

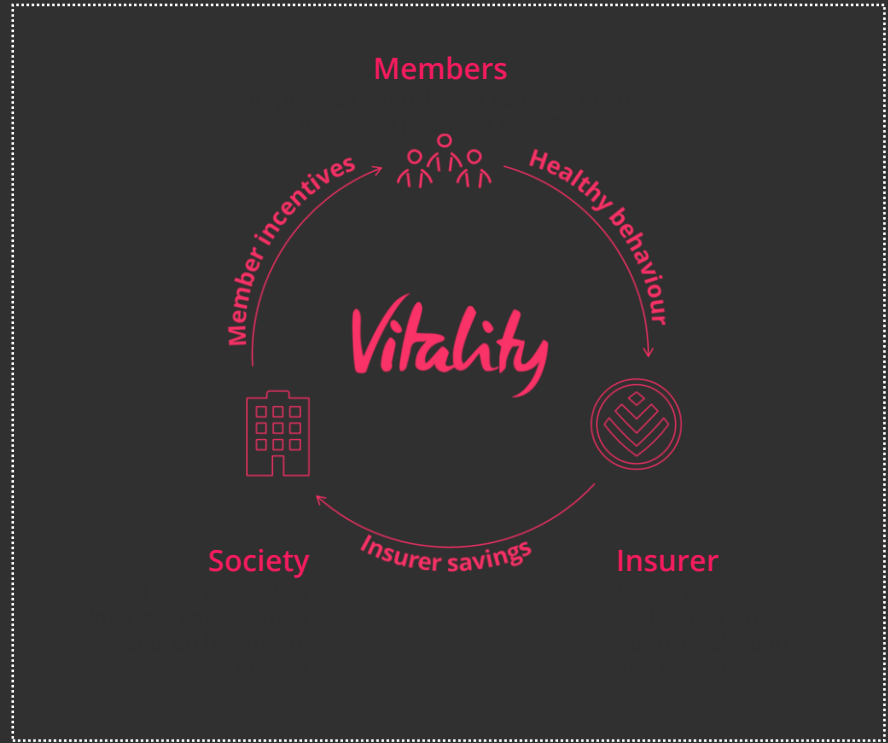
# VitalityLife Overview

June 2019

Herschel Mayers  
CEO VitalityLife and VitalityInvest



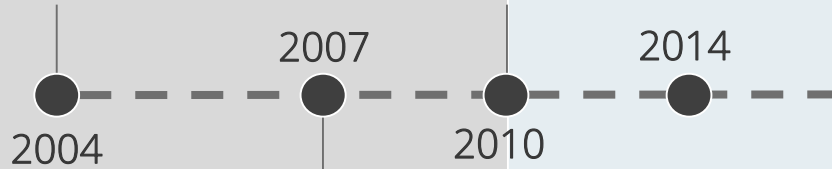
To make people  
healthier, and  
enhance and  
protect their  
lives



