

FintechOS

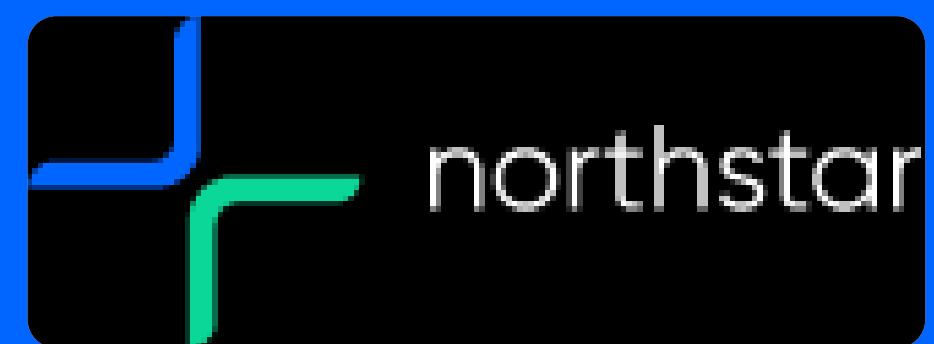
Northstar

2022 Priorities



Northstar Product KO – 17.02.2022

Agenda



1. Vision

2. Northstar Building Blocks

3. Main use cases

- Market Insights
- Status

4. Roadmap

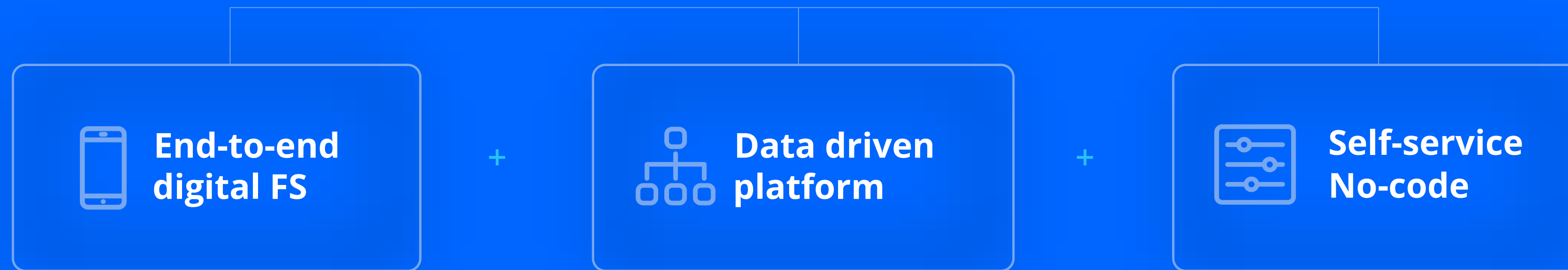
5. Market & Focus Themes

Vision



FintechOS product vision

The FintechOS approach



High-productivity fintech infrastructure

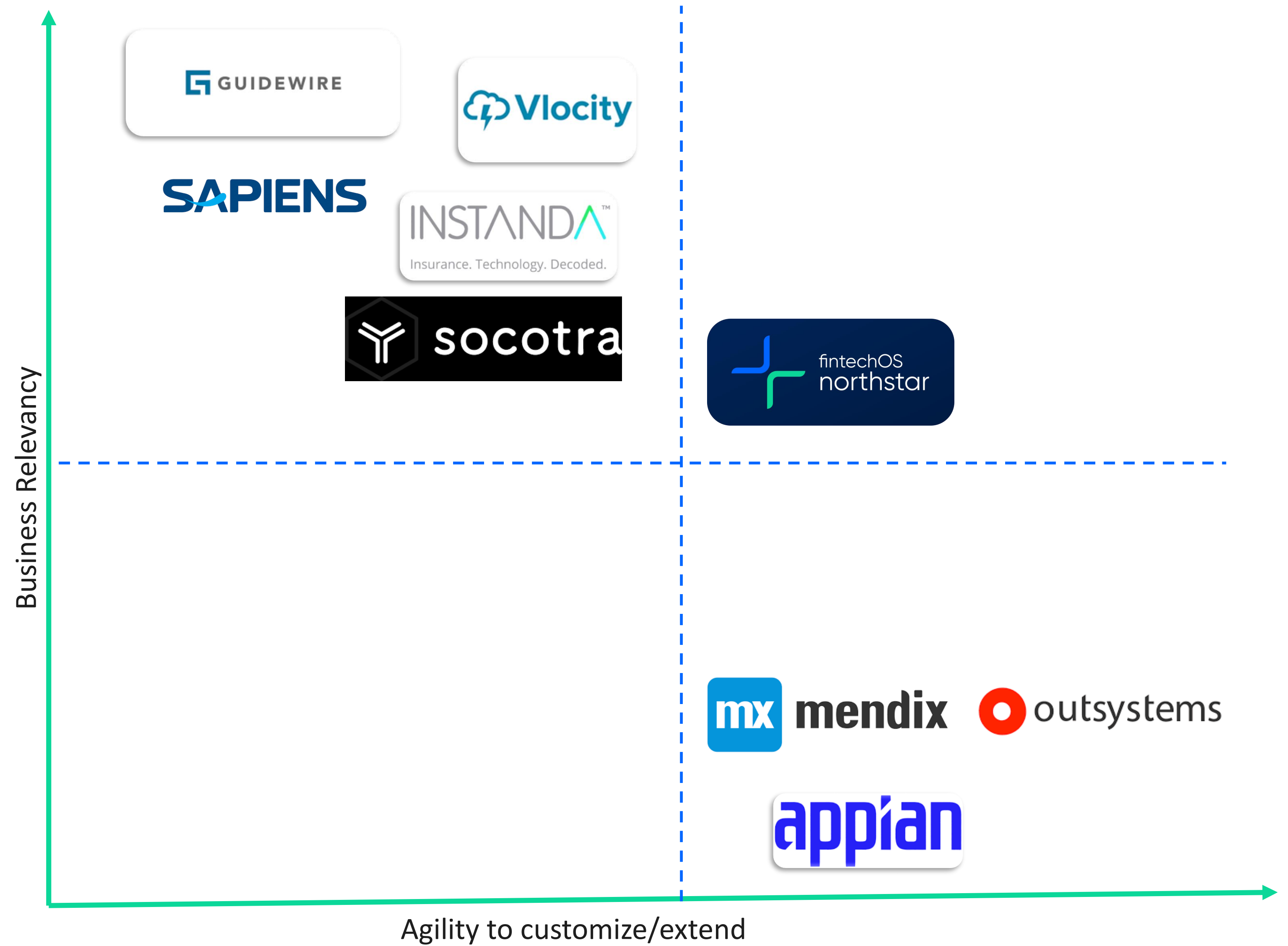
We are fundamentally changing the way financial services technology is being rolled-out and consumed in digital transformation programs, thus establishing the next generation of fast-paced, intelligent banks and insurance companies.

fintechOS





New category





FintechOS NorthStar's mission is to enable trust in insurance

Knowing your customer

The better you know your customer, the more you will understand how to protect him more efficient

Personalized insurance solutions

Personalization of the solutions offered in order to be relevant for the customer – a digital product factory will provide the needed flexibility in creating and updating a product.

