

MEDICI Top 21-Insurtech

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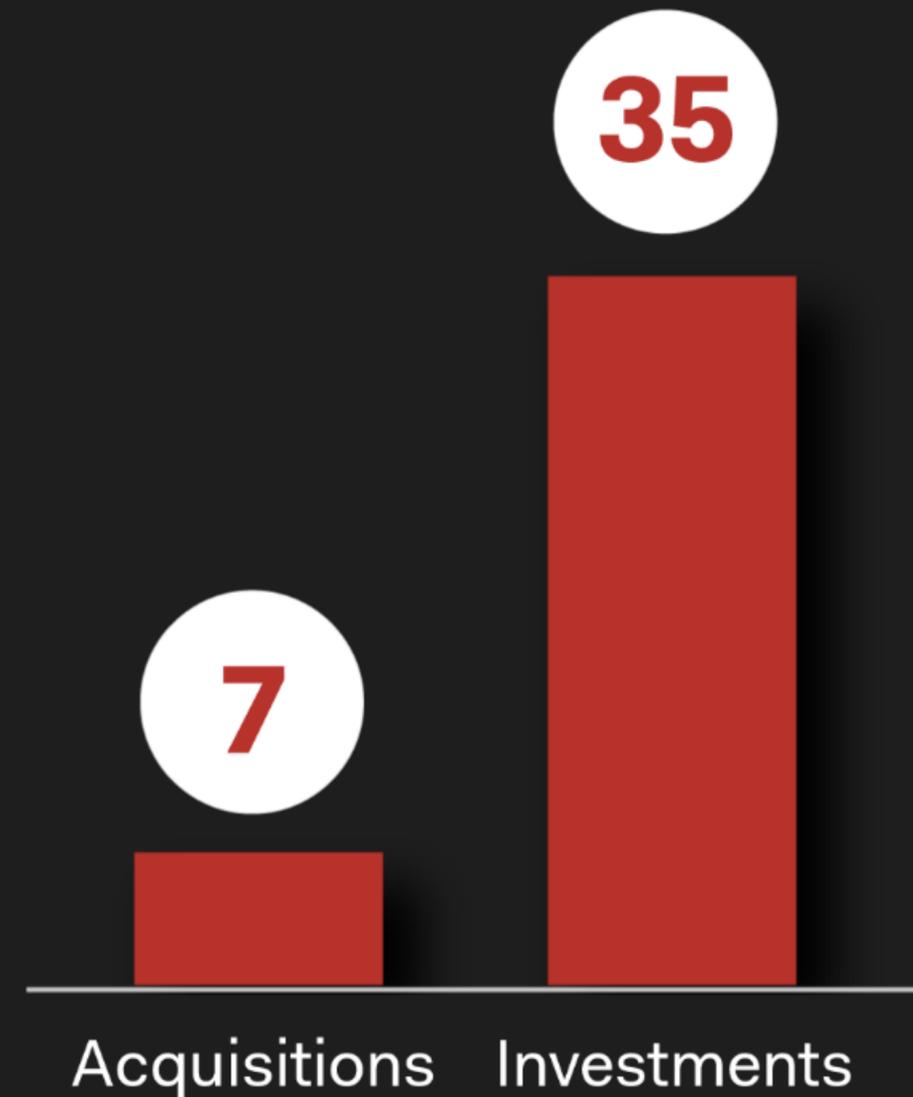


Fintech Predictions back in 2014

- **In 3 years banks will start buying FinTechs at scale**
- **The innovation wave will start from the US and will reach Europe and Asia with 1.5 and 2.5 years delay**



FinTech acquisitions and investments by banks & FIs (Jan. '18 - YTD) led by Goldman Sachs, American Express & BNP Paribas





Today's Agenda

- Banks & FinTechs collaboration models
- The KPI dilemma
- Case studies: Successes and failures
- Insurtech trends
- MEDICI Top 7 EMEA

MEDICI Story



Built the industry's first mobile payments Joint Venture (Apple Pay and Android Pay).



Created Let's Talk Payments, the first global FinTech blog (200K Subscribers)



1994

Filed the first patents for digital wallets (acquired by MasterCard)

2008



2012

Founded Money 20/20, the world's first FinTech event, now held in three continents.

2013



2015+

Built MEDICI, the global innovation platform for FinTech. Used by the top 50 Banks and Insurances globally