Organic growth

Integration

Brand development, rapid innovation & migration to single platform



10 years



ACTIVE REWARDS

2016



HEALTHY MIND

2015

TODAY

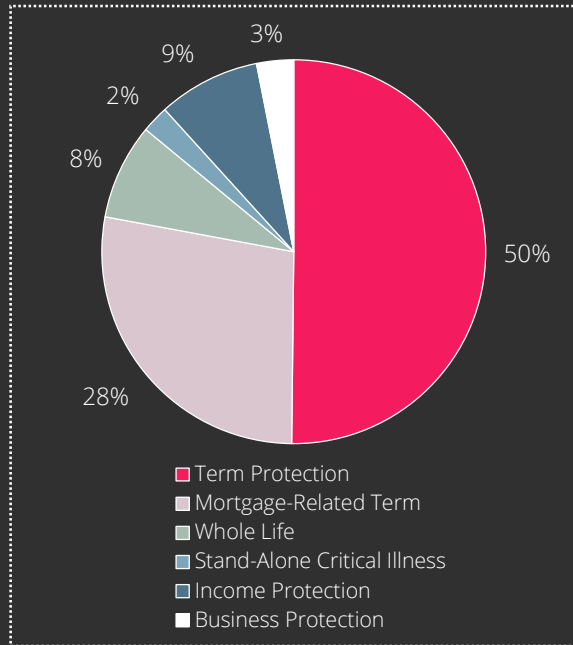


CONSULTANT SELECT

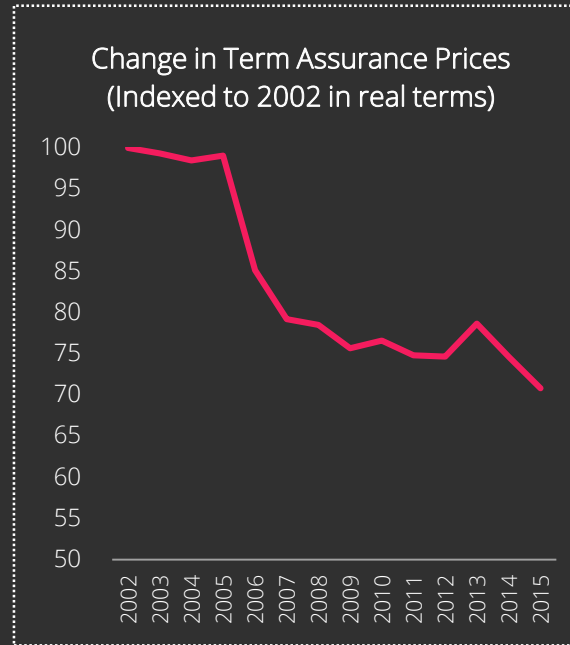


4 years

## Large term and critical illness cover market



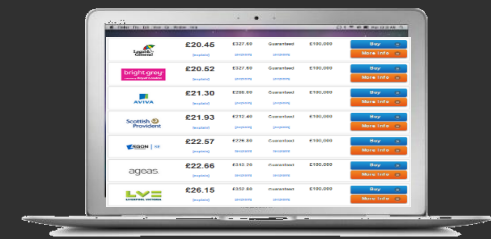
## Increasingly price competitive



## Lack of innovation has led to a commoditized market

### Typical Life Insurance Policy:

- Term assurance
- Level life cover no added benefits
- Age, smoker status, lifestyle and medical questions
- Guaranteed, level premiums



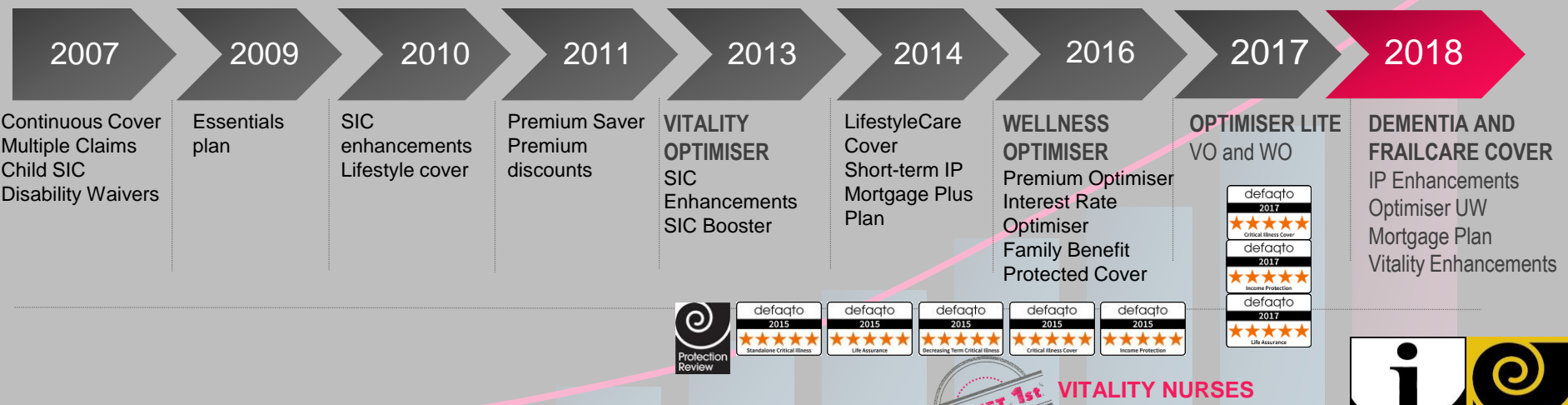
Consumer and Broker Portals show price comparisons that drive sales behaviours