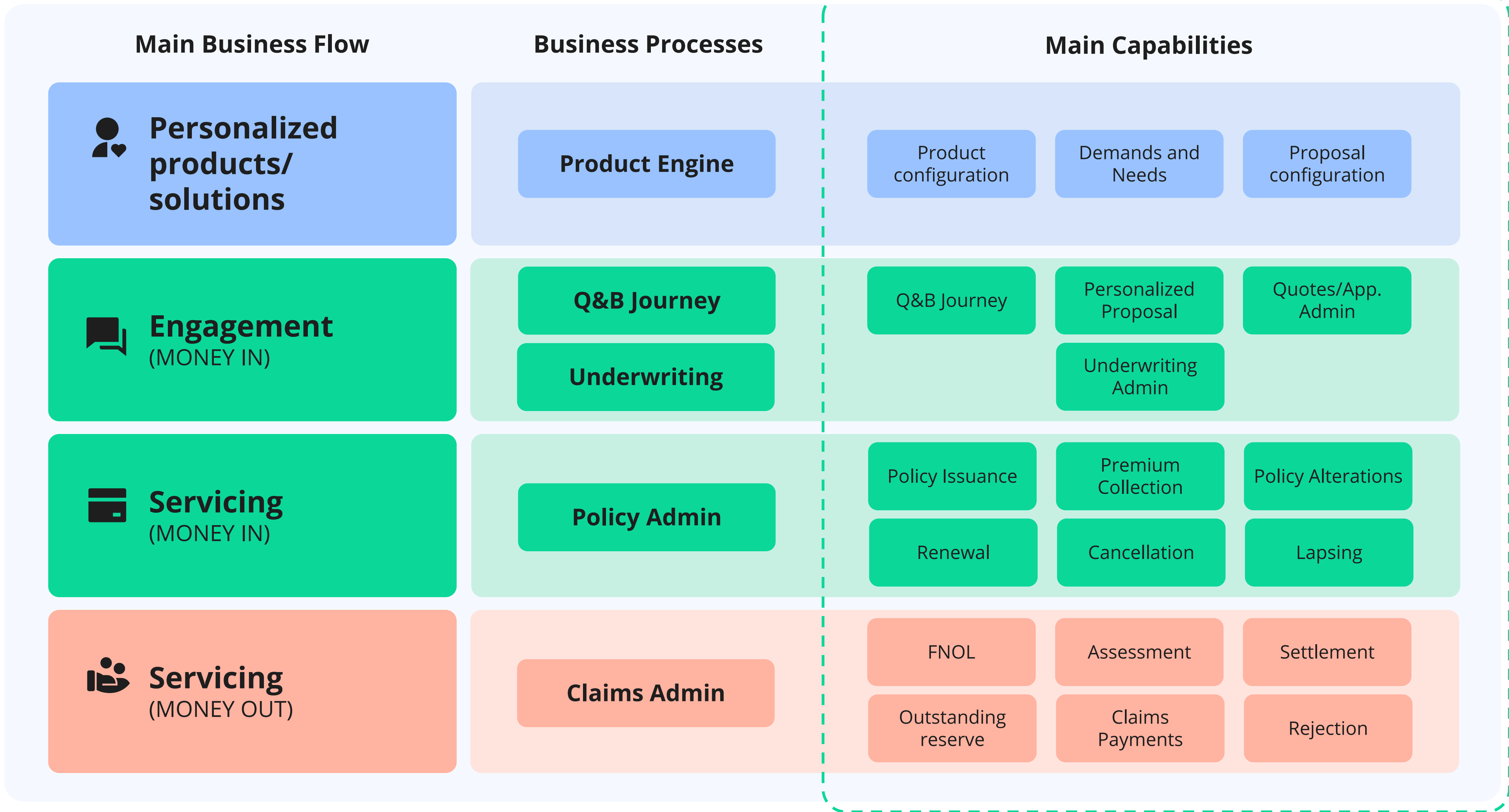
Seamless experience

Seamless experience in every touch point, no matter if we are speaking about buying an insurance online or notifying a claim, the experience should be easy and fast

Transparency

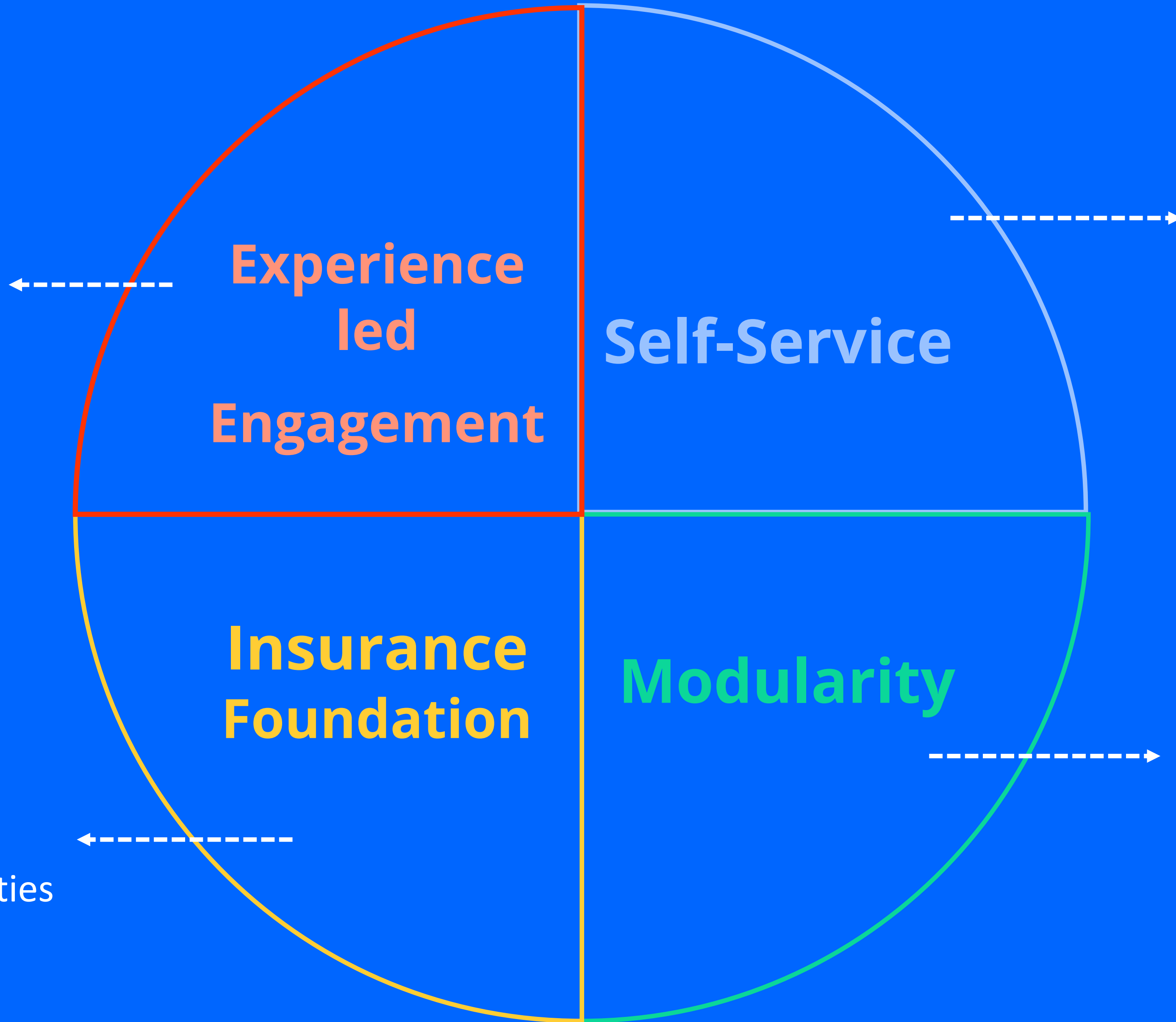
Transparency is a key prerequisite for trust, which is paramount for established insurers as well new entrants

What



How?