The MEDICI Platform

How it works

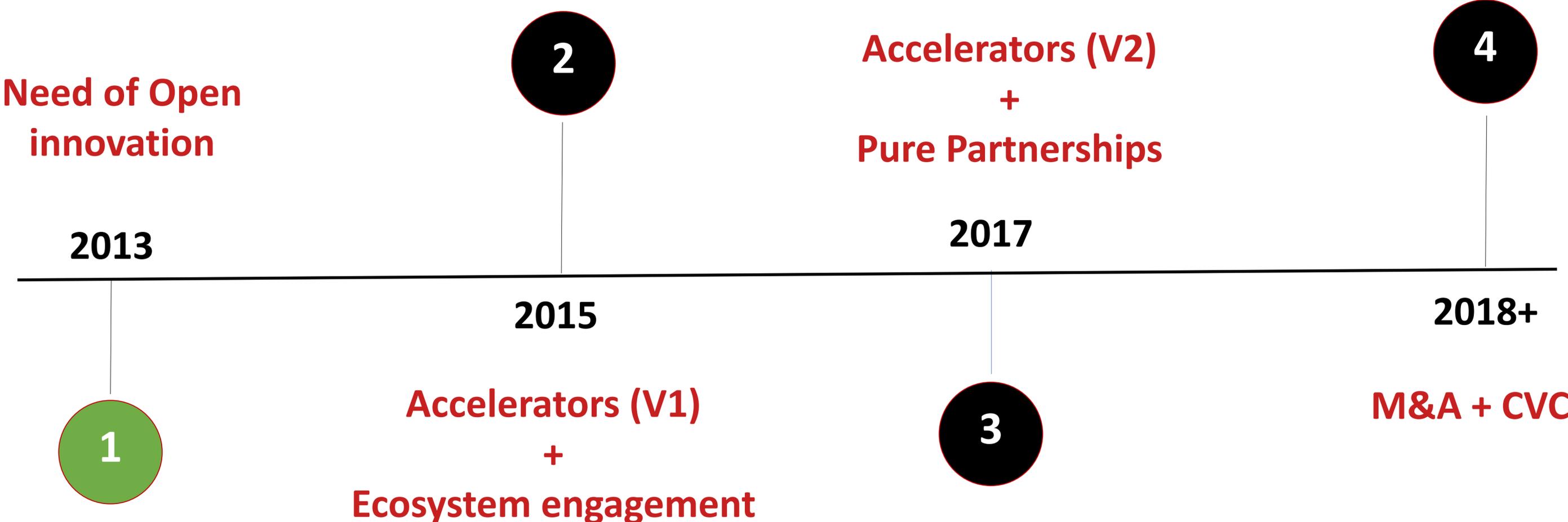


GLOBAL LISTENING ENGINE

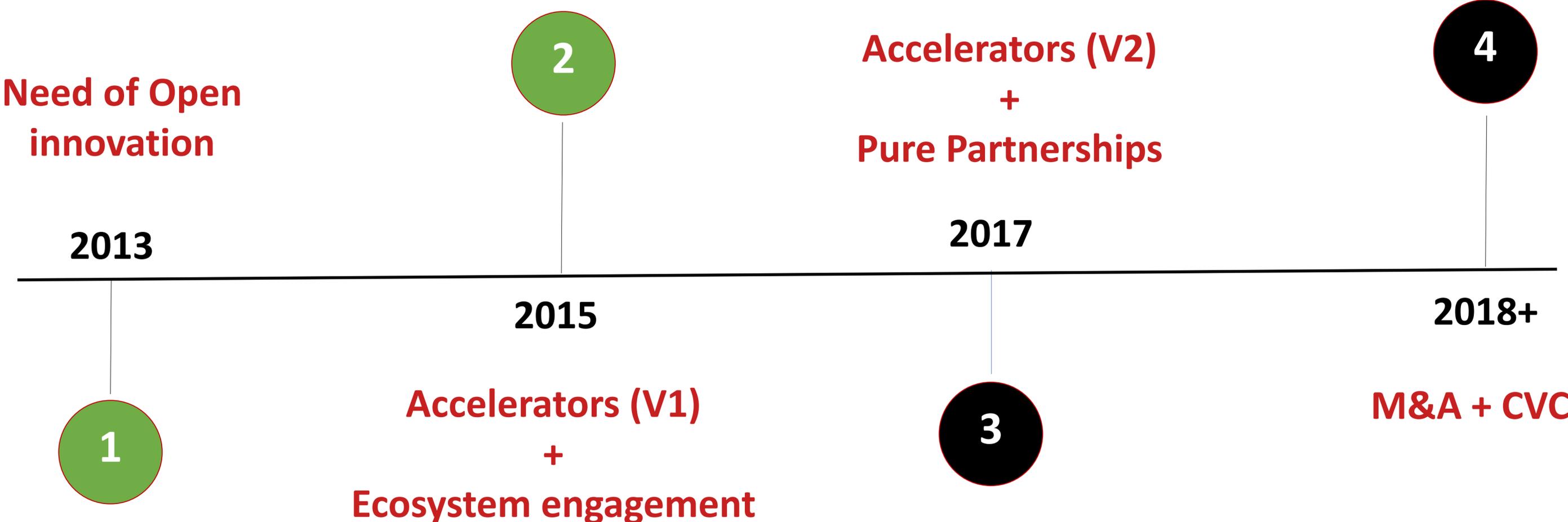


The 4 Phases of Banks & FinTechs Collaboration

Banks & FinTechs Collaboration Phases



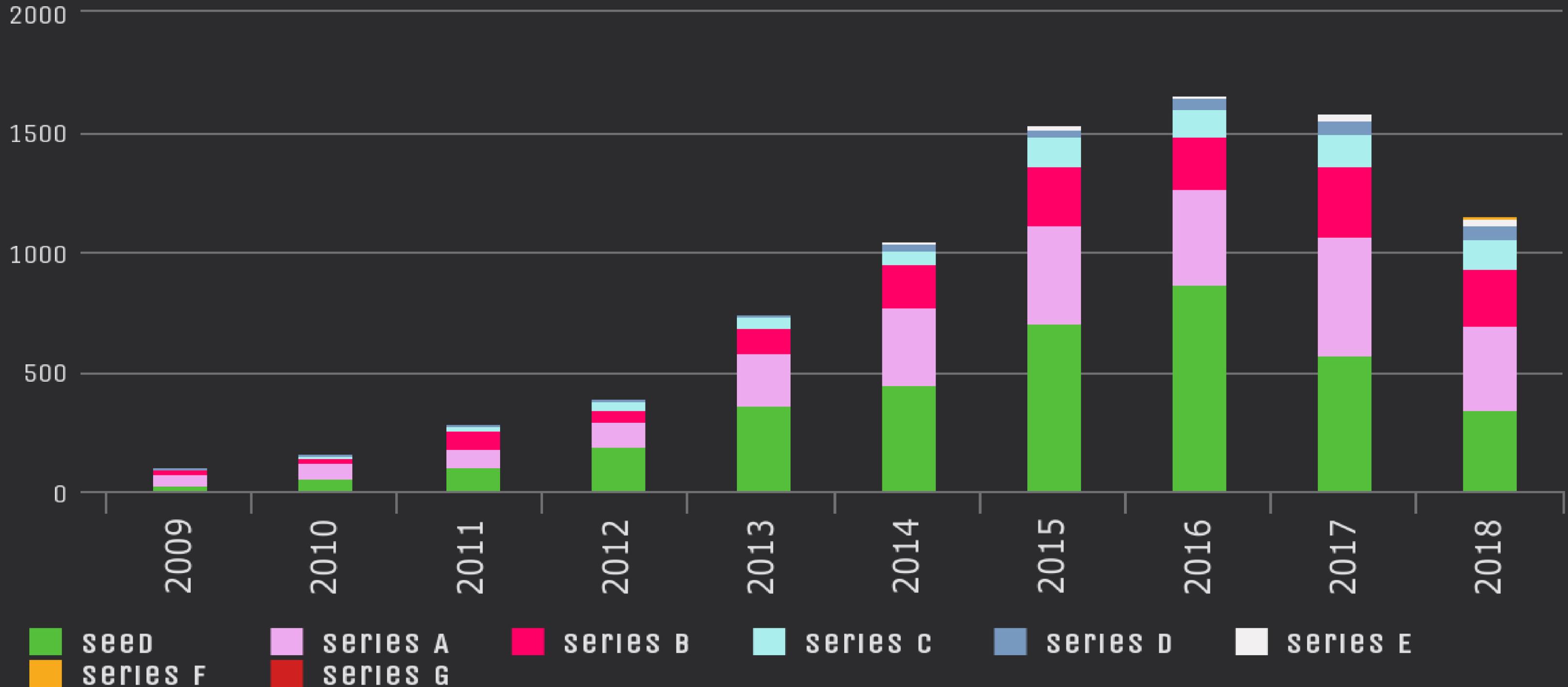
Banks & FinTechs Collaboration Phases



- **FinTech Ecosystem is booming**
- **It is difficult to understand the real trends**
- **Engagement with FinTechs is tough via traditional channels**

TOTAL NUMBER OF DEALS BT TYPE

TOTAL NUMBER OF DEALS BY TYPE ACROSS SEED, SERIES A, SERIES B, SERIES C, SERIES D, SERIES E, SERIES F, SERIES G TOTAL FROM 2009-2018 IN ALL SEGMENT



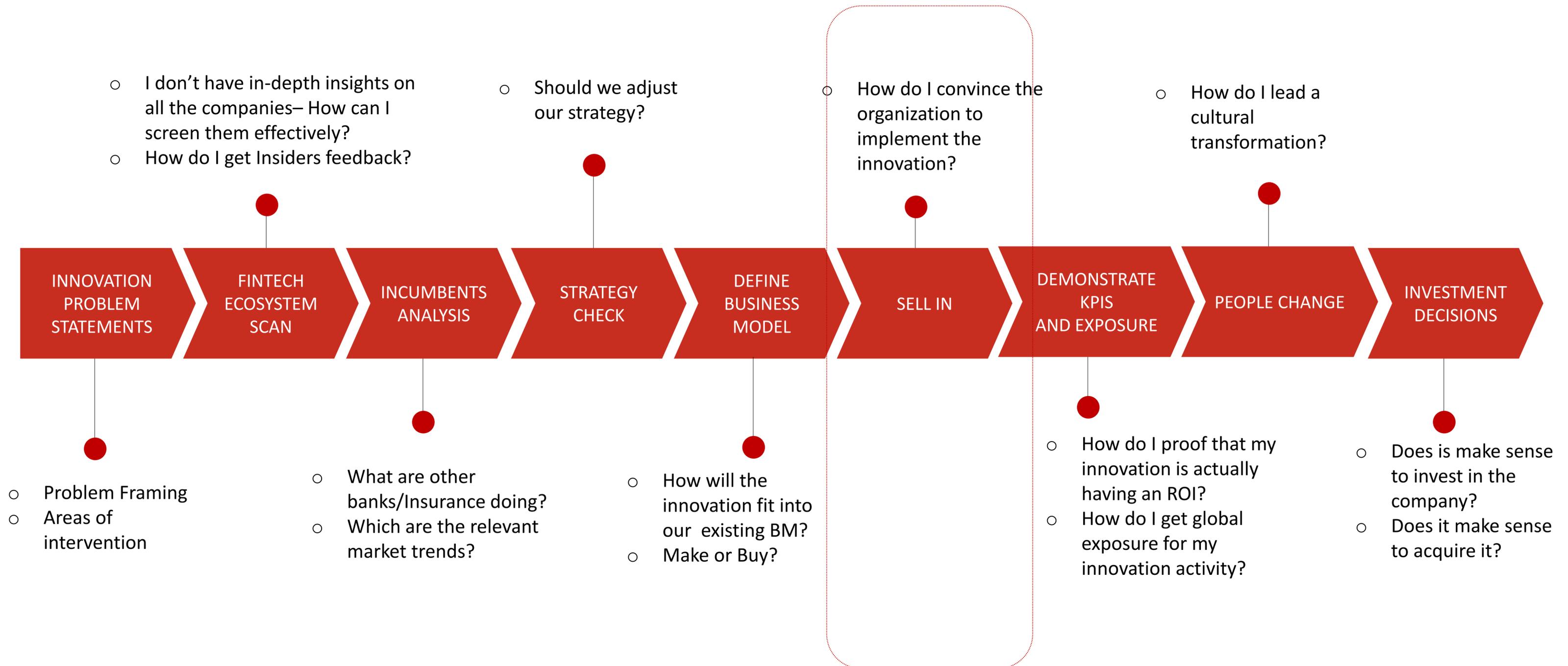
- **FinTech Ecosystem is booming**
- **Difficulty to understand the real trends**
- **Engagement with FinTechs is tough via traditional channels**