# Evolution of VitalityLife Product and Service offering

Success from innovations based on customer learnings and adaptability to changing market needs

>540k



MARKET 1st VITALITY NURSES



Lives covered over time



Positively different.

# A Global First: Dementia and FrailCare Cover



No additional UW or extra premium

Premium continues as normal after term cover ends

Cover for Life

SIC policies with VO or WO are eligible

## Dementia and FrailCare Cover

- Dementia
- Alzheimer's
- Parkinson's
- Stroke
- Frailty

50%

of remaining SIC benefit amount

£100,000 cap which increases by RPI from point of sale

4

severity levels

## Guaranteed Funeral Cover


10%

of Term Life Cover benefit amount

£10,000 cap which increases by RPI from point of sale


**H L I**  
  
**Business Consultants**  
**180**


**L**  
  
**Business Protection & Income Protection Specialists**  
**4**


**H**  
**3** **Corporate Sales** 


**H**  
  
**Healthcare Specialists**  
**8**

**I**  
  
**Investment Specialists**  
**5**

**H L I**  
**6**   
**National Account Managers**


**H L**  
  
**45** **Vitality Advisers**


**H L I**  
  
**24** **Franchise Directors**

**I**  
  
**Invest Key Account Managers**  
**9**

**L I**  
  
**Digital Business Consultants**  
**12**

**H**  
  
**12** **Health Key Account Managers**

**H L I**  
  
**17** **Key Account Managers**

**H L I**  
  
**Exclusive Associates**  
**30+**

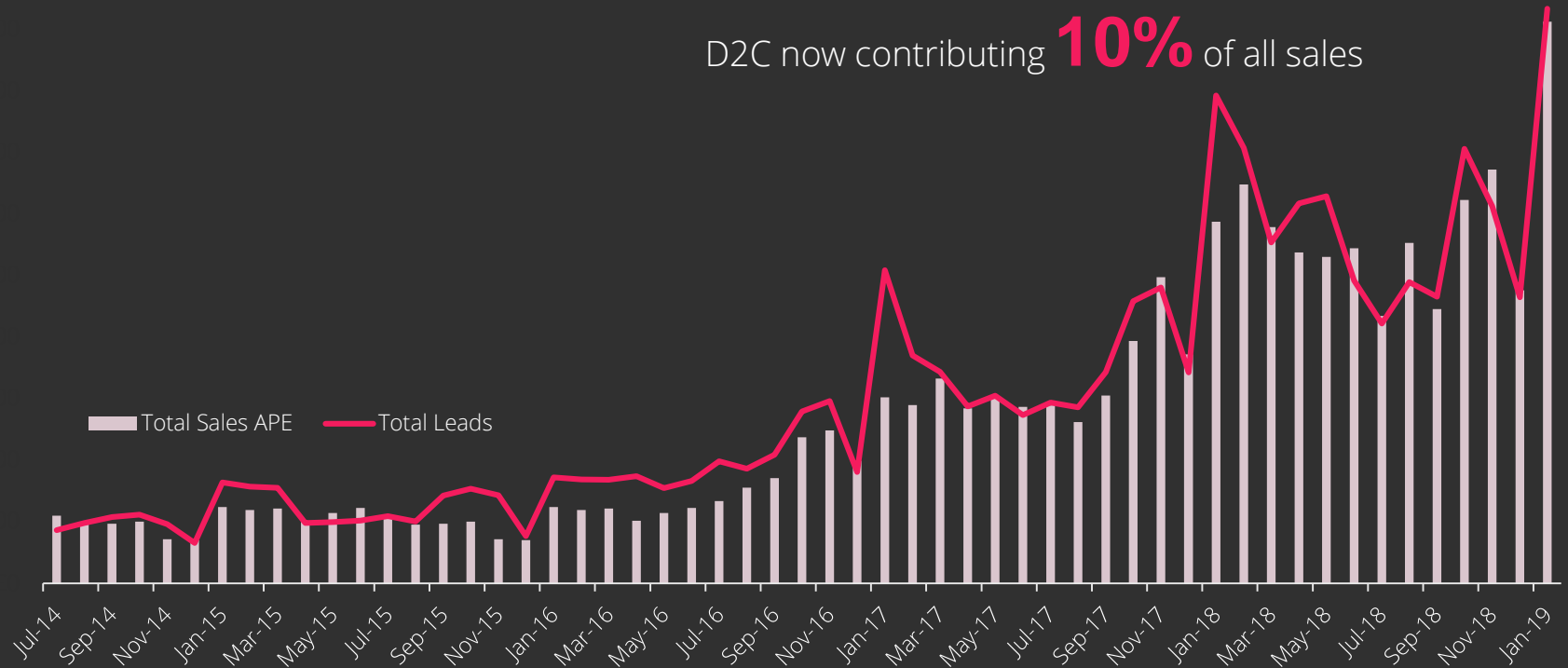
# D2C performance to date



H1 2019 D2C sales were **£3.2m**

This is up **51%** on last year