The right insurance solution, at the right time, with the right channel



we need to enable the business users to drive the change

Lean Core Blocks including the most relevant functionalities

highly integrated products in which the integration leverage is critical

Northstar Building Blocks



Focused innovation
Innovation **mindset.**



Insurance Building Blocks

Northstar Streams

Engagement Layer

P&C Q&B

L&H FNOL

P&C FNOL

L&H Q&Apply

Vertical Admin Solutions

P&C Policy Admin

L&H Policy Admin

P&C Claims Admin

L&H Claims Admin

P&C UW Admin

L&H UW Admin

Lean Core Insurance Foundation

Core Policy Admin

Core Claims Admin

Core UW Admin

Ancillary Blocks

Agency Management

Reinsurance Admin

Billing & Collection

HPFI

Insurance Product factory

Proposal Configurator

FintechOS

Core Insurance

P&C Stream

L&H Stream

Accelerators

NorthStar Product Management Team



Accelerators

L&H Stream

P&C Stream

Core Insurance



Allan Wishart (Accelerators Product Owner)

25+ years insurance experience in underwriting, pricing, benefits management, including with Mondial Assistance



David Punter (L&H Product Owner)

35+ years insurance subject matter expertise gained through health and life system implementations with Oracle, Sapiens & Sungard.



Radu Gudac (P&C – Product Owner)

15+ years experience in underwriting, product development and Sales Transformation, including with Allianz



Puneet Bharal (Core Insurance – Product Owner)

25+ years experience in insurance, product development and technology, including with ACORD

22 Release

October 2021



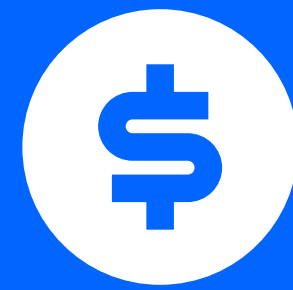
Term Life
Q&Apply

Assisted journey

**Full premium
rates**

**Automated UW
Rules**

**Multiple
quotations**

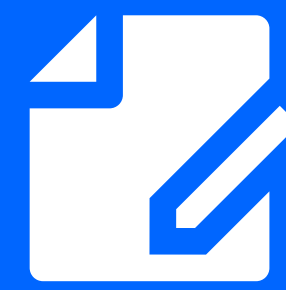


Billing
&Collection

**Outgoing
payments**

**Payments
Instruction file**

**Payments
allocation**



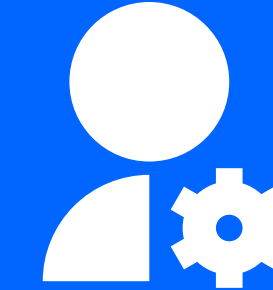
Core Claims
Admin

Claim registration

Settlement

Rejection

E2e reserving



Reinsurance
Admin

**Proportional
treaties**

Non prop. treaties



Core Policy Admin

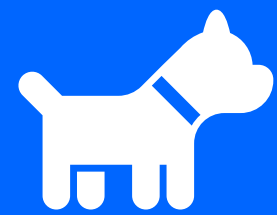
Policy Versioning

Policy Alterations

Master Policy

22.W Release

January 2022



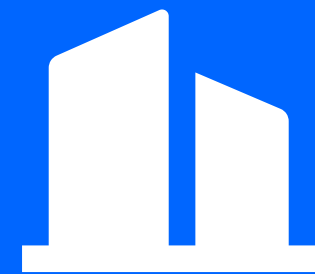
Pet Insurance Q&B

Mobile journey

**Full premium
rates**

**Preconfigured
Audiences**

**Breed detection
AI**



Product Factory

Product cloning

Import tables

UW Rules API

Renewal configs



Core Policy Admin

**Automatic
renewal**

**Prorate
parameter**

Master policy

Policy Data API



Billing &Collection

Direct Debit UK

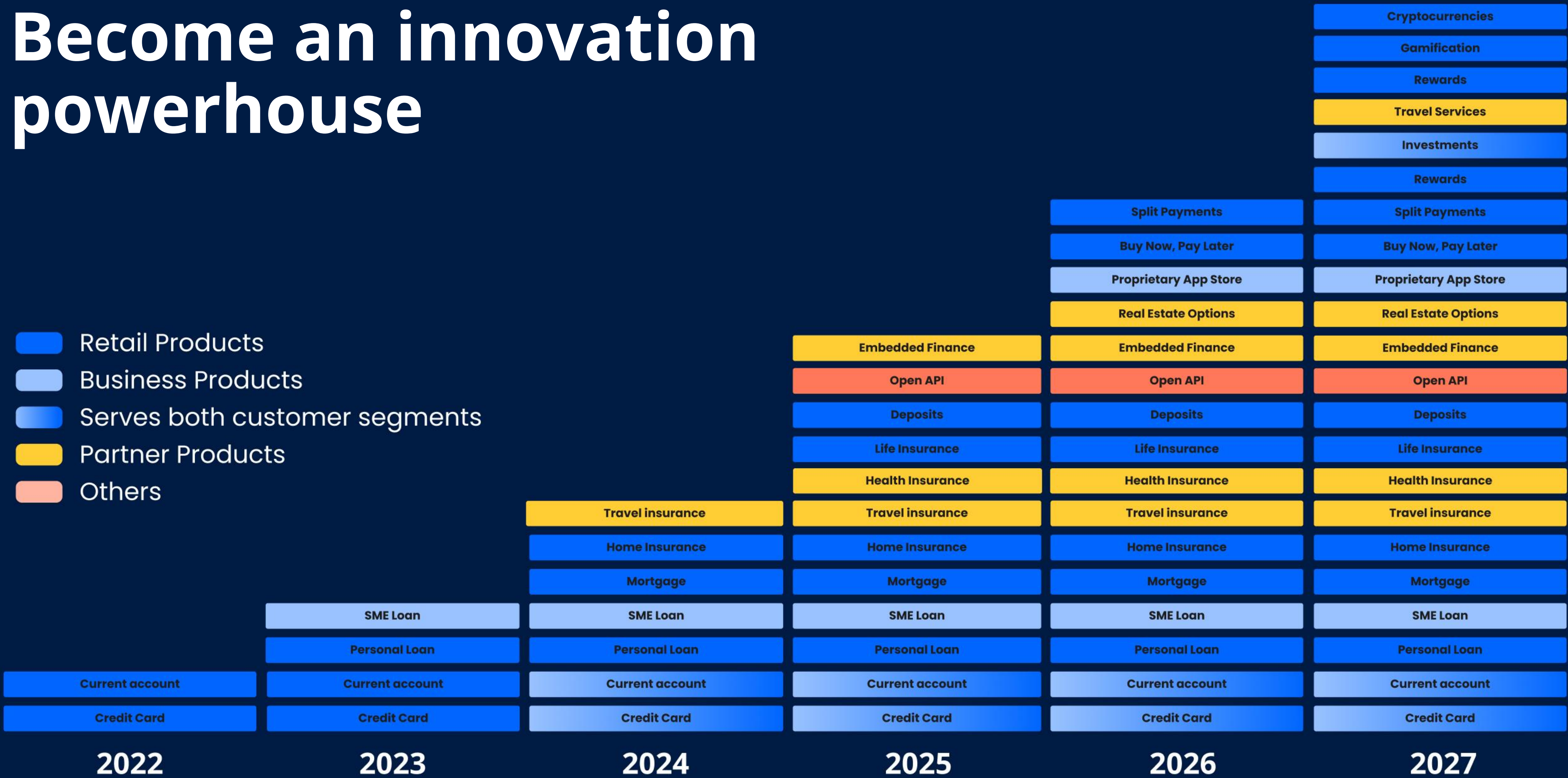
Direct Debit SEPA

Focused Use Cases

Being the best at something helps us expand to everything

Become an innovation powerhouse

- Retail Products
- Business Products
- Serves both customer segments
- Partner Products
- Others