In Q2 2017... Something is changing

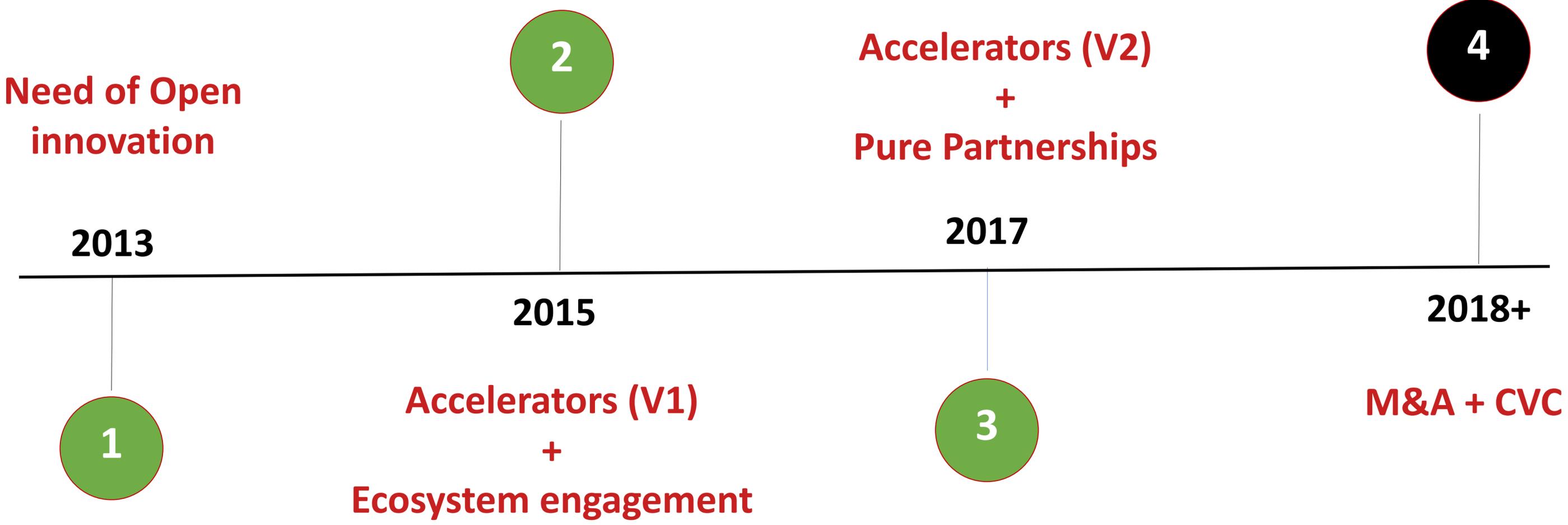
- **The ecosystem engagement is not leading to innovation execution**
- **Complexity behind innovation KPIs**
- **Misalignment with BU KPIs**
- **Innovation budgets are reduced**

Where is the problem?

Organizational Change is needed to support the innovation



Phase 3 is now Starting



New Collaboration Approaches

Accelerator (V2):

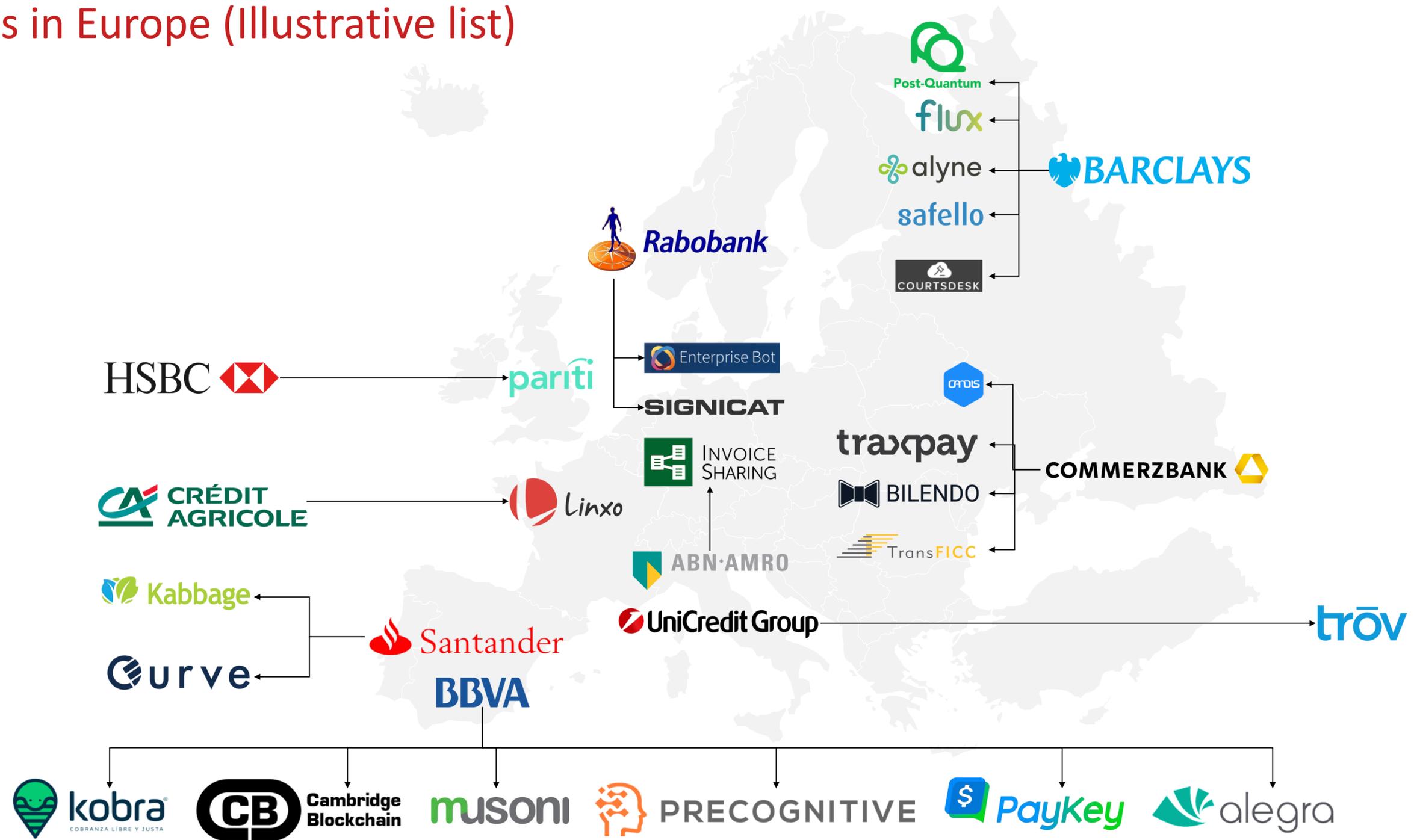
- Internal and POC driven
- Ready to scale FinTechs
- No equity

Pure Partnerships:

- Less ecosystem engagement
- Less PR

Key Collaborations in 2017

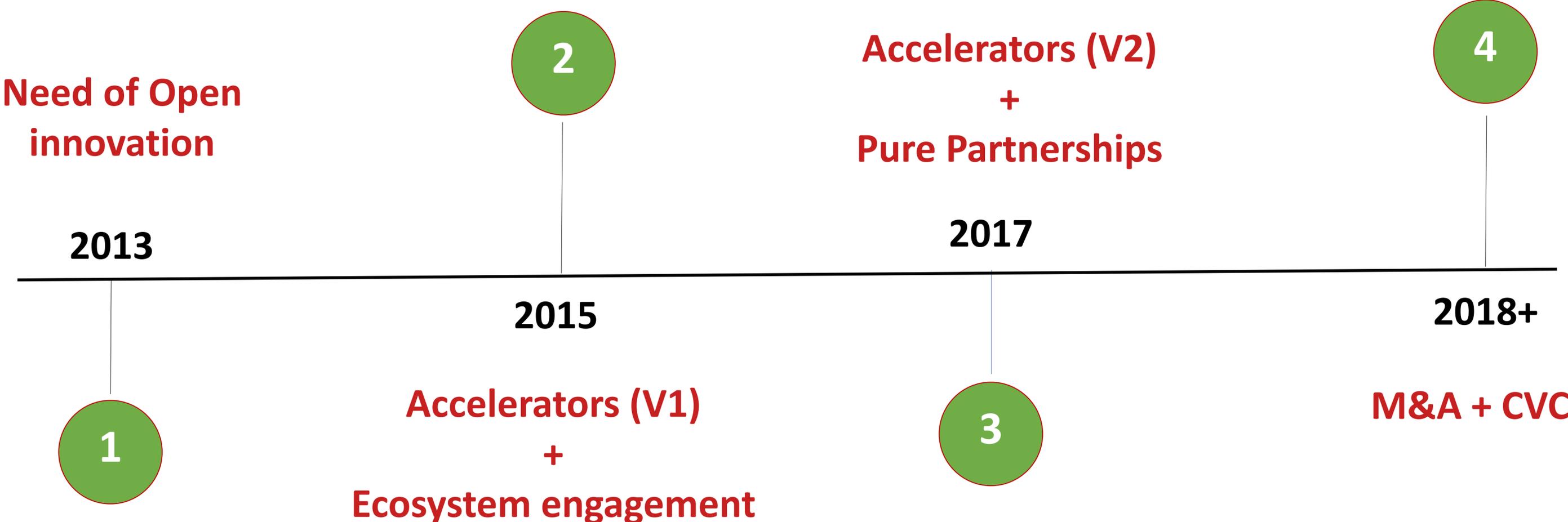
Partnerships in Europe (Illustrative list)



Where is the problem?

