



Momentum retail: Embracing advice-led distribution

Jeanette Marais
Group Deputy Chief Executive Officer



Where were we three years ago?



“Winning back independent financial adviser support and market share will prove that we have fixed our business.”

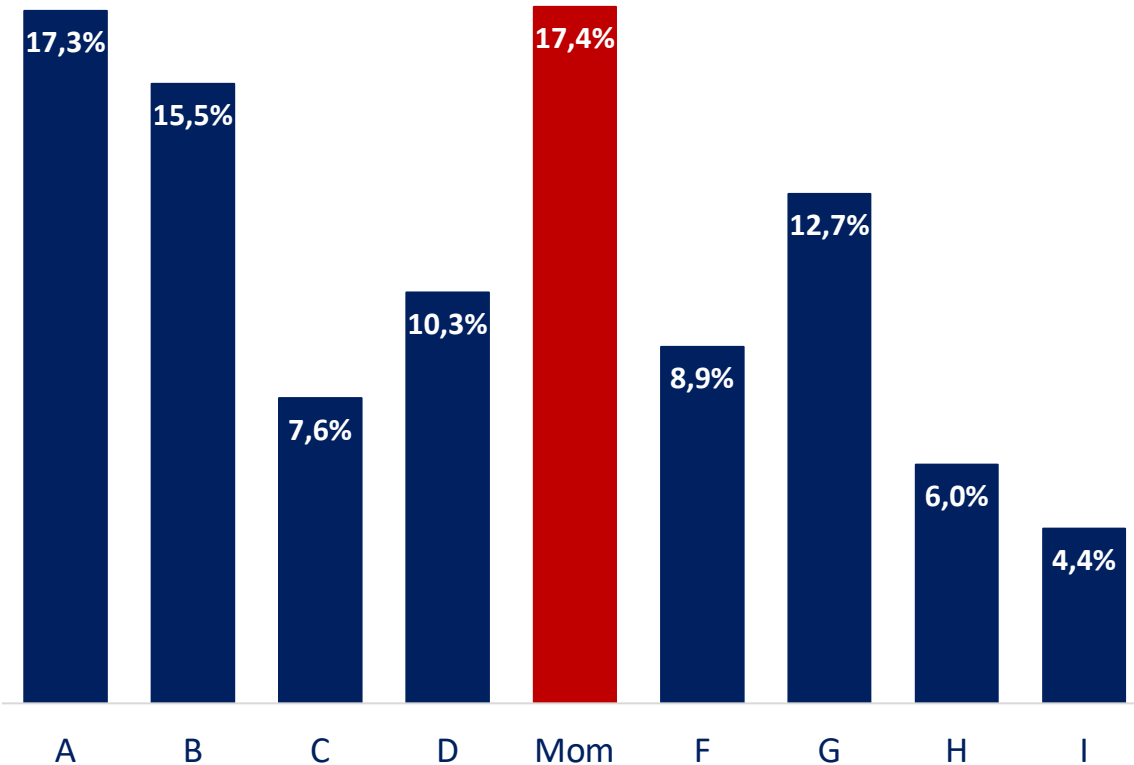
Hillie Meyer

2018

Winning back market share with independent financial advisers



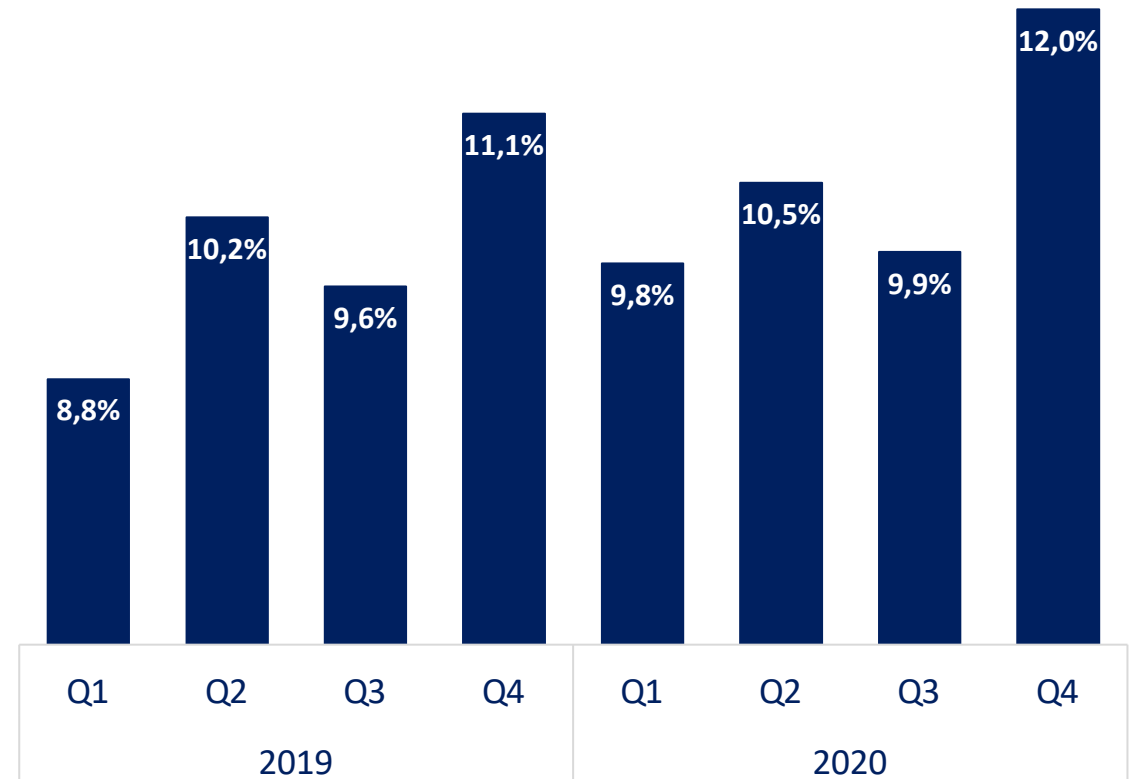
