retail segments, and the small business segment in South Africa, offering innovative and appropriate wealth creation, risk and savings solutions.

We will ensure that we understand clients and their needs intimately and build client value propositions (CVP) to optimally address these needs. See the CVP graphic in the MMI online integrated report at www.mmiholdings.com.

Historically, independent financial advisers dominated distribution in this segment. Although this is still a major source of business, we have adopted an omni-channel approach, with clients at the centre, interacting with their channels of choice. Business from tied financial planners has increased significantly over the last five years. Over the last year, the retail arm of Momentum Consult also grew significantly. In addition, we have started focusing on digital engagement channels for relevant segments and solutions.



PROFIT DRIVERS

- Sales volumes and mix
- Persistency
- Expense management
- Investment performance
- Effective underwriting, pricing and claims management



STRATEGIC INITIATIVES

- Entrench the Middle Market offering
- Continue building and diversifying distribution capability
- Strengthen wealth management capabilities and solutions
- Implement strategic channel and client interaction capabilities



DISTRIBUTION



>6 000 independent financial advisers



660 tied financial planners operating in the upper-income segment



117 Momentum Consult advisers operating in the upper-income segment



50 middle-income segment financial planners in the field

momentum

METROPOLITAN RETAIL

Metropolitan Retail's purpose is to enhance the lifetime financial wellness of people, their families and their communities through empowerment and education.



STRATEGY

We target the entry-level market retail segments in South Africa with a focus on client value, ease of interaction, empowering advice and a lifetime engagement. The following sub-segments have been identified:

- Traditionalists – Young, informally employed (high school)
- Survivalists – Seniors/retired, informally employed (primary education)
- Realists – Marginally older, less educated and earning less than Aspirers
- Aspirers – Aged between 25 – 40, more educated, higher earning households
- Strivers – Aged between 25 – 40, urban formal, better educated with a university qualification and mostly employed

Products and solutions on offer are savings, income generation and income protection (risk) and dignified funeral products. These solutions are delivered through the client value proposition (CVP). See the CVP graphic in the MMI online integrated report at www.mmiholdings.com.



STRATEGIC INITIATIVES

- New generation client value proposition
- Channel productivity
- Migration of existing clients to new generation technology platforms
- Integrated sales and service architecture – deliver client-centric engagement
- Channel diversification



DISTRIBUTION

- **3 161** tied agents
- **4** call centres
- **1 223** brokers
- **>100** sales offices countrywide



PROFIT DRIVERS

- Volume and mix of new business
- Retention of new and existing business – client retention
- Expense management
- Effective underwriting, pricing and claims management
- Investment performance – absolute and relative

METROPOLITAN 



CORPORATE AND PUBLIC SECTOR

In order to enhance the lifetime financial wellness of businesses, employees, customers and their communities, we place the client at the centre of everything we do.

This requires deepening industry and sector insights about the institutions that we serve and focusing on the strategic issues that affect them and their employees.



STRATEGY

Our client-centric strategy includes:

- Segmenting institutional clients using a multi-dimensional basis and metrics (eg number of employees and industry type)
- Deepening our knowledge of client segments that we serve, including the key issues facing the industries and sectors in which they operate
- Assisting institutional clients to enhance the financial wellness of their employees and workers in support of their own corporate strategies
- Combining our segment know-how and the capabilities within MMI's products and solutions centres of excellence to design a holistic client value proposition (CVP)
- Extending our financial wellness proposition to the institutional clients through solutions that:
 - Grow their profitability
 - Protect their asset base
 - Enhance their sustainability



PROFIT DRIVERS

- Effective underwriting, pricing and claims management
- Asset-based charges on investment and annuity business
- Risk business margins
- Fee income on administration business
- Operational efficiencies



BRANDS

We deliver on our CVP through the following brands:

- **Momentum**
- Metropolitan
- **Guardrisk**
- Eris
- OcsaCare
- CareCross
- Hello Doctor
- Providence
- Bluubin



PRODUCTS

We focus on medium to large corporates, affinity groups, labour unions and the public sector institutions by offering:

- Investment and annuity solutions
- Life and short-term insurance solutions
- Medical scheme benefits and administration of closed schemes
- Alternative risk transfer arrangements (eg cell captives)
- Corporate income statement and balance sheet enhancement solutions
- Retirement solutions (umbrella and free-standing fund administration)



DISTRIBUTION



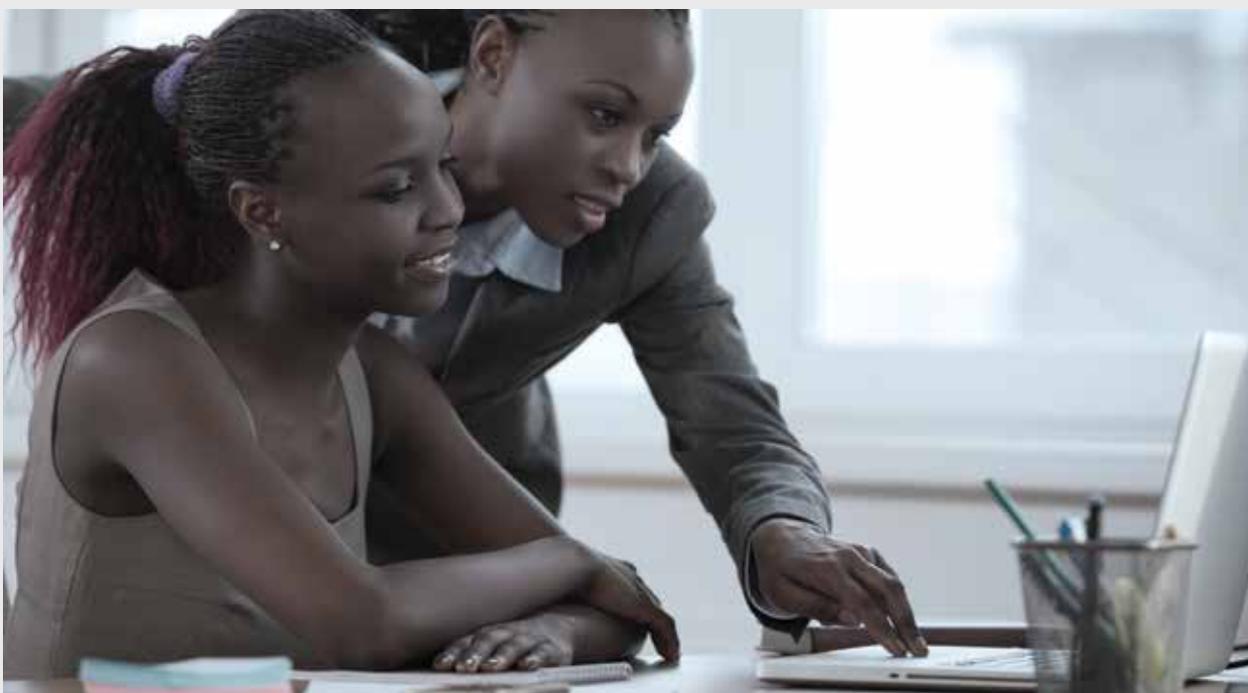
500 brokers



10 tied agents



8 branches



STRATEGIC INITIATIVES

- Increase client base in target markets
- Increase value of existing client base
- Improve understanding of clients
- Improve alignment of needs and client value proposition
- Improve long-term relationships with clients and stakeholders
- Improve overall efficiency
- Deliver a consistent excellent client experience



INTERNATIONAL

The International segment allows us to manage our global expansion holistically, to enhance the lifetime financial wellness of people, their communities and their businesses and takes care of client needs in the selected segments of countries where we are represented.