D2C now contributing **10%** of all sales



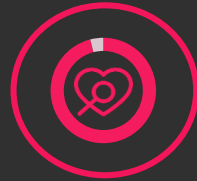


We have seen significant member engagement



>11k

Apple Watch Orders



>64k

Vitality Age completions



300k

Ocado deliveries



>640k

Gym visits



>132bn

Steps walked



>900k

Cinema codes



>980k

Coffees awarded



>60k

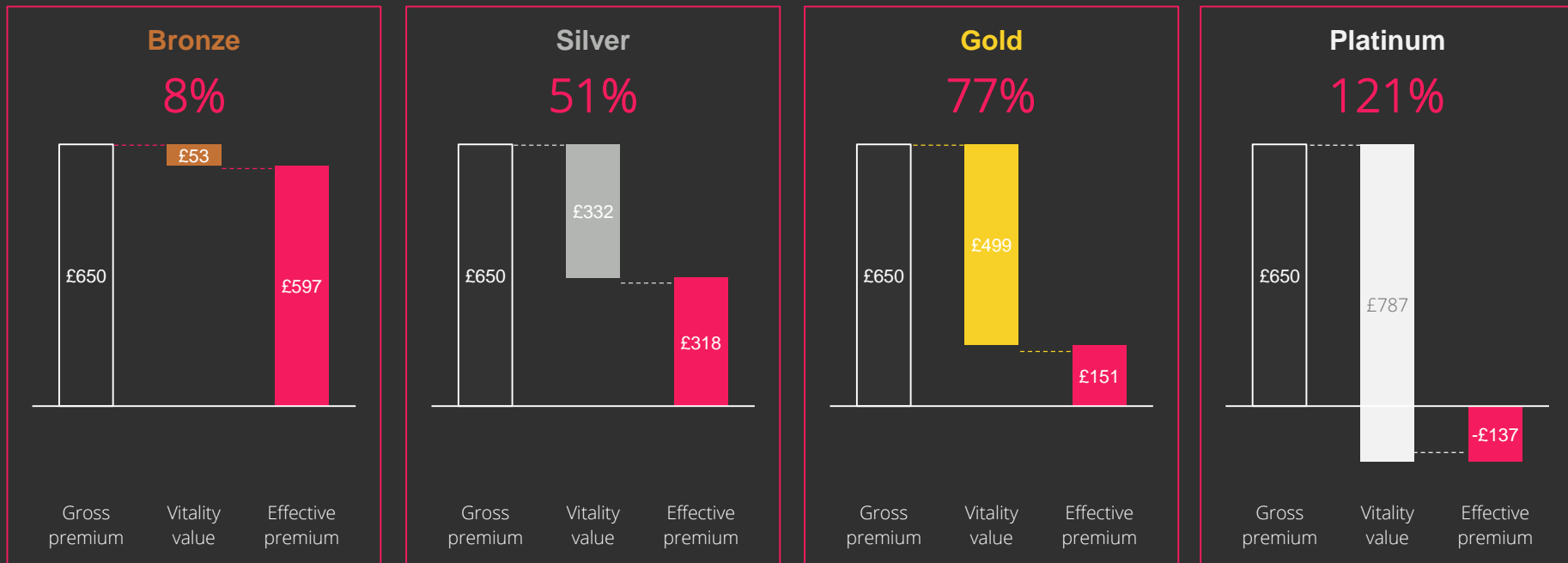
Food packs

Engagement statistics for July 2018 – December 2018

Positively different.

Engaged members earn significant value

## Average Vitality savings and rewards compared to premium

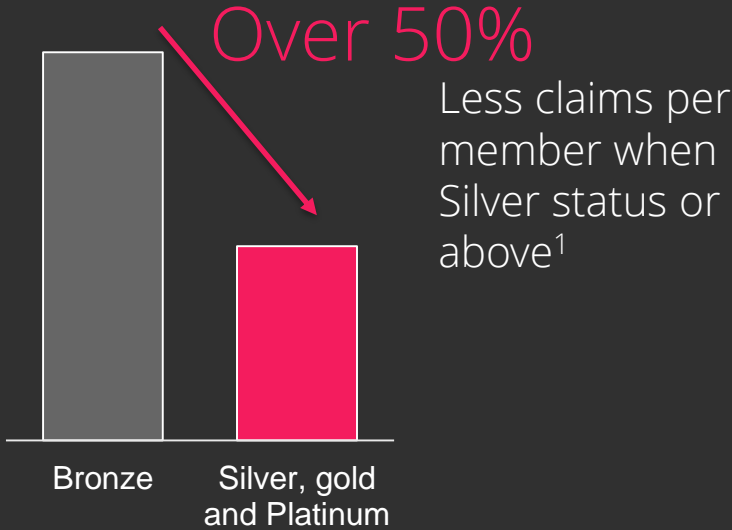


Vitality gave over £60m in value to members in 2017

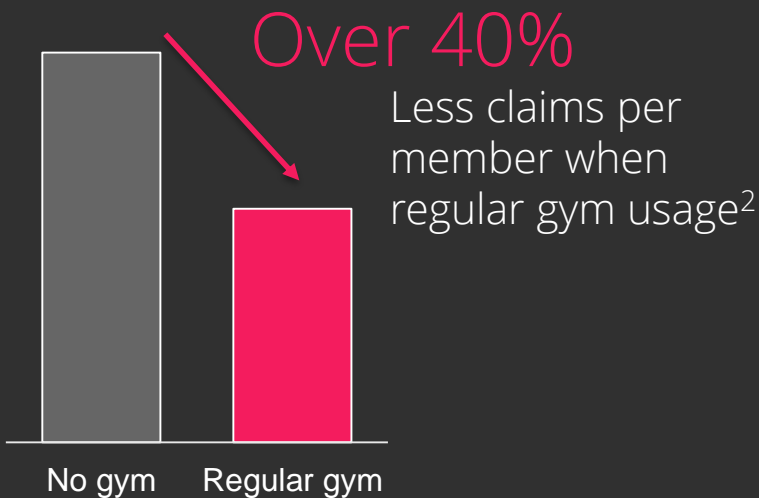
\*Based on average actual Vitality savings of Life policies with Vitality Plus in force for throughout the entire 2017.