Myriad



Reclaiming our position as market leader

Source: NMG

Wealth platform



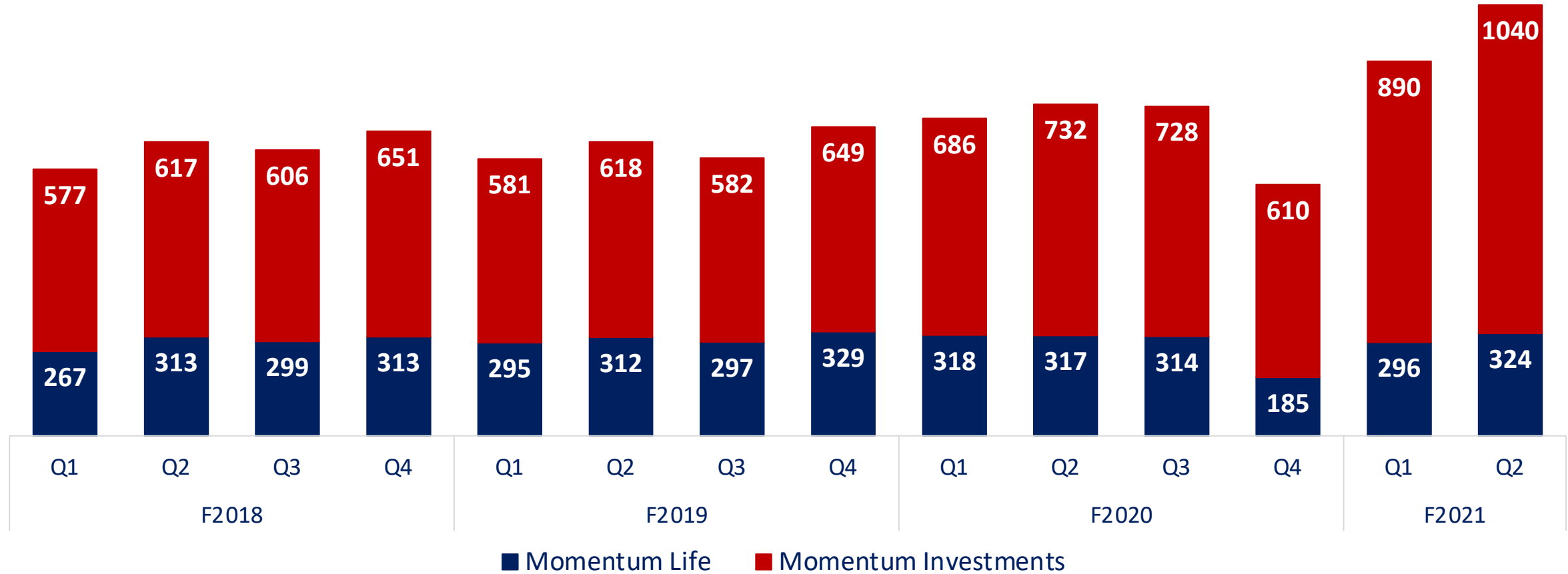
More than 3% market share gain in two years

Source: ASISA Q4 2020

Double digit Annual Premium Equivalent (APE) growth



R million



Momentum Investments compound half-yearly rate of 8.3% (F18H1-F21H1)

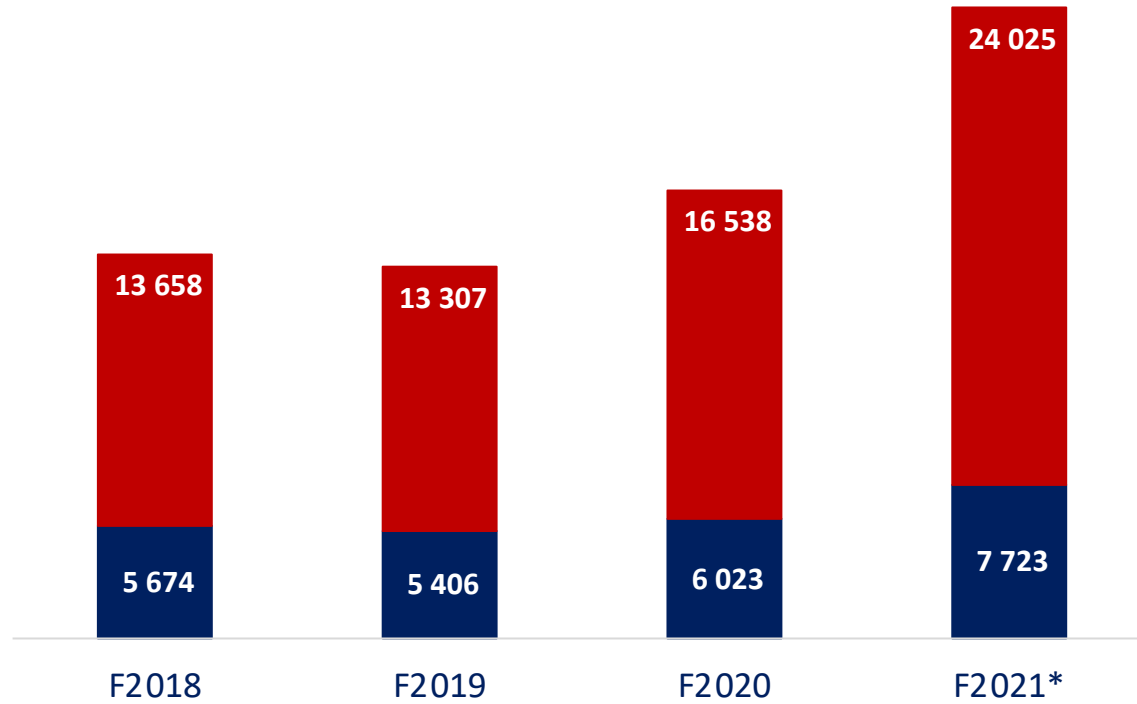
Momentum Life compound half-yearly rate of 1.1% (F18H1-F21H1)