- **Substantial lag from POCs to implementation**
- **Can a partnership give an actual competitive advantage?**
- **ROI is still a dilemma**

Banks & FinTechs Collaboration Phases



New Collaboration Approaches

FinTech CVC
• **Buy time**

M&A

Back to building
• **Digital Agencies**

- **ROI is easier to measure**
- **Execution is faster**

The Innovation ROI Dilemma

- **No connection with the traditional banks KPIs**
- **0.6% budget is allocated to innovation - what expect?**

Key Success Factors: Banks & FinTechs Collaborations

- **Top Down Approach – CEO drives innovation**
- **Budget**
- **Empowerment of head of innovation**
- **Tech readiness**
- **Equilibrium between the 4 collaboration approaches**

Case Studies

Case Studies: Bank Accelerators

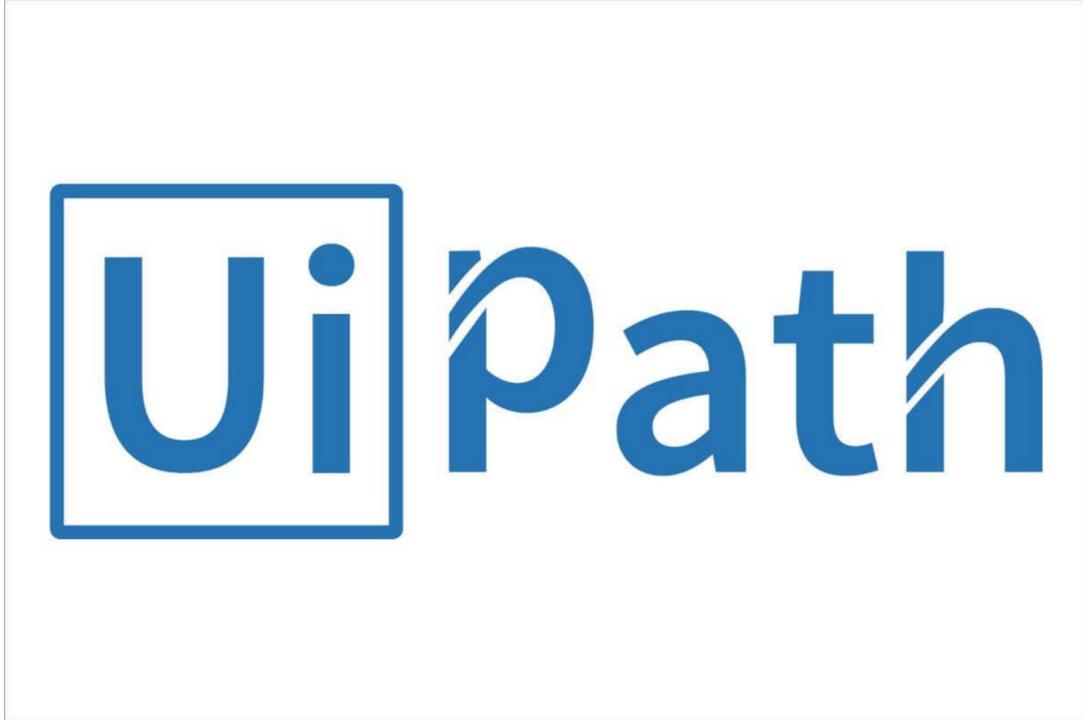


Accelerator of 4th largest bank in Germany

Case Studies: CVC



Case Studies: FinTech Partnership



Case Studies: 3 Different Approaches



Regional Focus



**Perfect mix of
collaboration
models**



**Don't start
only from
problem
statements**

Unveil the potential of Insurtech

Salone dei Pagamenti, November 9 th 2018



Let me introduce myself

Carlo Alberto Minasi



... Wanna be Innovator

Education



Finance



International Management



Innovation



Singularity
UNIVERSITY

Experience



Private Equity



Strategy
Consulting



Founder and creator of
Pantry Trainer



Building a better
working world

**ADVISORY INNOVATION
OFFICER**



Why Insurance is Important?

Insurance is tricky and you can't see immediately the value

Since 1347, the first known date of the stipulation of an insurance policy, **Insurance is tricky.**

It's not like buying a shirt or groceries.

When you buy insurance, you're buying a promise. It's a promise that if something catastrophic happens to your business, your carrier is going to assist you to make your business whole again. Sometimes, though, it's tempting to question the value of insurance because it is an **intangible product**



Why?

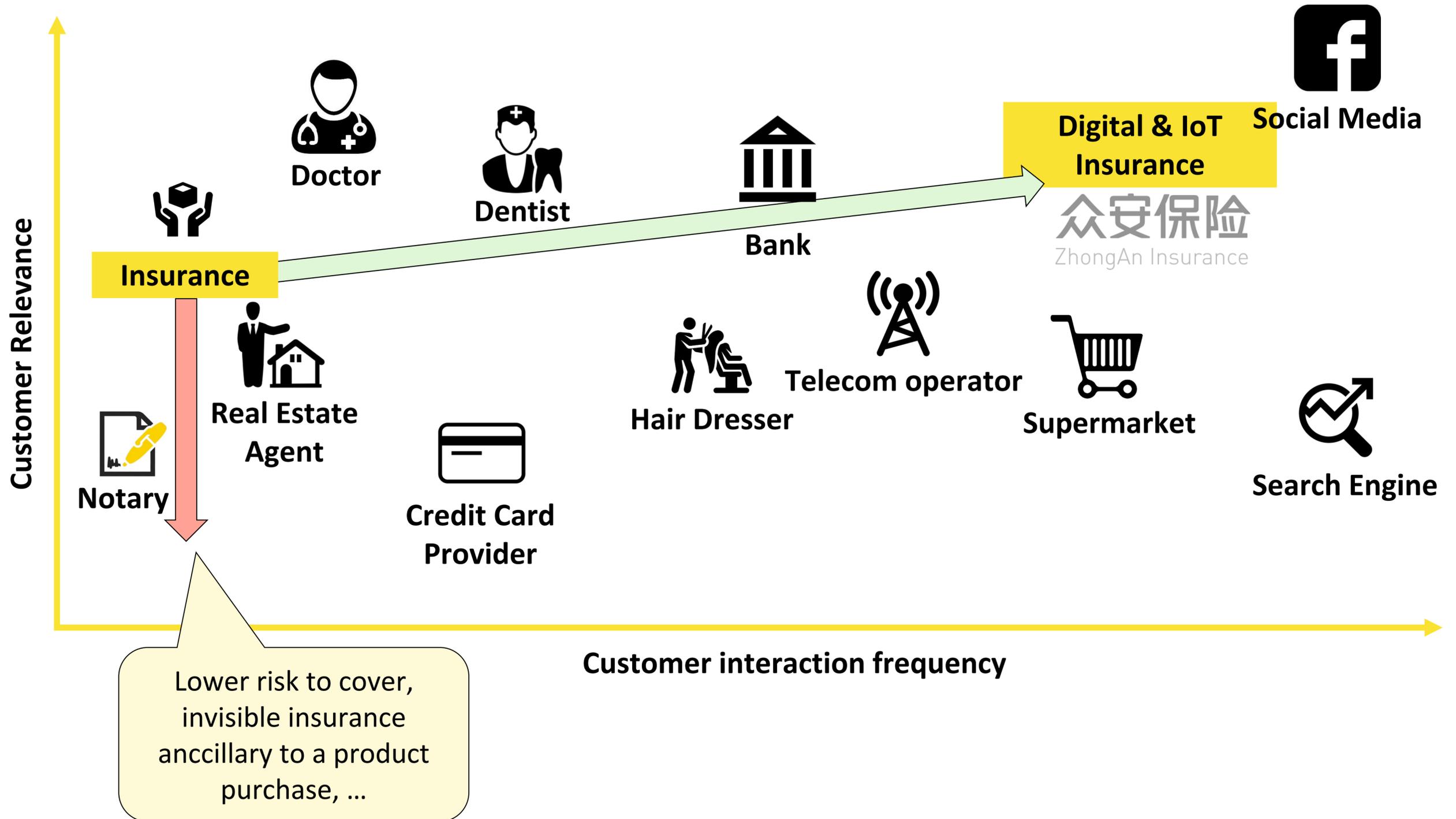
Insurance is important because...