Engagement leading to better outcomes  
More engagement → less Serious Illness Cover

### Status



### Gym user



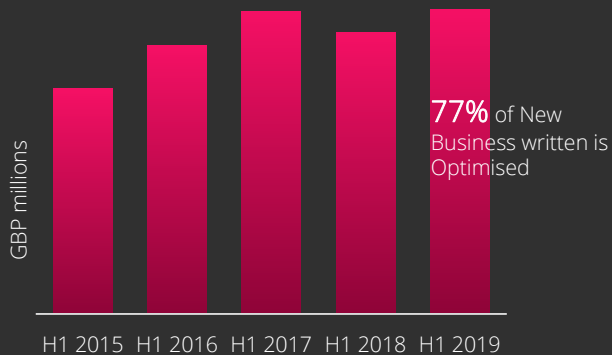
<sup>1</sup>Based on Serious Illness and Income Protection claims of members with Vitality Plus

<sup>2</sup>Based on Serious Illness and Income Protection claims of members with Vitality Plus for claims of those that are 40 or over.

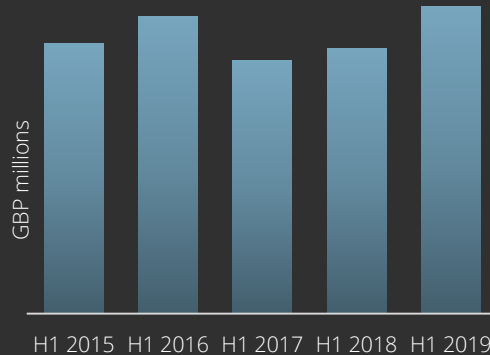
# Key performance to date



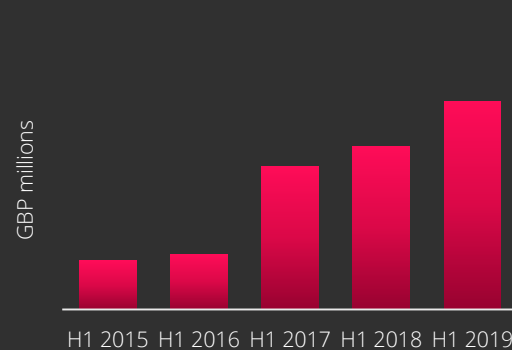
New business **+8%** | **+4%**  
to R600m | to £32.8m



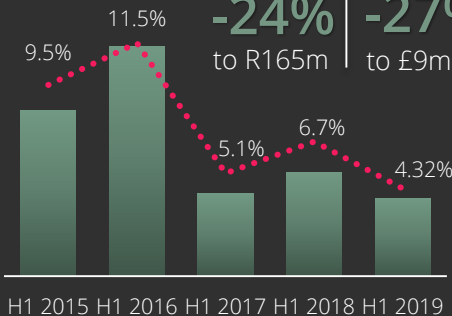
Operating profit **+15%** | **+11%**  
to R300m | to £16.4m



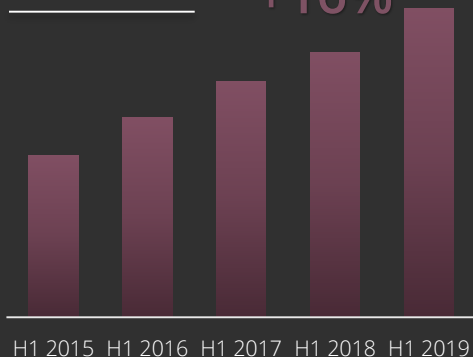
Value in force **+38%** | **+28%**  
to R6.2bn | to £339m



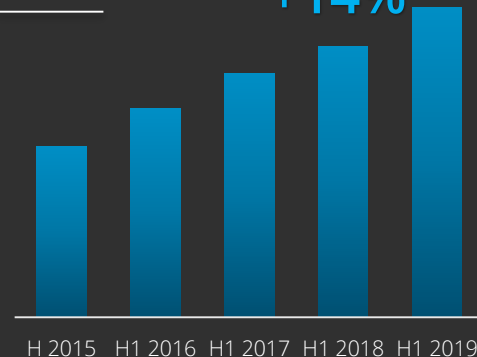
Value of New Business & Margin **-24%** | **-27%**  
to R165m | to £9m



Lives covered **+16%** to >542k



Policies **+14%** to >408k



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