Momentum Investments



Momentum Wealth and Wealth International

R million



* F2021 annualised

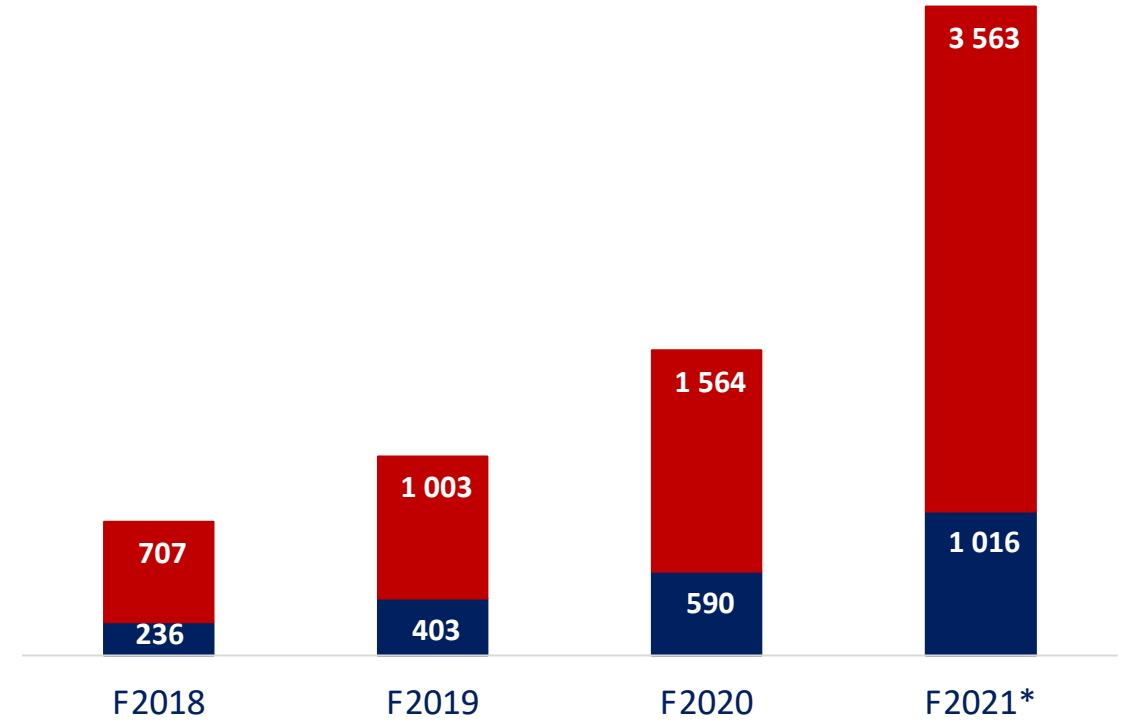
■ MFP ■ MDS

MFP compound annual growth of 10.8%

MDS compound annual growth of 20.7%

Life and Guaranteed Annuities

R million

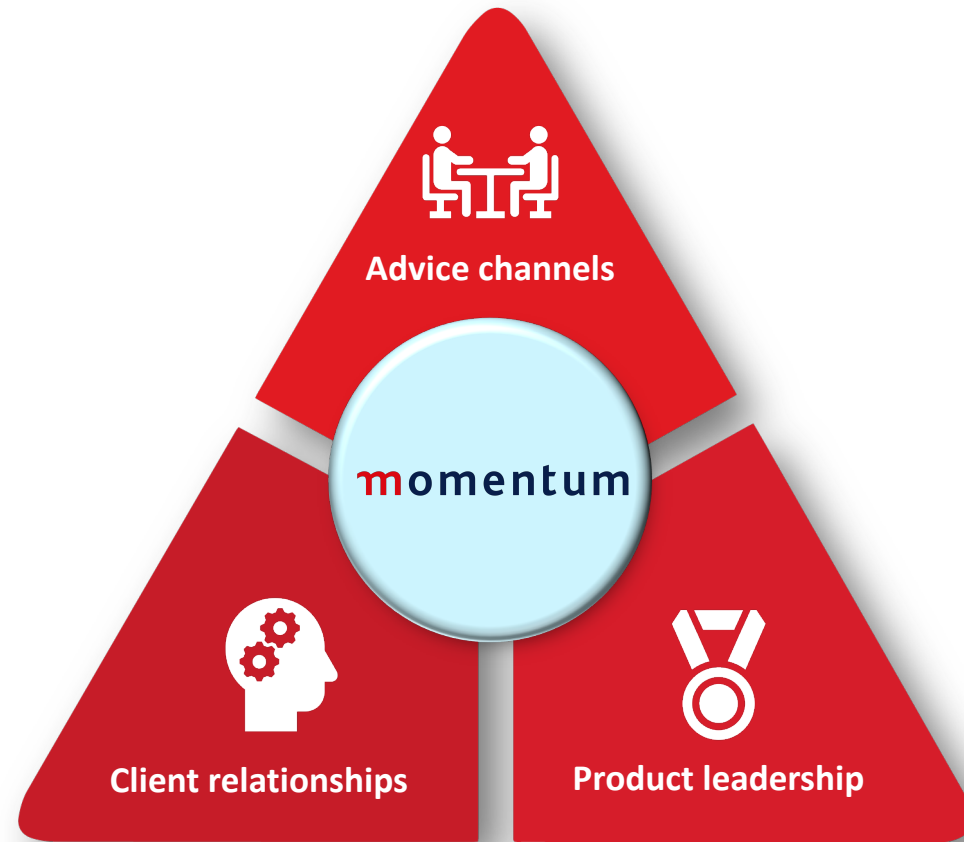


* F2021 annualised

■ MFP ■ MDS

MFP compound annual growth of 62.7%

MDS compound annual growth of 71.5%



Evolution from adviser-led to advice-led supported by digital transformation

Maximising the lifetime value of the client

Product houses are integral to advice value chain