2022 Focus

4 best-of-breed use cases to land and expand



**Commercial
Combined SME**



**Healthcare
Insurance**



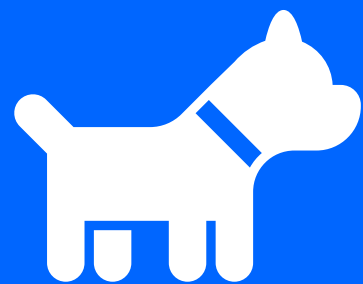
**Home
Insurance**



**Pet
Insurance**

Pet Insurance

Pet insurance is a fast-growing line of business following the marked upturn in pet ownership through the pandemic lockdowns. Pet insurance is evolving from a typical asset insurance to a life & health assurance model i.e. from indemnifying against unplanned cost such as vet's bills, to providing whole-of-life health services which treat the pet as a family member



Analyst Insights

- UK pet insurance penetration is e.50%
- Average vet fees £822
UK Pet Insurance Market Report 2021
- *Bought by Many* cite 25% of their business is from personal referrals, and only 10-15% from Price Comparison Websites. Pet insurance is less price sensitive than other personal lines, due to the *emotional value* owners attach to their pet's well-being.

Market Insights

A growing market opportunity built on service rather than price competition

What's happening in the market

- 3.2m households acquired a pet during the Covid-19 pandemic meaning a total of c24m dogs and cats in UK market.
- Pet insurance products grown by 10% in the same period, even though half of Accident Only products have been withdrawn, with overall growth from Lifetime products (up 23%)
- Lifetime products enable customization, value-add services and a long-term relationship between insurer and insured.

What pains are organizations experiencing?

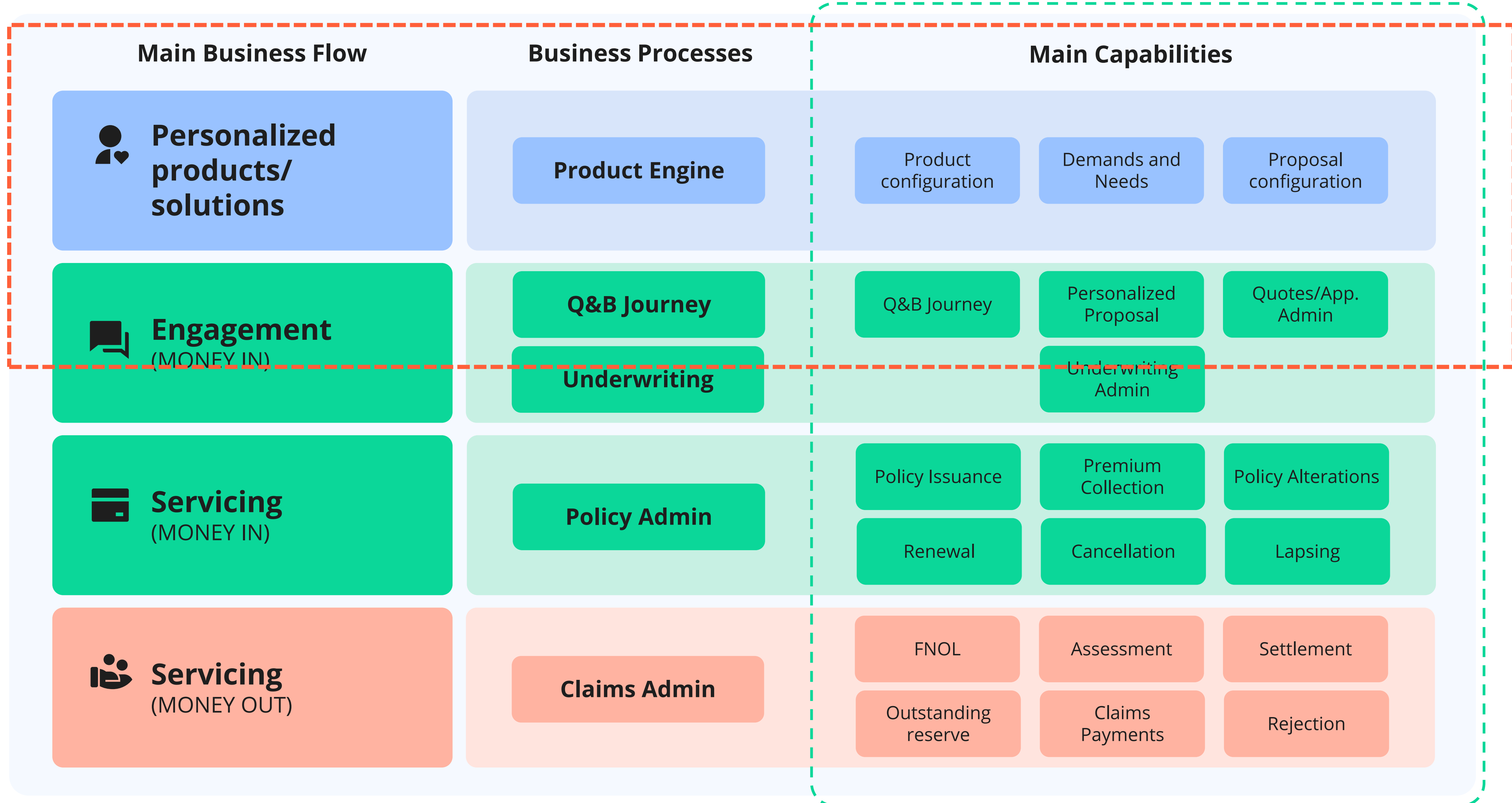
- The broader personal lines drivers of digitization and agility.
- Increasing the value of Pet Insurance requires significant change in engagement and ancillary services. Digital first, greater customer engagement and integration with service providers to provide a friendly, seamless experience are important – not extant strengths.

What is the opportunity for FintechOS?

Tech vendors such as Aquarium (acquired by a US insurer in 2021), Socrates (struggling financially) and even IBA (Bought by Many implementation heading south) mean that there is turbulence in the vendor space.

The Admiral product proposition brings together 'the best bits' of other market leading offers (e.g., existing conditions from Bought By Many); they are a Tier 1 brand that lends strong marketing support for our push into this space.