- 1** ... Keeps Commerce Moving
- 2** ... Encourage Savings
- 3** ... Ensures Family and Business Stability
- 4** ... Grants peace of minds
- 5** ... Protects the Small Guys on taking risks
- 6** ... is the right thing to do

Will Insurance companies be relevant in the future?

Thanks to the integration of latest technologies even more than yesterday

Customers are unlikely to do business with any company that doesn't give them a good experience



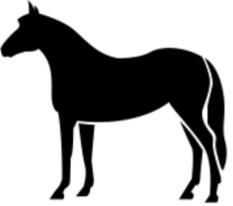
However Insurtech is far away from disrupt the Insurance industry ...and maybe disruption will never take place



Myth...

vs

...Reality



1

The Insurtech revolution is mainly driven by **startups**

The future challenges are coming from **Big Techs**

2

The main threat arises from **others taking insurance market shares**

The real shift is about **being disintermediated by customers**

3

Digitalization is for **retail Customers**

The real challenge is **bring new services and products to Corporate and SMEs through Digital**

4

Innovation/digitalization means **shutting of of physical distribution channels**

Digitalization means **transformation of physical networks/ locations**

5

Digital is the **core driver of the profitability**

Macroeconomic factors, regulations and customer behavior are as important

6

Innovation in the industry is **build new apps and new customer journey**

Innovation and digitalization **insist the entire insurance value chain**

7

Innovation is mainly **Digital and application of new technologies**

Innovation is a cultural change and a re-skilling process inside the organizations

Insurtech is changing the world of protection thanks to 5 levers

Having a tangible impact in the entire Insurance Value Chain

Convenience

The logo for Metromile, featuring the word "metromile" in a light blue, lowercase, cursive-style font.

Convergence

The logo for trōv, featuring the word "trōv" in a blue, lowercase, sans-serif font with a macron over the 'o'.

Simplicity

The logo for ZhongAn Insurance, featuring the Chinese characters "众安保险" in a grey, sans-serif font above the English text "ZhongAn Insurance" in a smaller, grey, sans-serif font.

Speed

Cost

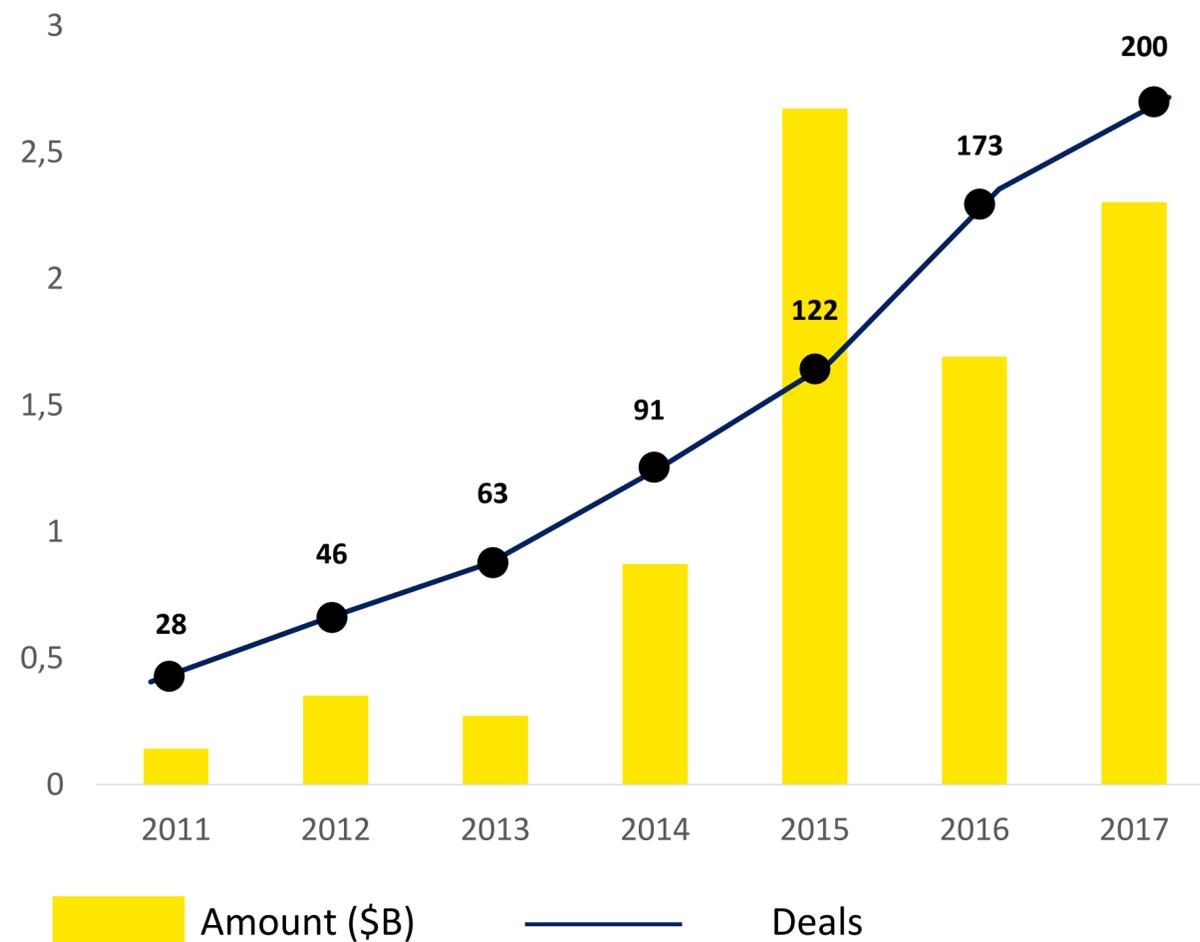
The logo for zenefits, featuring a stylized blue 'Z' icon followed by the word "zenefits" in a blue, lowercase, sans-serif font.