Our strategic response: REINVENT and GROW



Channel focus

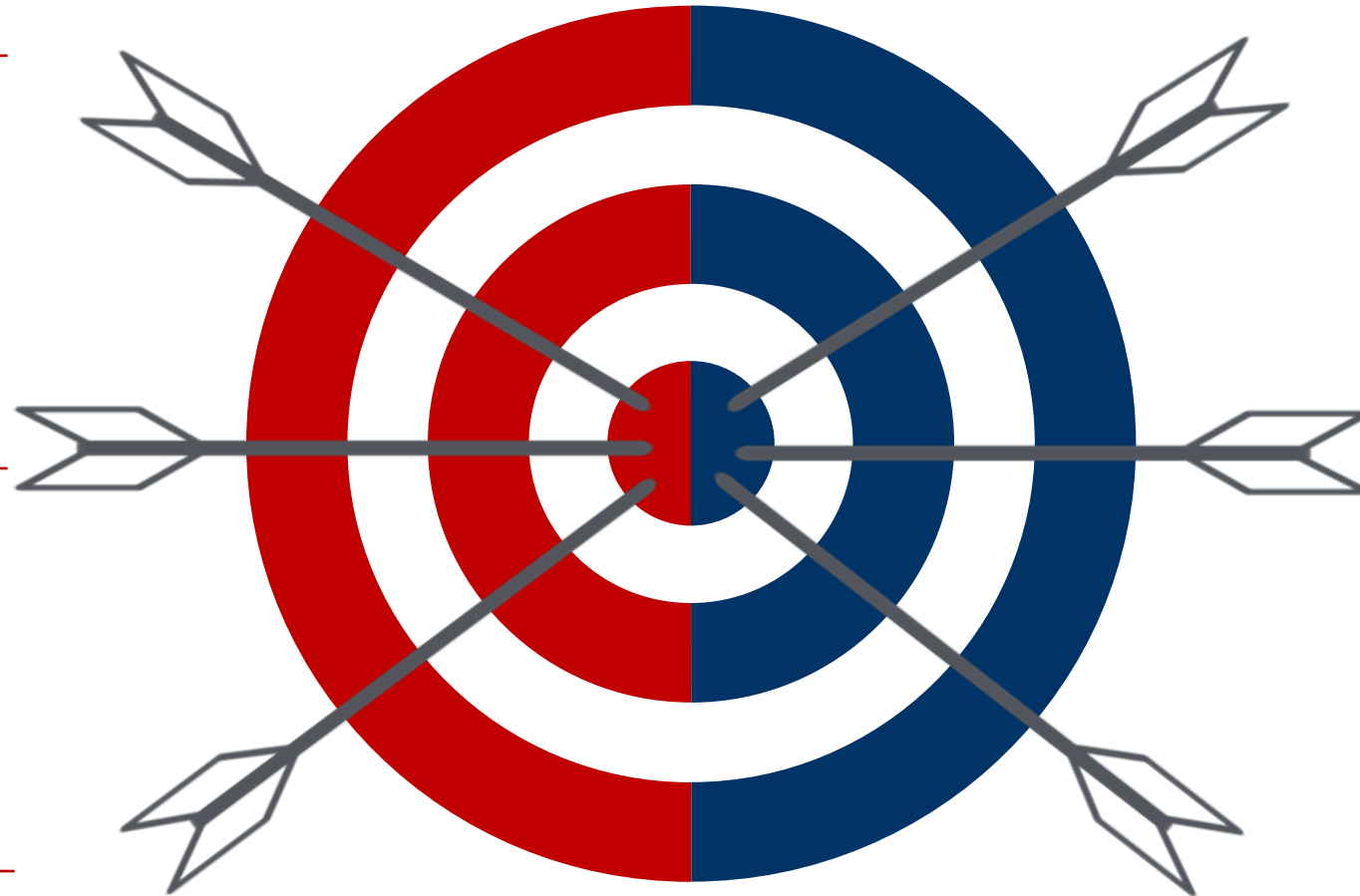
Product leadership

Digital processing
and service model

Finding growth

Legacy and IT reset

Reporting and analytics



Brand and culture

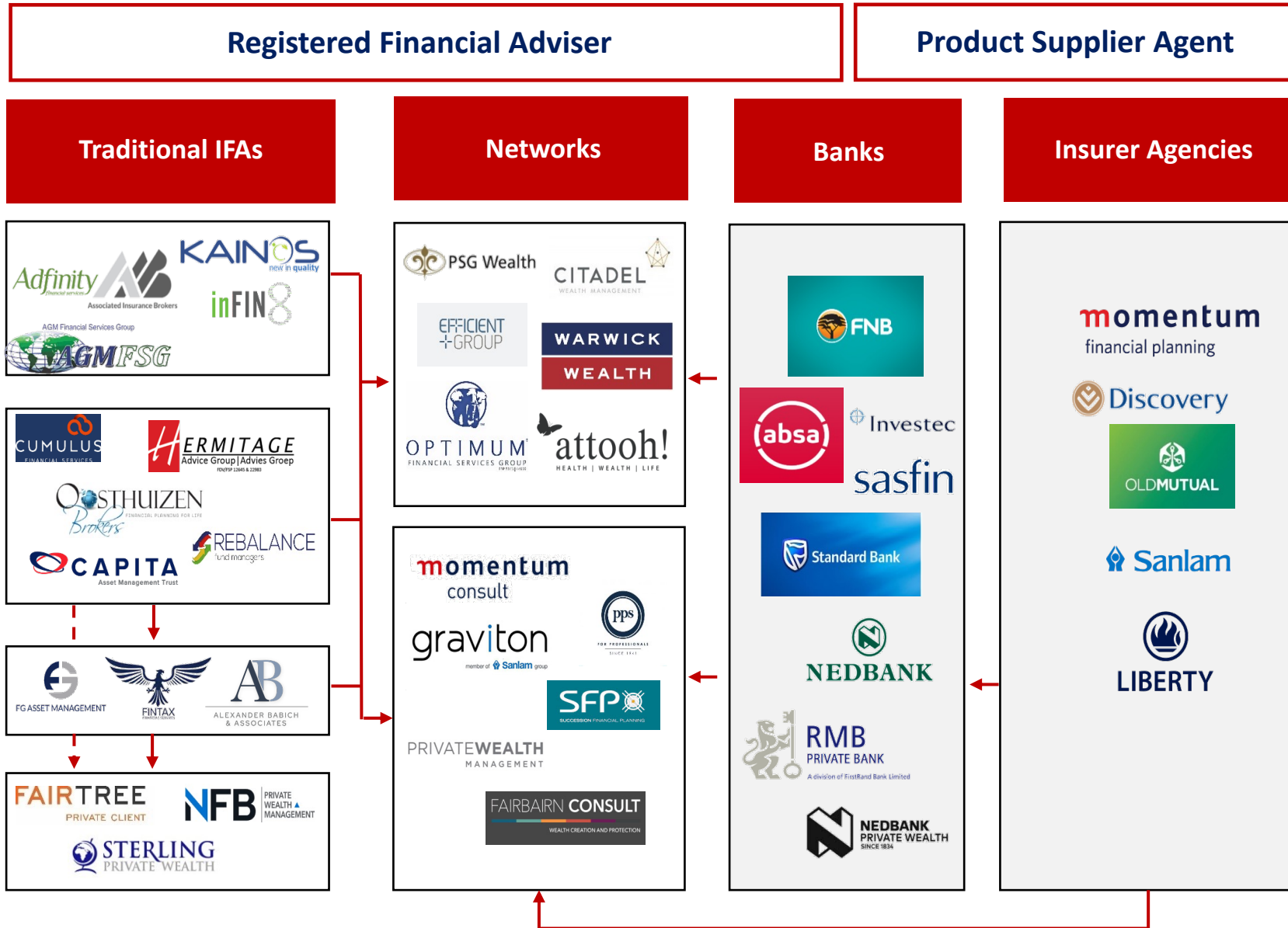


Channel focus

Delivering advice through strong channels



Advice landscape in South Africa is evolving



Momentum competes across the entire landscape

Need for segmentation and specialisation

Vertically integrated advice models



Momentum Financial Planning

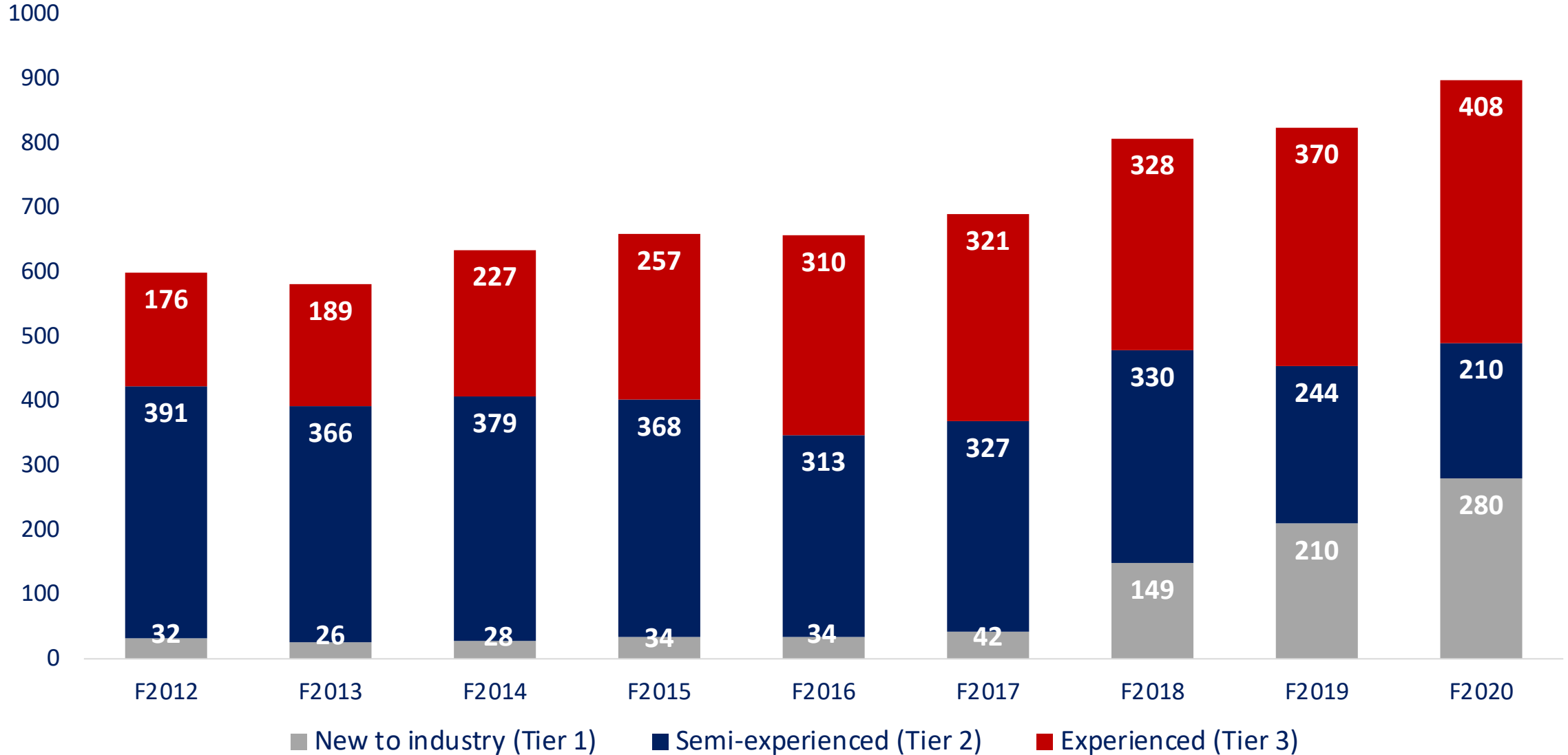
Advice-led agency of the future



Momentum Financial Planning footprint growth



Number of planners



Momentum Financial Planning strategic objectives



Footprint growth (attract and retain)

Transform planner footprint - expand target market
Business continuity partnerships
Career in financial planning



Give planners the right knowledge, skills, tools & solutions

Momentum Institute of Financial Planning
Vertical integration

- Integrated financial planning tools
- Advice-led capabilities



Put planners in front of more clients

Demand generation
Open new lead sources
Business continuity partnerships
Retailisation