Main pain addressed



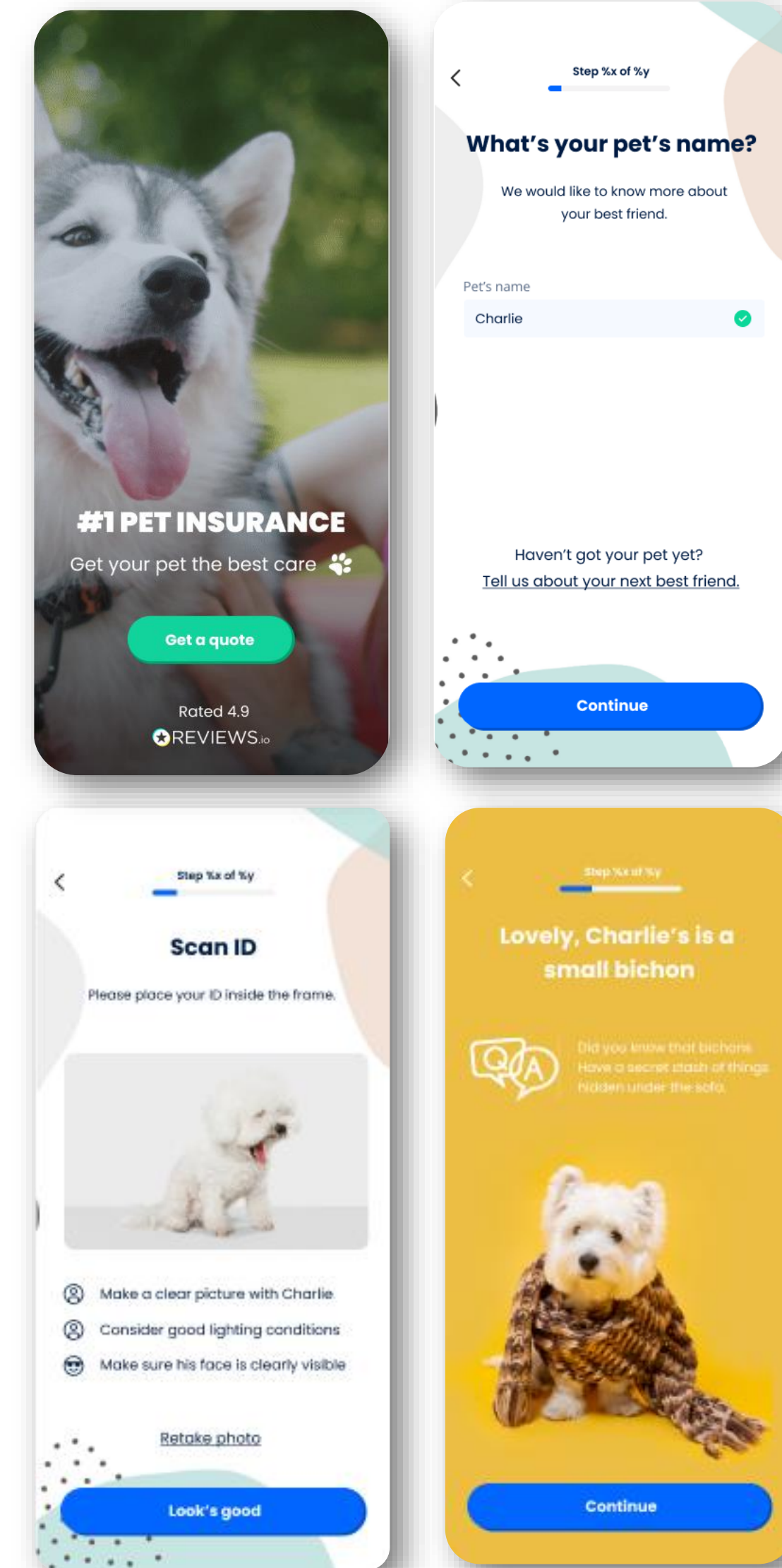
What is our solution?

Full stack Health Insurance platform built from best of breed components that delivers the flexibility to create innovative, differentiated products and journeys for customers and the Medical Service Providers (vets) that support them.

- Pet Health focused on-boarding journeys that leverage enriched data to hone product selection and pricing (breed specific conditions)
- Leveraging third party innovation wherever possible (e.g. Siwalu)
- Stakeholder specific experiences for retail customers and vets
- Best in class hygiene capabilities (policy admin, adjustments and billing)
- Connectivity that embeds process efficiency (e.g., Vet video calls)
- Utilising data at the core (e.g., breed specific conditions)
- All underpinned by Digital Makers empowered by technology to affect positive change in minutes and hours

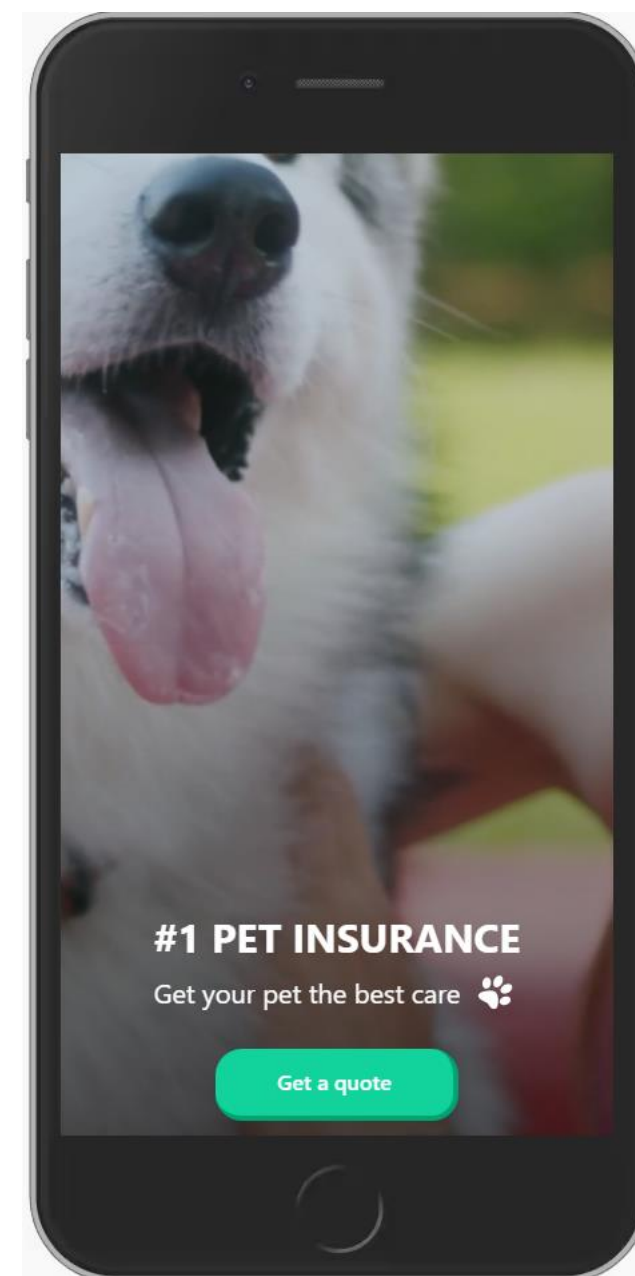
Empowering innovation.

Embedding efficiency.