Insurtech Investment trends

Having a tangible impact in the entire Insurance Value Chain

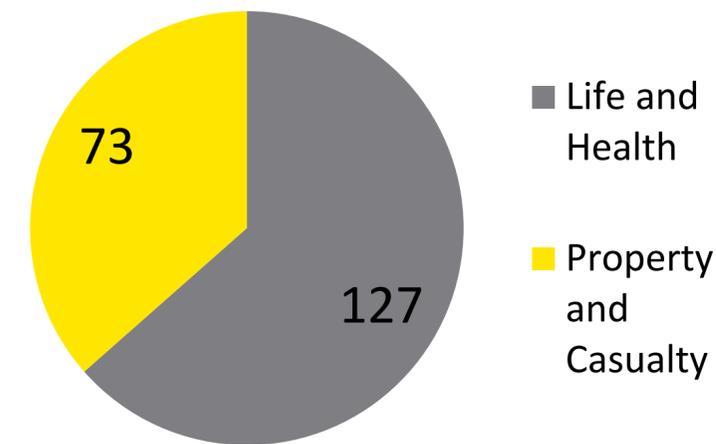
Insurtech Annual Financing Trend

2011-2017



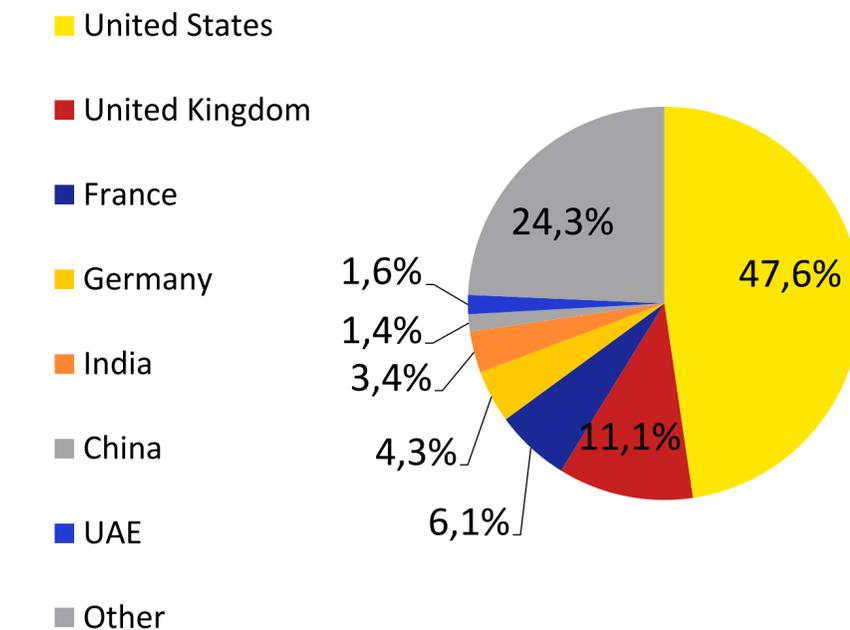
Deals Split by vertical

2017



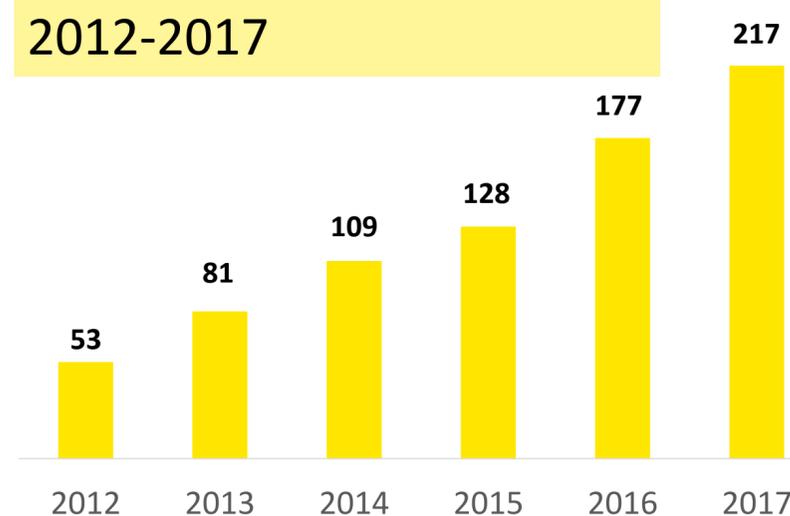
Deals Split by Country

2017



N° of VC Investors

2012-2017



Insurtech is gaining Investors attention

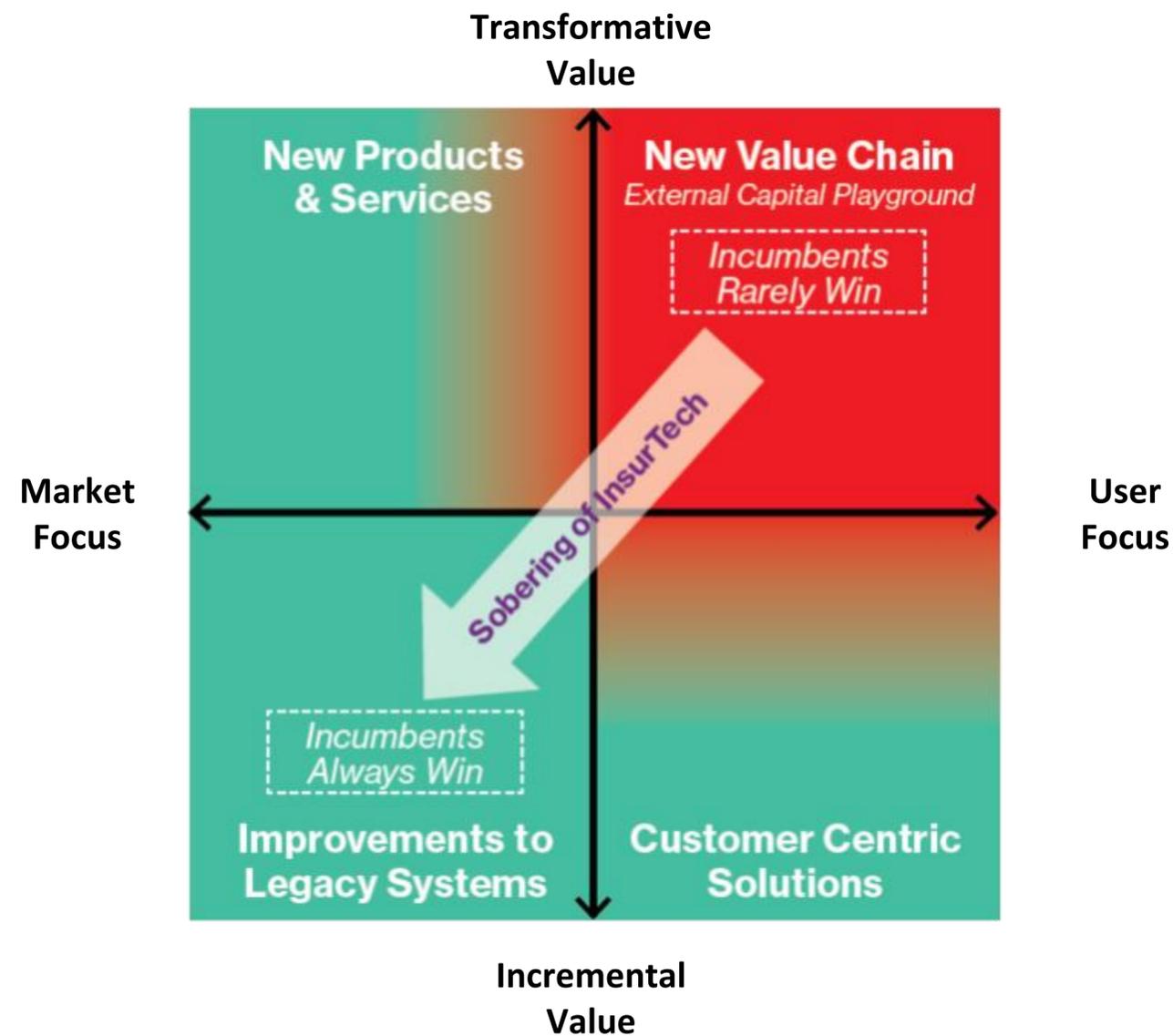
More than 4x the number of investors today than in 2012 (+30% CAGR)

Source: Medici, CB Insights, Willis Tower Watson

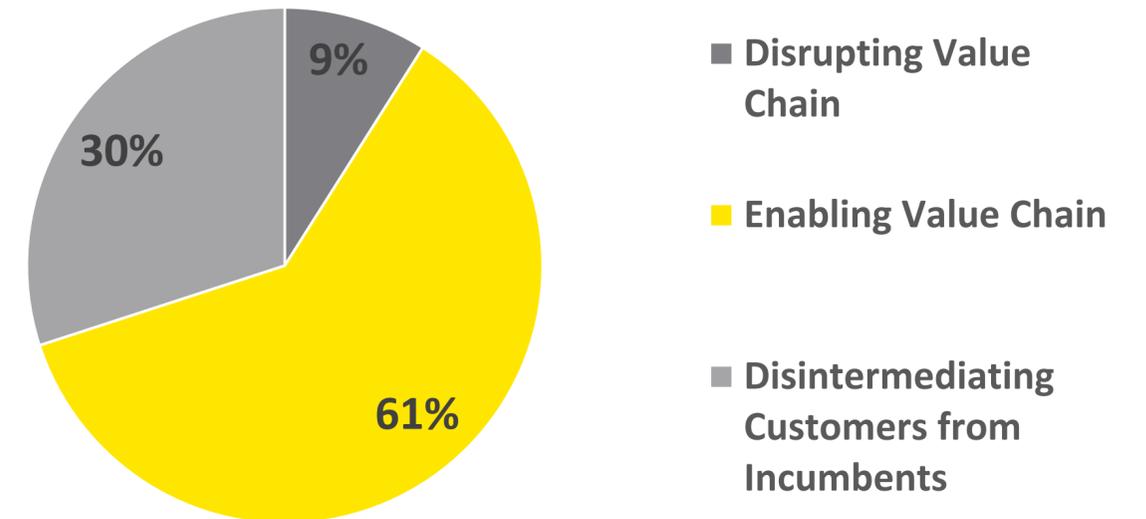
Compete vs Enabler

Insurtechs are working on adapting business models for incumbents

Insurtech are creating innovation to **enable the transformation of the industry**

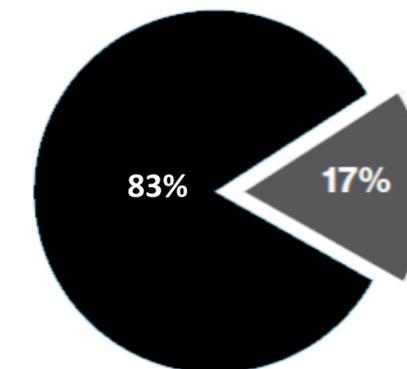


Insurtech by focus on value Chain

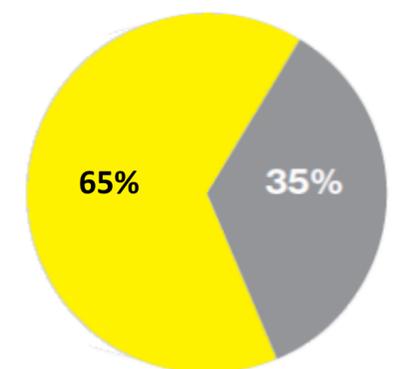


Strategic Insurers Insurtech Investment

Insurtech Universe by Investor Type



Value chain focus of insurer investments



- Insurer Investors
- No Insurer Investors

- Enable Value Chain
- Disintermediate/ Disrupt

Source: Quarterly Insurtech Briefing Willis Tower Watson

Where Insurtechs are playing

Insurtechs are working on adapting business models for incumbents

Insurance Value Chain



- Auto
- Homeowners
- Health
- Commercial & SMEs
- Life
- ...