Agency of the future

Strategic focus on channels



**Contracted
channel**

I-Channel
Experienced advisers

**Employed
channel**

Red-Channel
New-to-industry advisers

**Franchise
channel**

M-Channel
Experienced and new-to-industry
advisers

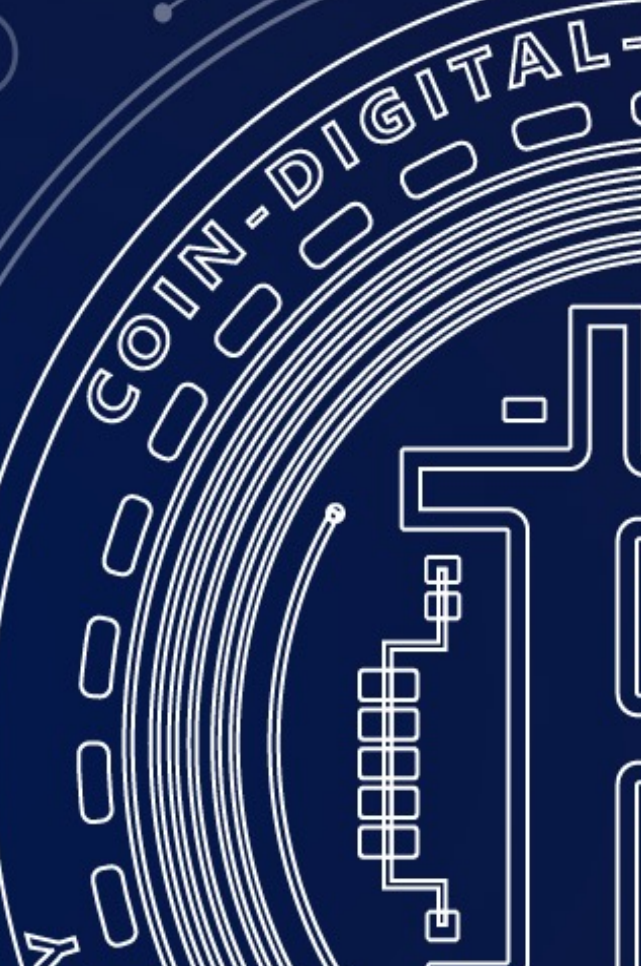
Business continuity partnerships

Vertical integration

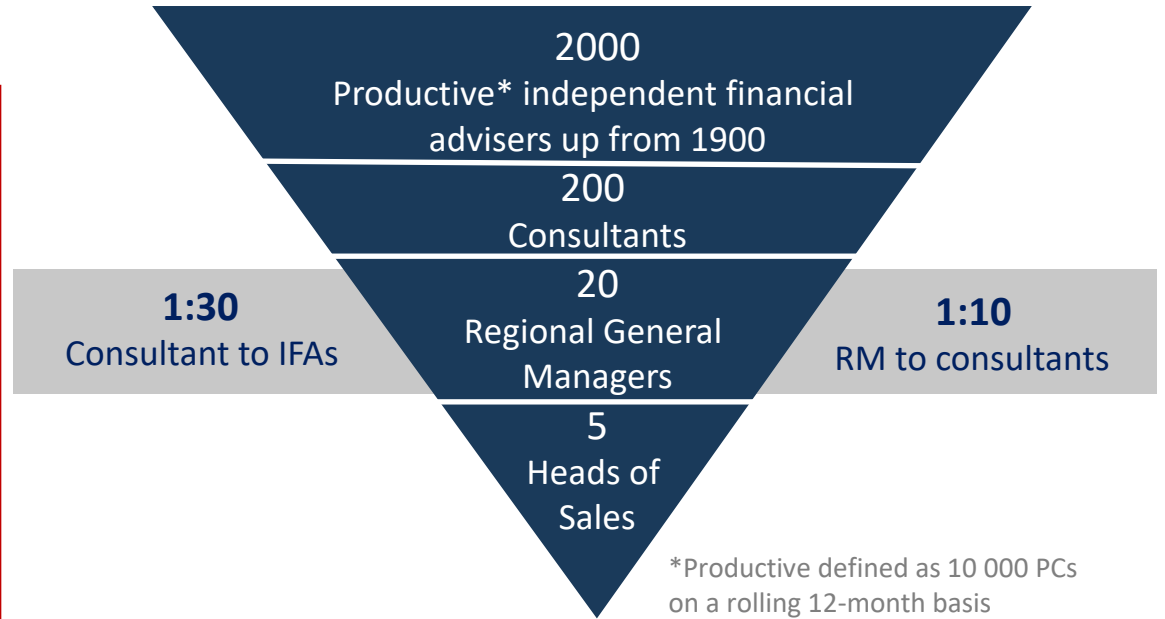
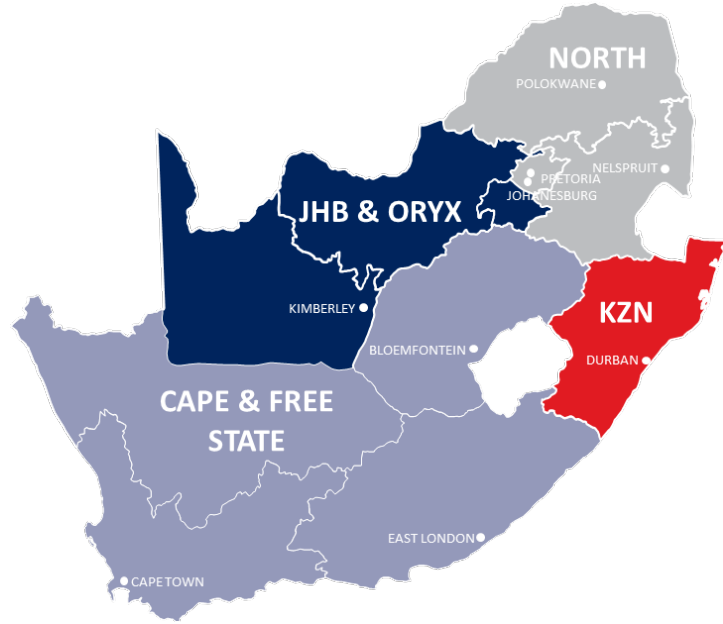


Momentum Distribution Services

Advice-led specialised
distribution force



Momentum Distribution Services two-year growth strategy

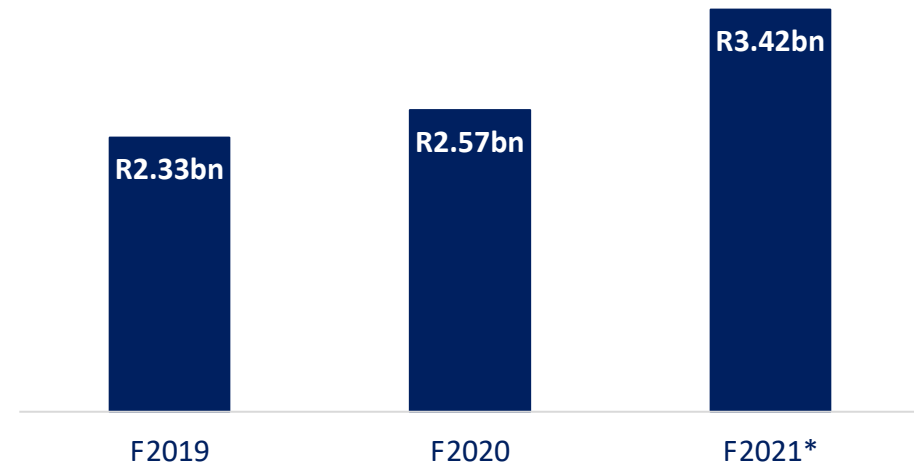


Growth in productive intermediaries



Target: 3000 in F2024

APE growth



*APE excludes Health and MSTI

*F2021 annualised



Establish advice-led strategy

Execute on partnership model with IFAs and Networks

Keeping Independent Financial Advisers (IFAs) sustainable and relevant

- Advice know-how, advice enablement and value add solutions
- Deep IFA practice knowledge



Multi-segment IFA proposition

Value propositions customised per IFA segment

Create competitive advantage by delivering a comprehensive value proposition

- Digital and system integration architecture, data and analytics
- Key account strategy and management

Advice-led value proposition to IFAs in terms of client, advice and practice management need to change



Specialisation per product house

Multi-product distribution from a product, service and technology perspective difficult to master

Achieve higher value interactions, through product specialists

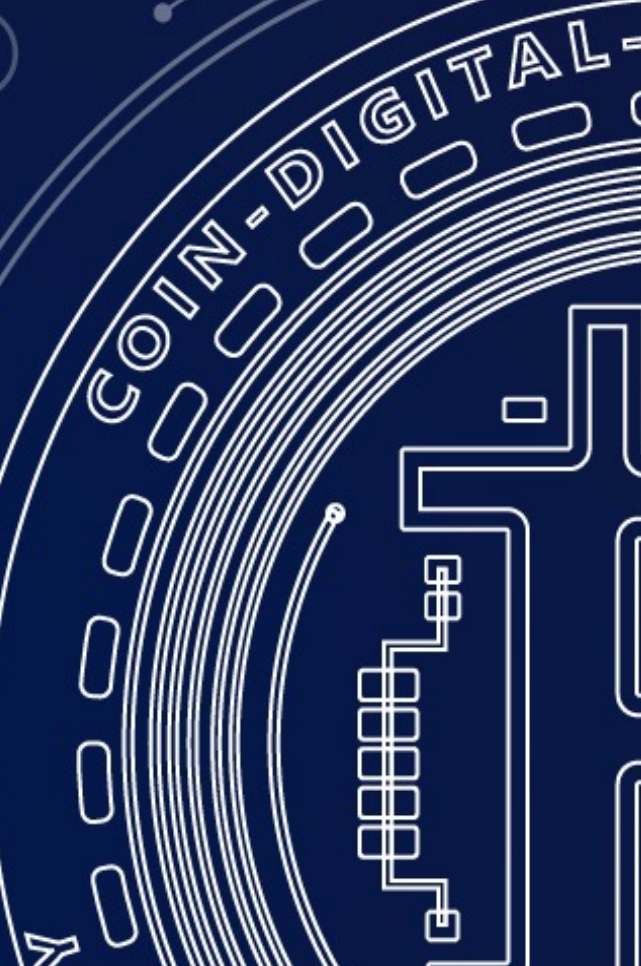
Panel and talent management at the core

Specialisation = advice-led and product focus with a comprehensive distribution footprint