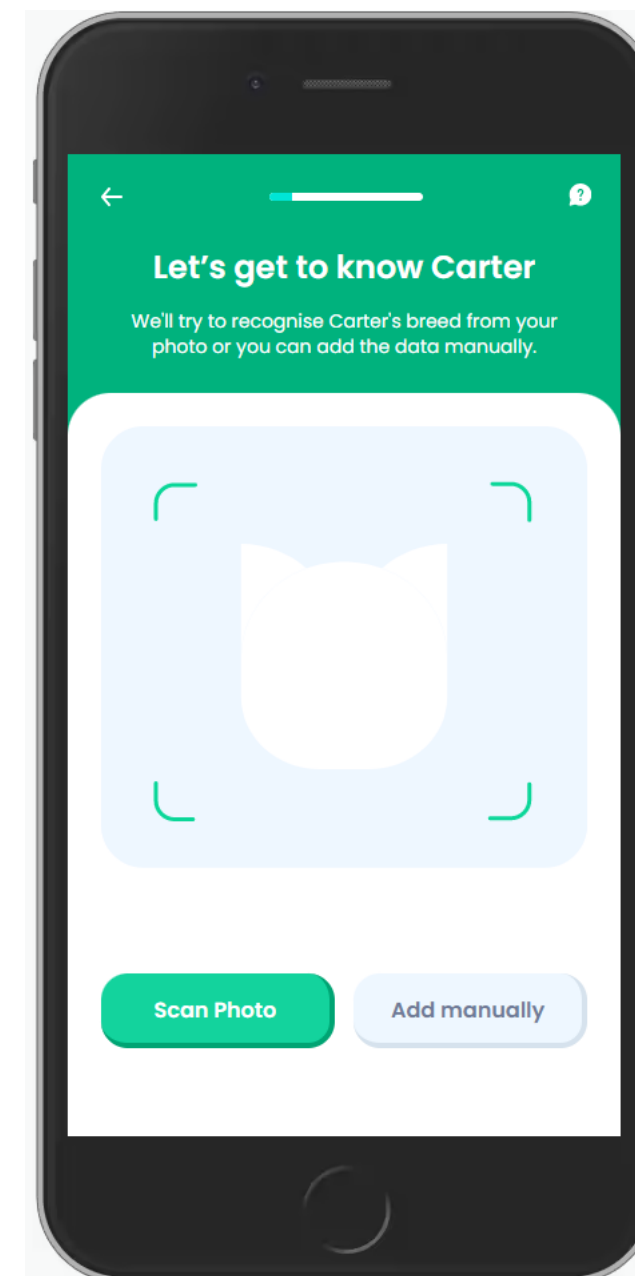


Accelerator Customer Journey

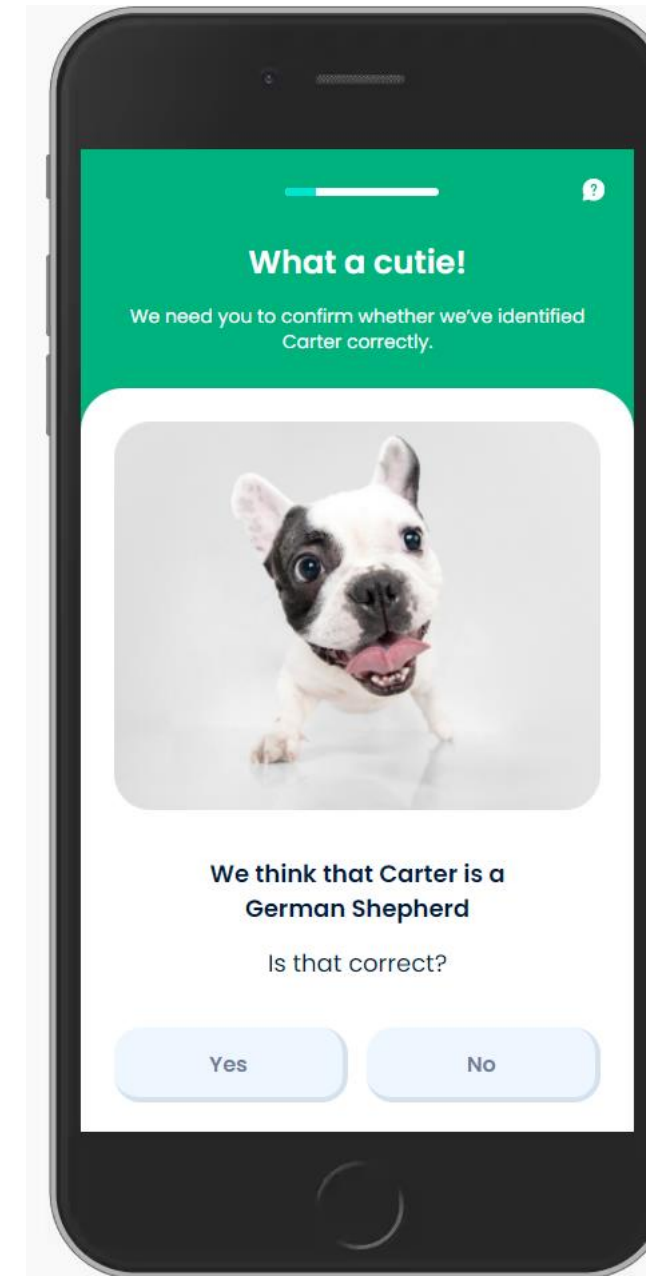
Some highlights



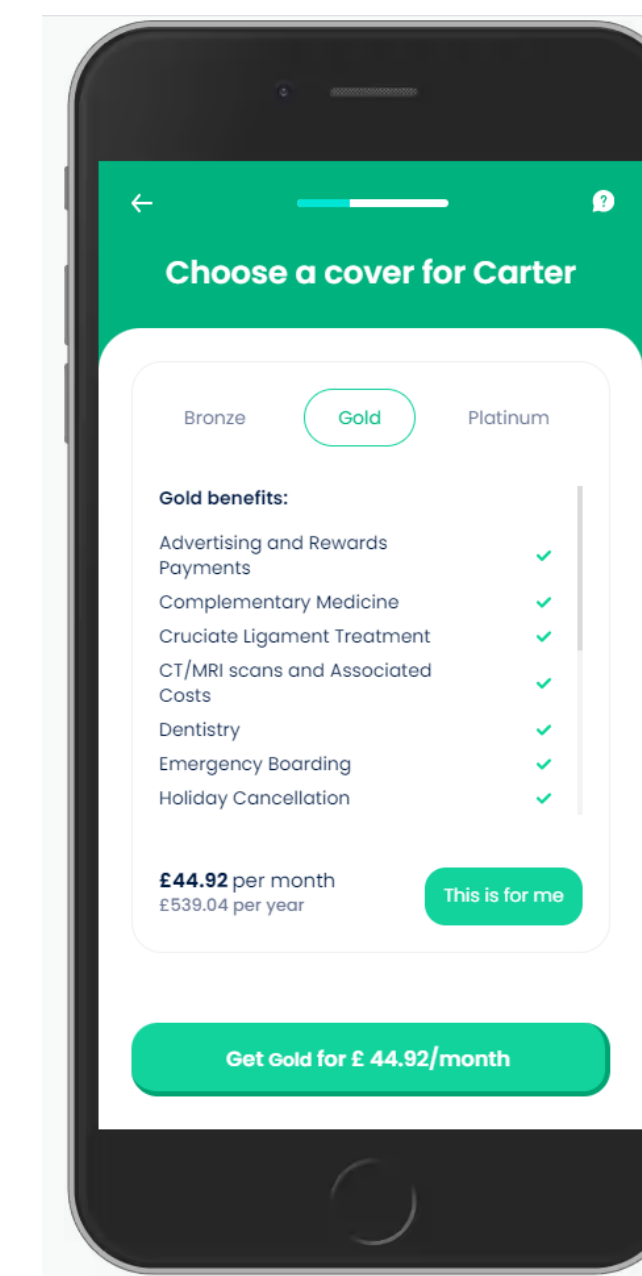
Animated Splash Screen



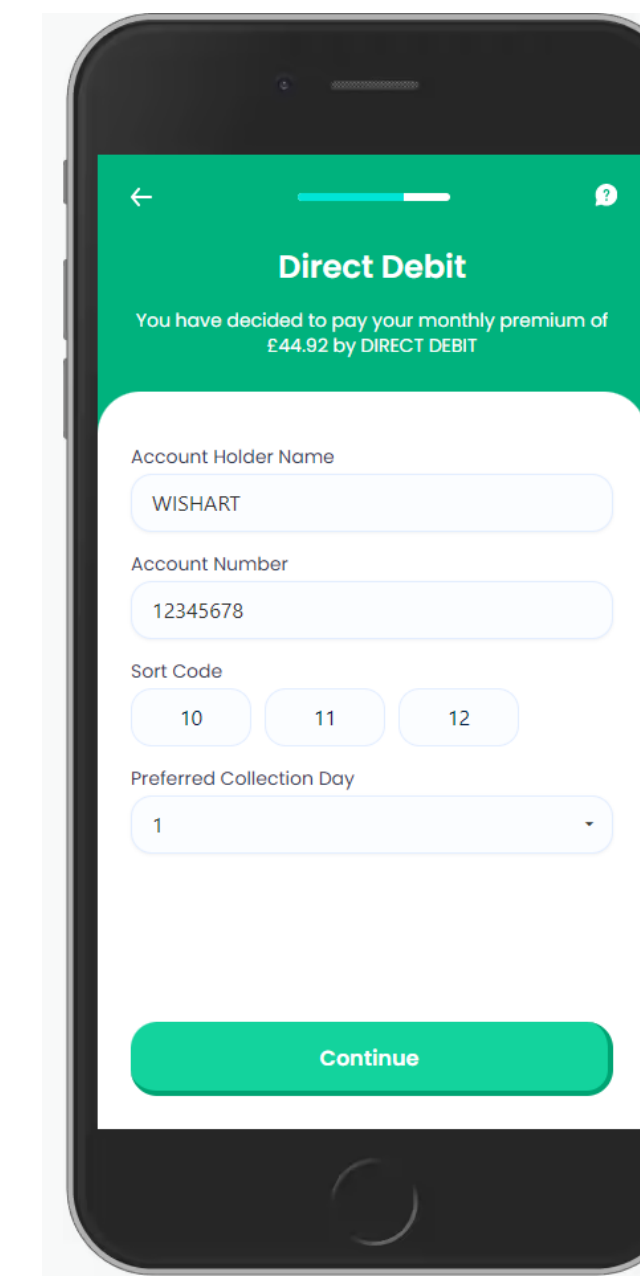
Pet scan – take / upload a photo of your pet