- Employee Benefits Administrations
- Business Process Enabler
- RPA

- Claims Management
- OCR / ICR
- RPA / Automation Process

Enabling Exponential Technologies

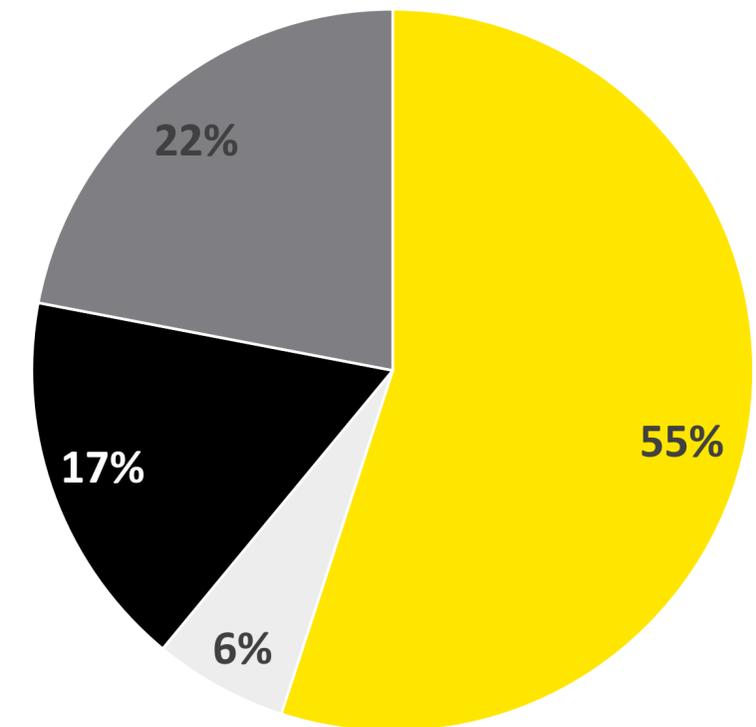


- Cyber Security
- DLT & Smart Contract
- Diversified

- Social Data Pooling & Analysis
- Property Catastrophe

- Telematics & IoT
- Intelligent Underwriting
- Cloud Computing

Insurtech by Value Chain and technology segments



Segments	N° of Companies	Funding Volume to Date
Product & D.	~ 250	~ \$ 6 B
Operational ex.	~ 100	~ \$ 2,4 B
Claims mgmt	~ 25	~ \$ 0,2 B
Enabling tech.	~ 80	~ \$ 0,7 B

Which Companies are dominating the Insurtech markets

Total funding of top companies are reaching the “next level”

Products & Distribution


ZhongAn Insurance
\$ 931 millions


oscar
\$ 727 millions


Clover
\$ 425 millions


Lemonade
\$ 180 millions


policybazaar.com
Compare. Buy. Save.
\$ 147 millions

Operational & Process excellence


zenefits
\$ 583 millions


GUSTO
\$ 176 millions


Namely
\$ 153 millions


ONE
Simply Smart Insurance
\$ 52 millions


unirisx
accelerating insurance innovation™
\$ 22,3 millions

Claims Management


snapsheet
\$ 50 millions


wefox
\$ 40 millions


Shift
Technology
\$ 39 millions


CLARA
analytics
\$ 23 millions

Enabling Technologies


THE CLIMATE
CORPORATION
\$ 109 millions

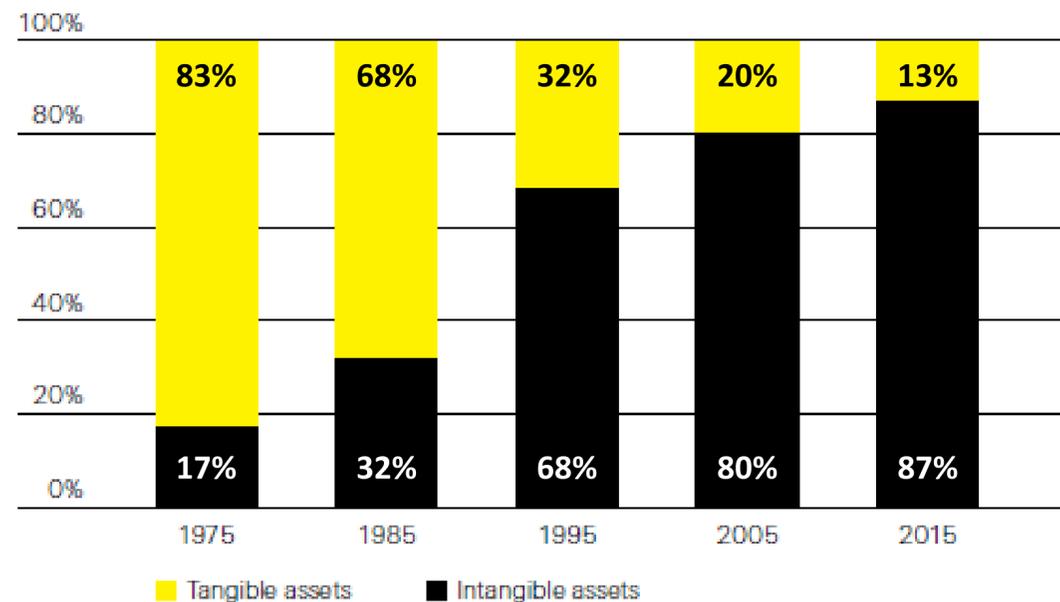

CYENCE
\$ 275 millions
(acquired by Guidewire)


PremFina
\$ 36 millions

Insurance are focusing on “Old Risks” missing opportunities... ... And insurtech can unlock this potential

The **worldwide Risk Landscape** is changing dramatically

Tangible vs intangible assets as share of S&P 500 market value, 1975 - 2015



Today, **cyber attacks** are estimated to cost more than **\$1 trillion per year**, three times higher than economic losses from natural disasters in 2017.