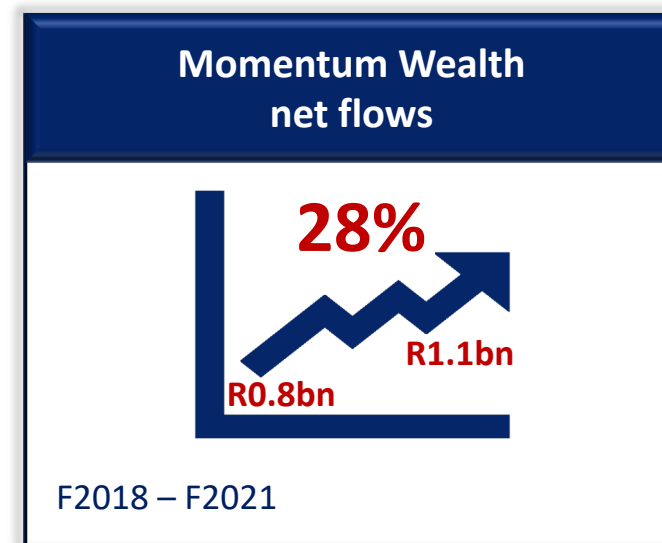
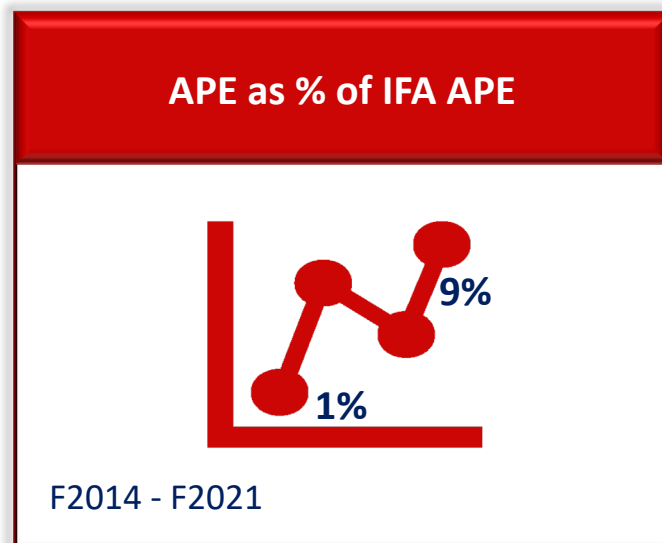
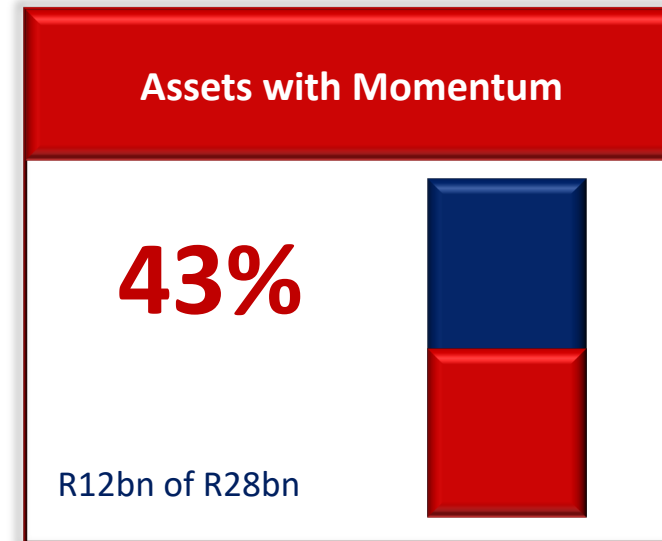
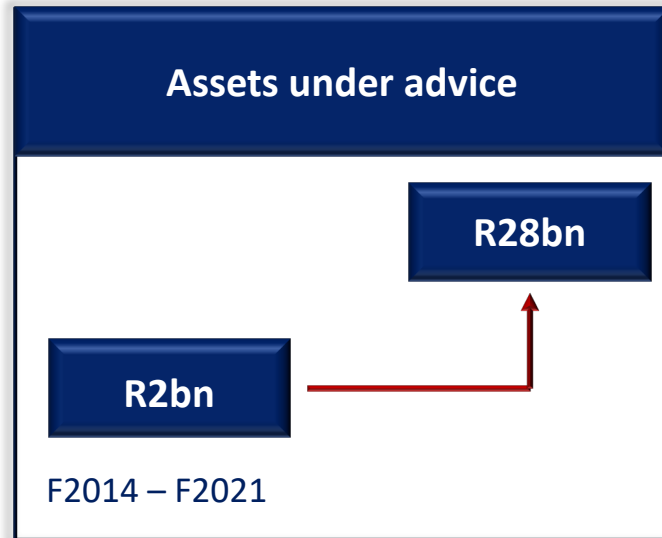


Momentum Consult

Advice-led network



Momentum Consult growth trends





Growth in financial advisers

Adviser specialisation

- Retail advisers
- Private Wealth managers
- Commercial short-term advisers

Target: From 273 in F2020 to 400 in F2024



Client focus

Ambition to be the preferred advice provider

Market-leading client value proposition, service and experience

Create a well-known, recognised advice brand



Integrated financial planning

Each client to have a financial plan

Integration of advice, house views, reviews and reporting into the financial plan

Grow assets in Momentum Consult solutions



Finding growth

Advice-led product leadership



Momentum retail investments

Advice-led go-to-market strategy



Be the leading long-term investments and savings partner to financial advisers and their clients by partnering closer and offering personalised and tailored solutions

Momentum Financial Planning

Momentum Consult

Investment specialist IFAs

Platform-led (local and offshore)