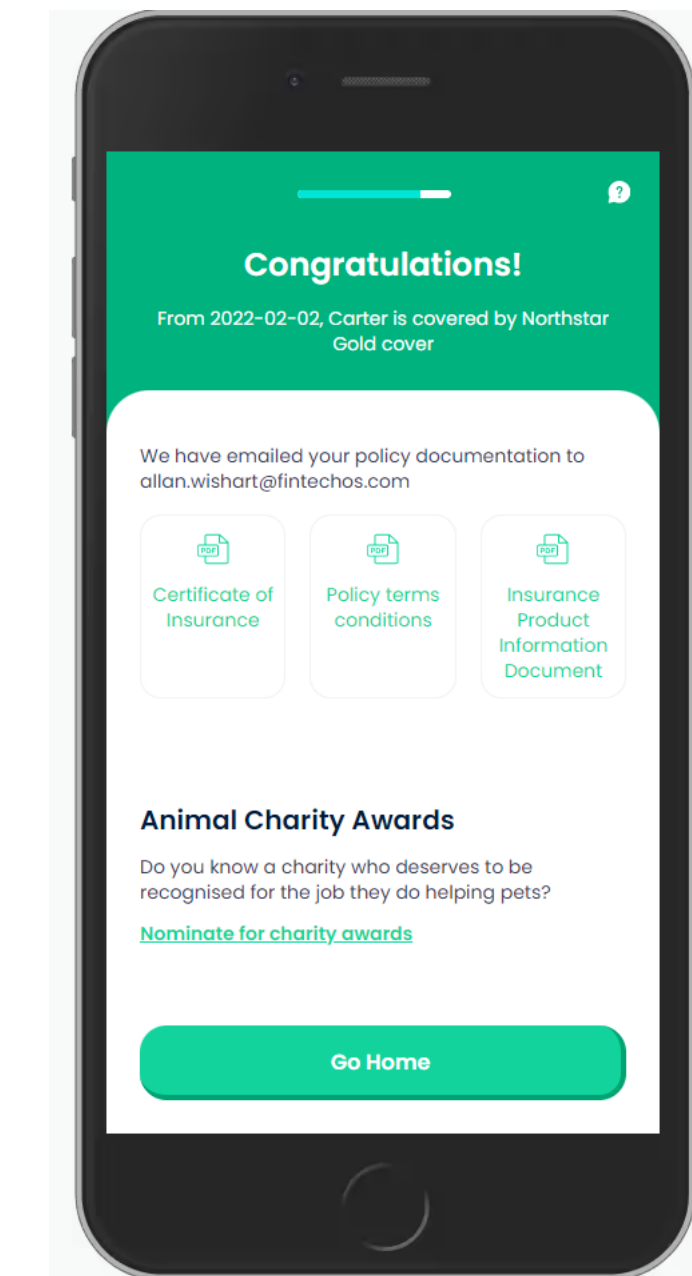
AI driven breed recognition



Configurable product and rating



Payment by card or Direct Debit



Personalised documents delivered to mobile

What is our solution? (As is)

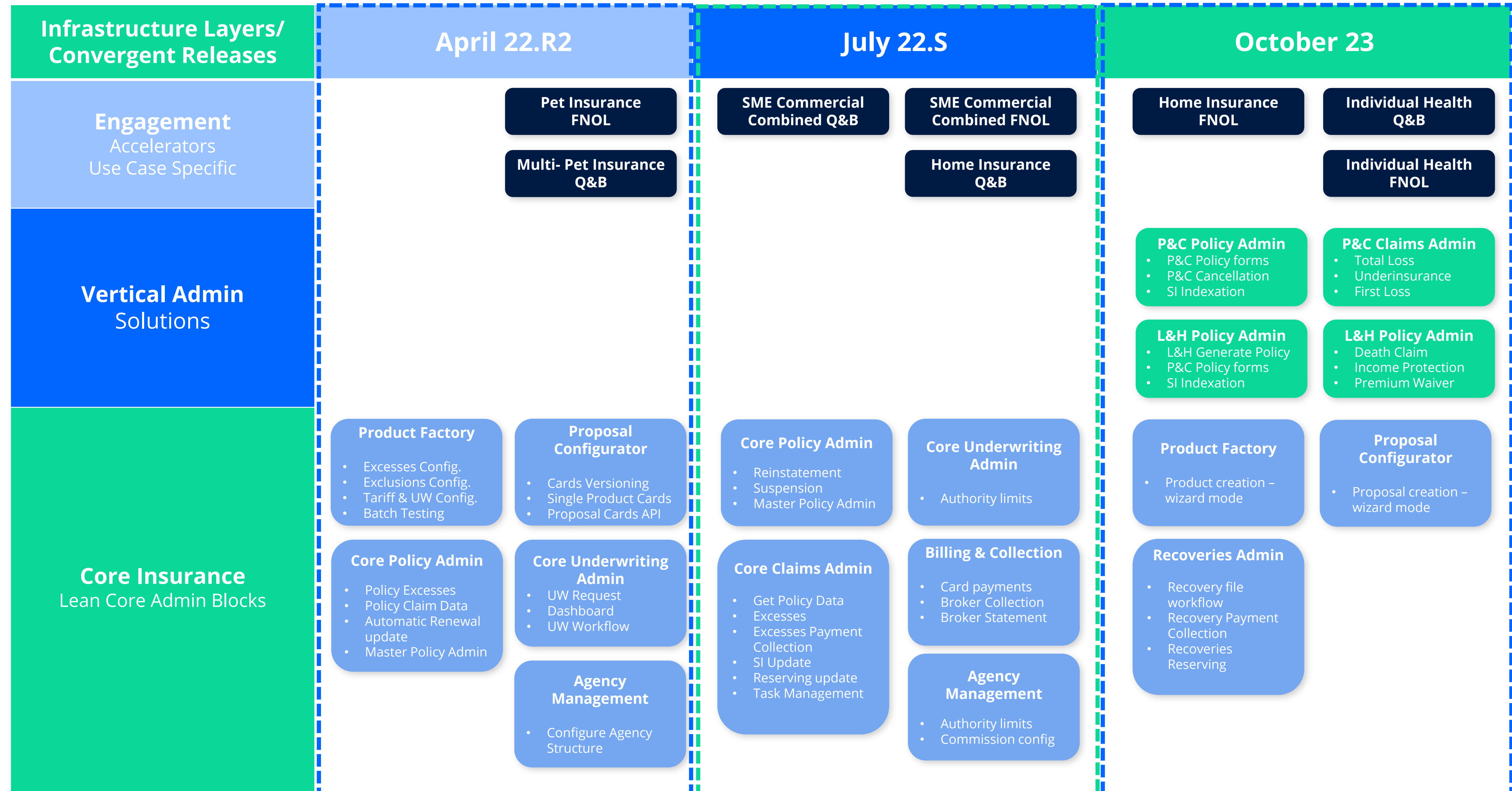


Pet Insurance		FintechOS Solutions		
Main Business Flow	Business Processes	NorthStar	HPFI	Status
Personalized products/ solutions	Product Configuration	Product Factory Proposal Configurator	Formula Engine	L
Engagement	Applications / Q&B Journey	Single Pet Q&B Accelerator	Digital Journey Engine	L
Engagement	Underwriting Admin	N/A	Digital Journey Engine Task Management	M/A
Servicing	Policy Admin	Policy Admin Billing&Collection		M
Servicing	Claims Admin	Claims Admin Billing&Collection	Task Management	S