Top business risks Allianz Risk Barometer survey 2013-2017

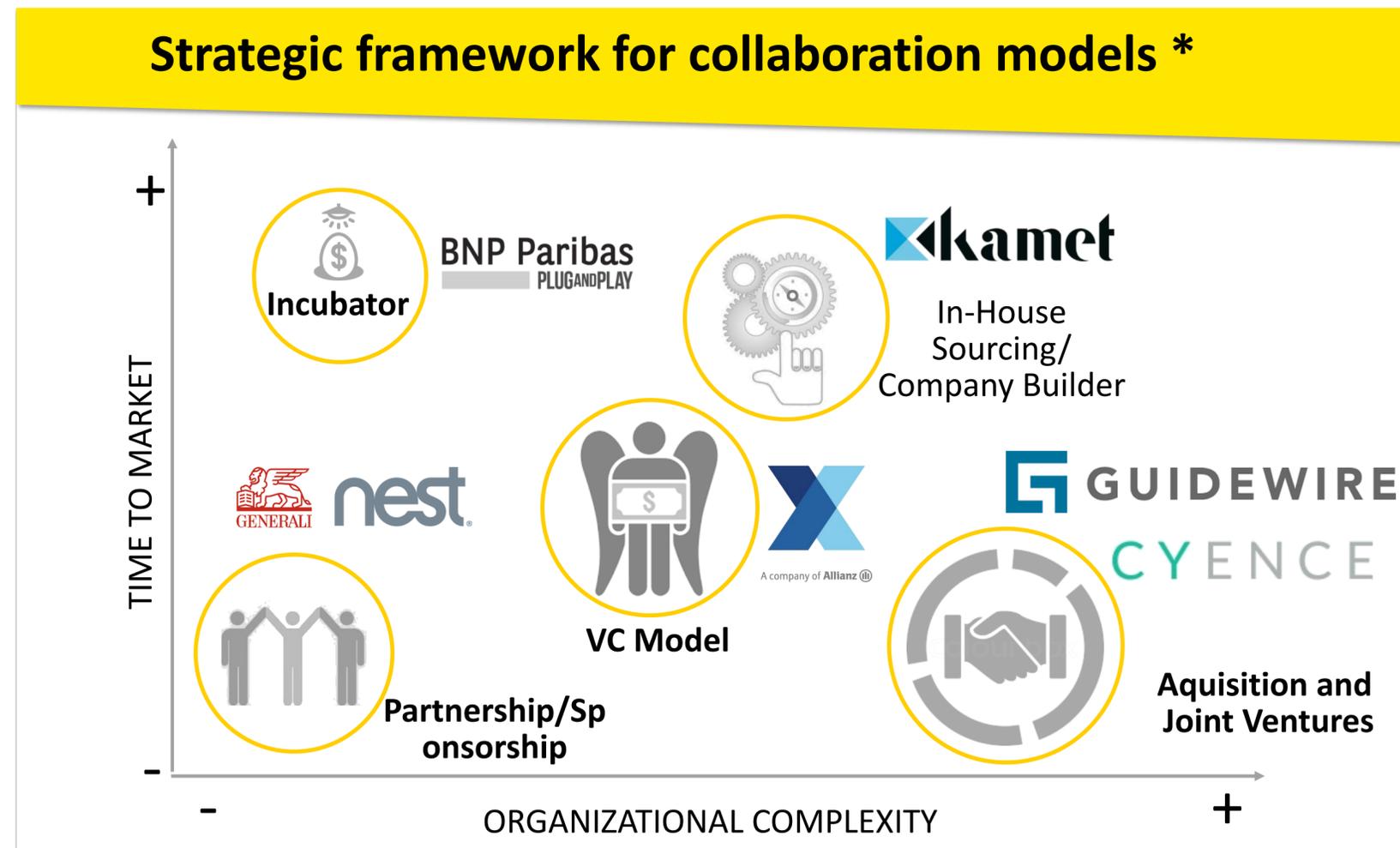
Risk	2017	2016	2015	2014	2013
Business interruption	1	1	1	1	1
Market developments	2	2	7	5	8
Cyber	3	3	5	8	
Natural catastrophes	4	4	2	2	2
Regulation	5	5	4	4	4
Macro-economy	6	6			
Fire, explosion	7	8	3	3	3
Political risks	8	9	9		
Reputation; brand value	9	7	6	6	10
New technologies	10				

Due to a lack of experience data and related product offering global **cyber premium is estimated at just \$3 billion in 2017**

Insurance and Reinsurance Companies collaborating with Insurtech can change the paradigm: **“From Insurable risk to insured risk”**

Collaboration models are great but only if supported by great execution

Insurers need to real embrace the change and unveil the potential of Insurtech



*The icon dimension identifies the size of the investment



A successful collaboration and transformational program is a result of several actions

Taking Collaboration to Next Level



Reshape the **distribution architecture**



Use of analytics to boost sales productivity



Rethink operations through **automation and A.I.**



Reimagine Underwriting through the **use of sensors and Data & Analytics**



Embrace **cloud Computing and Open APIs**



Re-skill your employee

Create an **"exponential organizations"**

Disruption comes quick

“Neither RedBox nor Netflix
are even on the radar screen
in terms of competition.”

– Jim Keyes, CEO of Blockbuster (2008)

Fintech aren't big enough?



蚂蚁金服
ANT FINANCIAL

Pre IPO Valuation

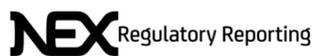
≈ € 150 B



Market Cap (Sep 2018)

≈ € 130 B



	COMPANY NAME	COUNTRY	SEGMENT	DESCRIPTION
	AQMetrics aqmetrics.com	Ireland	Compliance, Regulatory Reporting	AQMetrics provides integrated compliance and risk management software to fund administrators, asset managers and broker/dealer companies. It's consolidated platform delivers data management, risk profiling and monitoring, compliance workflows and reports all in one place.
	Corlytics corlytics.com	Ireland	Risk Management	Corlytics is a SaaS-based platform that provides a compliance risk analysis services for financial institutions. The platform enables banks to minimize regulatory breaches by using predictive risk analytics applications to evaluate, benchmark and manage market risk.
	Tradle tradle.io	United Kingdom	eKYC/AML/ CFT	Tradle is using a blockchain to bridge internal and external financial networks to achieve user controlled KYC portability. It is creating a global trust provisioning network to give retail, wealth, SME and institutional customers of financial institutions access to capital and risk allocation.
	Nex regulatory reporting nexregreporting.com	United Kingdom	Regulatory Reporting	Nex regulatory reporting tool provides regulatory reporting effectiveness through the business's multi-regime reporting hub; regulatory obligations are translated into future-proof compliant solutions while its specialist advisory teams interpret the impact of evolving markets regulation relating to trade and transaction reporting.
	Behaviosec behaviosec.com	Sweden	Fraud Monitoring and Control	BehavioSec offers Behavioral biometric solutions to create a multi layered approach for authentication & verification purposes. It provides a continuous authentication platform that leverages behavioral metrics for fraud prevention and customer verification. The algorithm can instantly verify someone on the basis of their interactions with the device.
	CoVi Analytics covianalytics.com	United Kingdom	Compliance, Governance	CoVi Analytics is a SaaS-based platform that provides automated compliance services for banks & insurers. Covi 's platform allows insurers to capture their interpretation of the regulatory text, manage and evidence their compliance activities and produce appropriate reports for supervisors in one place. The company aims to simplify regulation and automating on-going compliance activities and minimizes operational risk by eliminating replication in business processes.
	Cube cube.global	United Kingdom	Compliance, Governance	Cube is a financial services platform. It allows financial firms to automatically manage the records and data management compliance requirements even with multiple regulations.

In partnership with:



MEDICI™

TOP 21

GLOBAL FINTECH AWARD

INSURTECH EDITION

2018 MEDICI Top 7 in EMEA: InsurTech



URL:
neos.co.uk

Founded Year:
2016

Smart Home Insurance



URL:
yolo-insurance.com

Founded Year:
2017

On Demand Insurance



URL:
neosurance.eu

Founded Year:
2016

Push Instant Insurance



URL:
coverfy.com

Founded Year:
2016

Insurance Policy Management



URL:
spixii.ai

Founded Year:
2016

Insurance Chatbot



URL:
wrisk.co

Founded Year:
2016

Credit Score for Personal Risk



URL:
rightindem.com

Founded Year:
2016

Redesigned Claim Process

YOLO selected for MEDICI Top 7 in EMEA: InsurTech

In partnership with:

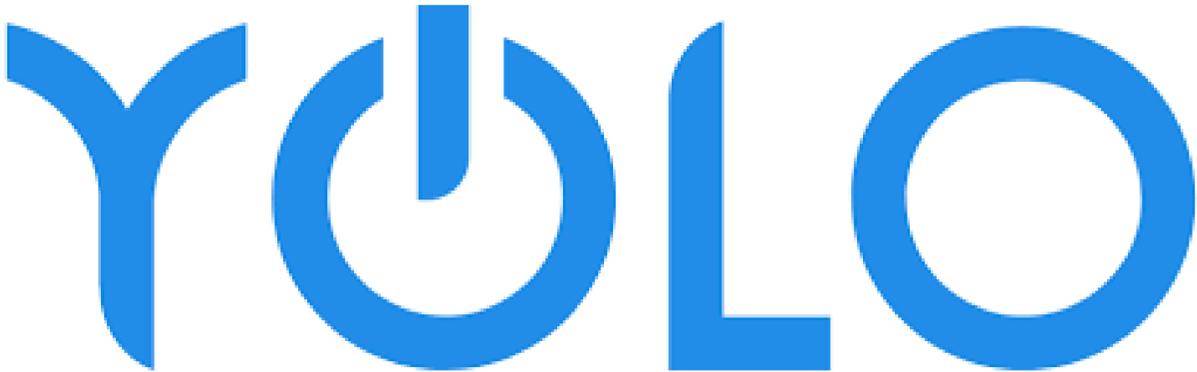


MEDICI™

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GLOBAL FINTECH AWARD

INSURTECH EDITION



Neosurance selected for MEDICI Top 7 in EMEA: InsurTech

In partnership with:



MEDICITM

TOP 21

GLOBAL FINTECH AWARD

INSURTECH EDITION



Neosurance

Thank you.

We look forward to
working with you!

Nicolò Petrone
Head, Europe
nicolo@goMEDICI.com