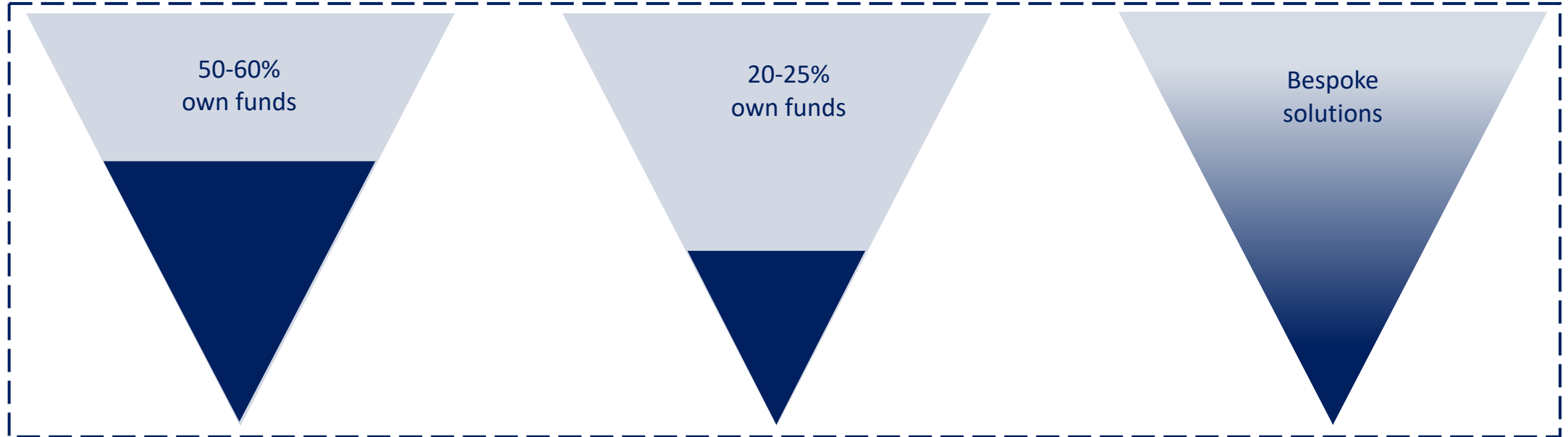
Solutions provider (DFM/OBI)

50-60% own funds

20-25% own funds

Bespoke solutions

Momentum single asset manager



Reinvent and Grow strategic objectives

Platform and balance sheet products



Digital platform operating model



New generation structured and annuity solutions



Regain platform market share



Distribution specialisation and enablement

Retail investments



Vertically integrate MFP houseview



Bespoke DFM solutions for wealth advisers



Single-asset capabilities to third parties



Marketing and brand-building initiatives

Investment management



Focus on multi and single management capabilities



Transformation



Collaborate with in-house advice offerings



Brand building and profiling of teams and capabilities

Global investments



Develop and grow global single-asset capabilities



Use Seneca acquisition for organic UK growth



Increase SA offshore market share



Grow UK investment consulting with large DB schemes

Reinvent and Grow strategic objectives



Myriad



Onboarding innovation



New generation risk selection



Grow direct-to-client

Momentum Trust



Expand capabilities to do high value estates



Grow estate liquidity benefit



Grow direct-to-client

Investo



Digital-first processing



Enrich client value proposition and experience



Reframe adviser value proposition to align to advice-led philosophy

Traditional



Effective product management



Complete Metropolitan savings platform migration

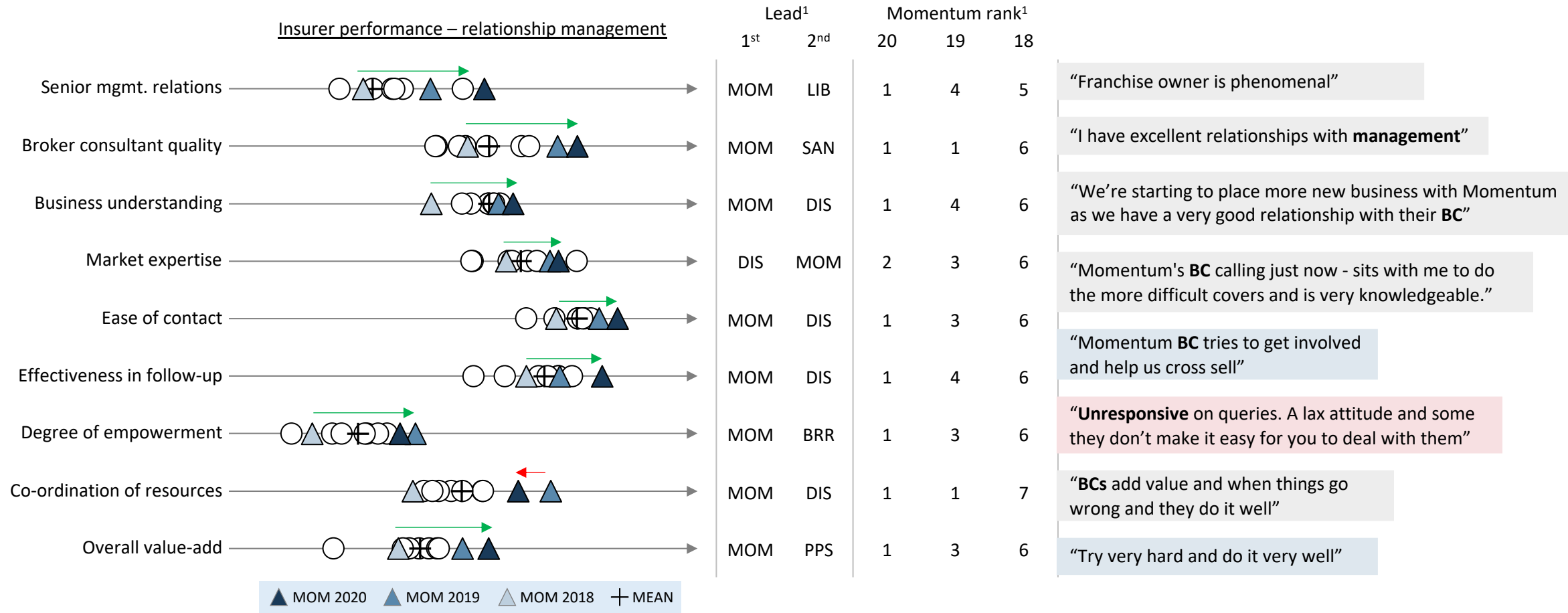


Deliver digital solutions to improve client experience

Advice-led partnerships in action




Momentum's performance in relationship management has been excellent, with strong and consistent improvements



Q27: (115) Using a 10-point scale, evaluate the life insurers you use on the following attributes.

Note 1: Lead and rank excludes FMI due to sample sizes

Source: NMG SA Life Risk Distribution Insights 2020



May the **4th**
be with you

May the
**unstoppable force
of Momentum**
be with you