STRATEGY

This segment is responsible for managing the group's holistic global expansion, offering:

- Risk, savings and investment products
- Retirement fund administration
- Health insurance products and administration
- Short-term insurance



DISTRIBUTION

Methods of distribution vary from country to country and include:

- Tied agents
- Brokers
- Call centres
- Alternative distribution methods, eg through mobile technology



STRATEGIC INITIATIVES

- Successfully implement the Indian joint venture
- Scale the East and West African operations through organic growth and selective acquisitions
- Drive regional hub autonomy and foster collaboration
- Restructure the centre cost base



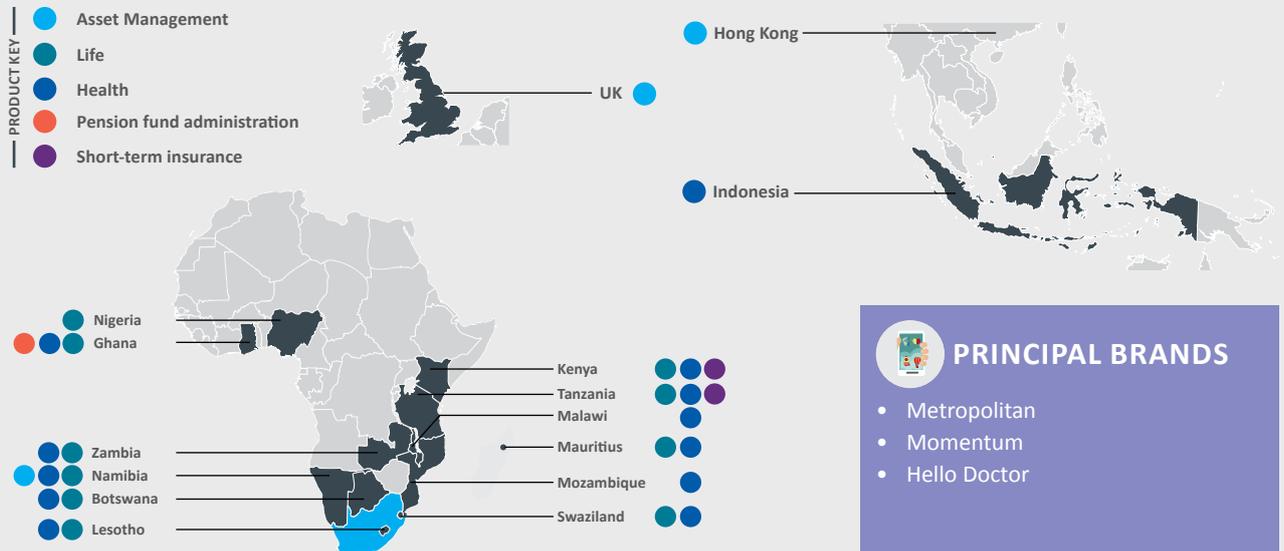
PROFIT DRIVERS

- Effective underwriting, pricing and claims management

- Sales volumes and mix
- Expense management
- Investment performance
- Retention of existing clients

PRODUCT KEY

- Asset Management
- Life
- Health
- Pension fund administration
- Short-term insurance



PRINCIPAL BRANDS

- Metropolitan
- Momentum
- Hello Doctor

PRODUCTS AND SOLUTIONS BUSINESS

The purpose of this segment is to enhance the financial wellness of people, their communities and their businesses, by using our technical capabilities and insights to innovate and create value in the delivery of solutions.



STRATEGY

The Products and Solutions business consists of the following centres of excellence, specialising in:

- *Investments and savings solutions* that provide a single investment capability with an outcomes-based investment philosophy to all segments of the group
- *Life insurance solutions* to all segments across the group based on their clients' needs
- *Legacy solutions* that hosts the product and system capabilities of legacy products across MMI
- *Short-term insurance responsible* for designing and making suitable products available as required by segments across the group
- *Health solutions* offering medical scheme administration and a platform for the Momentum Health open scheme and CareCross
- *Payment solutions* that enhance transactional capabilities, facilitate emergency access to funds, enhance customer insight into spending and borrowing needs and behaviour, and improve value



STRATEGIC INITIATIVES

- Identify and build unique intellectual property to be leveraged
- Communicate unique intellectual property to segment businesses
- Understand specific segment environment needs and client value propositions
- Rework product solutions to better fit segment client value propositions
- Identify areas of optimisation in each centre of excellence
- Alignment and leverage of quality resources