L - Competitive solution
M - Standard Capability
S- Basic functionalities
N/A - Missing

2022 Roadmap

High level roadmap



Our solutions (To be)



Maturity map			SME Commercial Combined	Home Insurance	Health Insurance	Pet Insurance
Main Business Flow	Business Processes	HPFI	Northstar Solutions & Level of Maturity			
Personalized products/solutions	Product Configuration	Formula Engine	Product Factory Proposal Configurator	Product Factory Proposal Configurator	Product Factory Proposal Configurator	Product Factory Proposal Configurator
Engagement	Applications / Q&B Journey	Digital Journey Engine	SME Commercial Combined Q&B	Home Insurance Q&B	L&H Quote and Apply	Single and Multipet Q&B
Engagement	Underwriting Admin	Task Management	Core UW Admin	Core UW Admin	L&H UW Admin Core UW Admin	Core UW Admin
Servicing	Policy Admin		Core Policy Admin Billing&Collection	Core Policy Admin Billing&Collection	L&H Policy Admin Core Policy Admin Billing & Collection	Core Policy Admin Billing&Collection
Servicing	Claims Admin	Task Management Formula Engine	SME Insurance FNOL Core Claims Admin Billing&Collection	Home Insurance FNOL Core Claims Admin Billing&Collection	Health FNOL L&H Claims Admin Core Claims Admin	Pet Insurance FNOL Core Claims Admin Billing&Collection

L - Competitive solution
M - Standard Capability
S- Basic functionalities
N/A - Missing

Market & Focus Themes

What is driving Insurance change today

Product personalization

Commoditization of big insurance lines

New Emerging products / risks

Parametric Insurance

Subscription insurance

Distribution/Servicing

Embedding Insurance into other channels

A drive to either protect or simplify the distribution of products

Claims servicing – bringing technology in to enable straight through claims

Data and Insurtech

Access to new digital data streams

Data at all levels from sales to modelling

Proliferation of Point Insurtech solutions need orchestration

Open Insurance – Ecosystem Dilemma

Become an Insurance Utility

- Low cost ultra industrialised Insurance provider
- Focus on Core products
- Low-cost Low Price, easy to work with
- Specialized Manufacturing of products

Beyond Insurance

- Develop partnerships to provide a comprehensive embedded experience
 - In a Partners Journey (e.g. Bancassurance)
 - In the Insurance Journey
- Be part of meeting multiple customer needs and aspirations 'One stop shopping'
- Differentiate on Customer Experience
 - Hyper Personalization
 - Highly differentiated

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FintechOS – Focus Insurance Themes

Business Lines

- SME (SMB) Commercial Insurance
- Niche Commercial and Personal lines
- Individual Health - Human and Pet
- Home Insurance – Claims FNOL +

Distribution and Claims

- Embedded Insurance - reimagined
- Digital Distribution – Delegated Authority – SME/Niche
- Omnichannel distribution
- Claims – Digital Claims – Straight through processing

FintechOS Insurance focus in 2022?

Healthcare Insurance

Deliver onboarding journeys that leverage enriched data to hone product selection and pricing, coupled with best-in-class policy admin, adjustments and billing.

Global Health Insurance market growing from \$1.8T in 2020 to \$3.4T by 2027 (CAGR 9.8%)

Home Insurance

From FNOL to final payment, address claims leakage with improved connectivity between legacy systems and increased automation.

NCR (Net Combined Ratio) for 2021 est. 99.4%, growing to loss-making 101% in 2022

SME Insurance

Address highly varied risk profiles of SMEs with personalized coverage bundles for different types of clients, through growing digital channels.

SMEs represent more than 60% of total premiums (GWP) in P&C lines yet are consider under insured

Pet Insurance

Flexibility to create innovative, differentiated products and journeys for customers and the Medical Service Providers (vets) that support them.

24m+ dogs and cats in UK alone with estimated 50% penetration for pet insurance

**Leverage new distribution channels/partners(EMBEDDED)
Reduce Operational/Distribution Costs**

**Grow New Revenue/Customer Base
Increase Agility to test new markets/products/channels**

Bancassurance and Open Insurance

The Opportunity

Bancassurance potential in the US alone is \$1,700 bn

Open Banking is way in advance of Open Insurance and are leading the way - Insurers that can leverage banks leadership can gain significant advantage

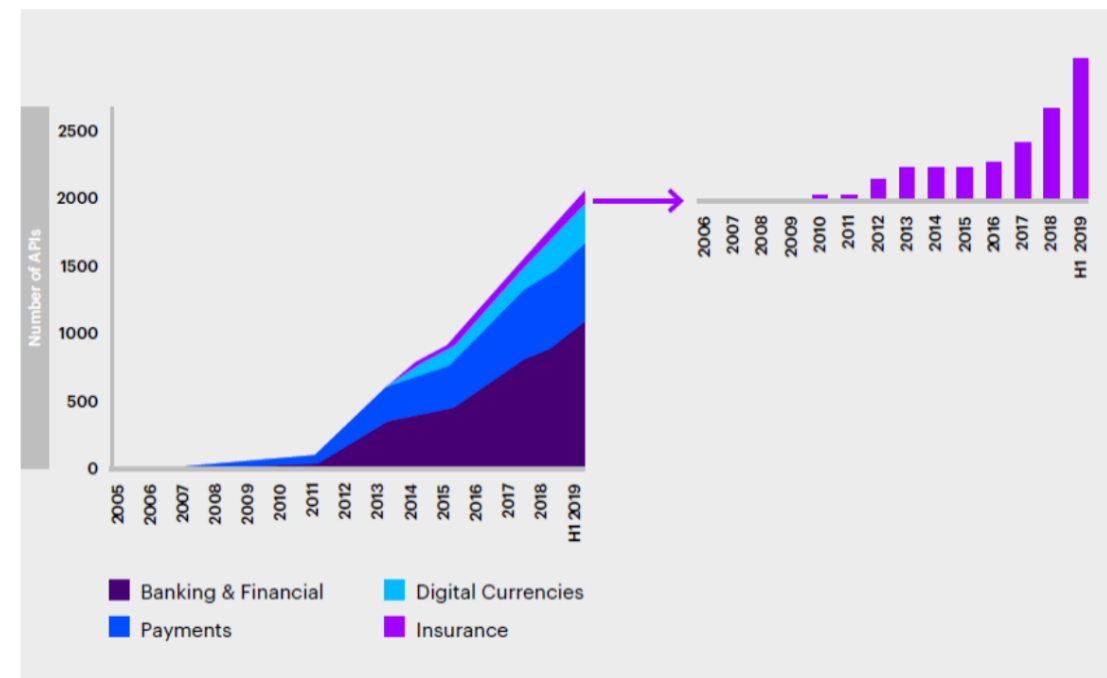
Rising demand for integrated, personalized data rich digital services

Open Insurance

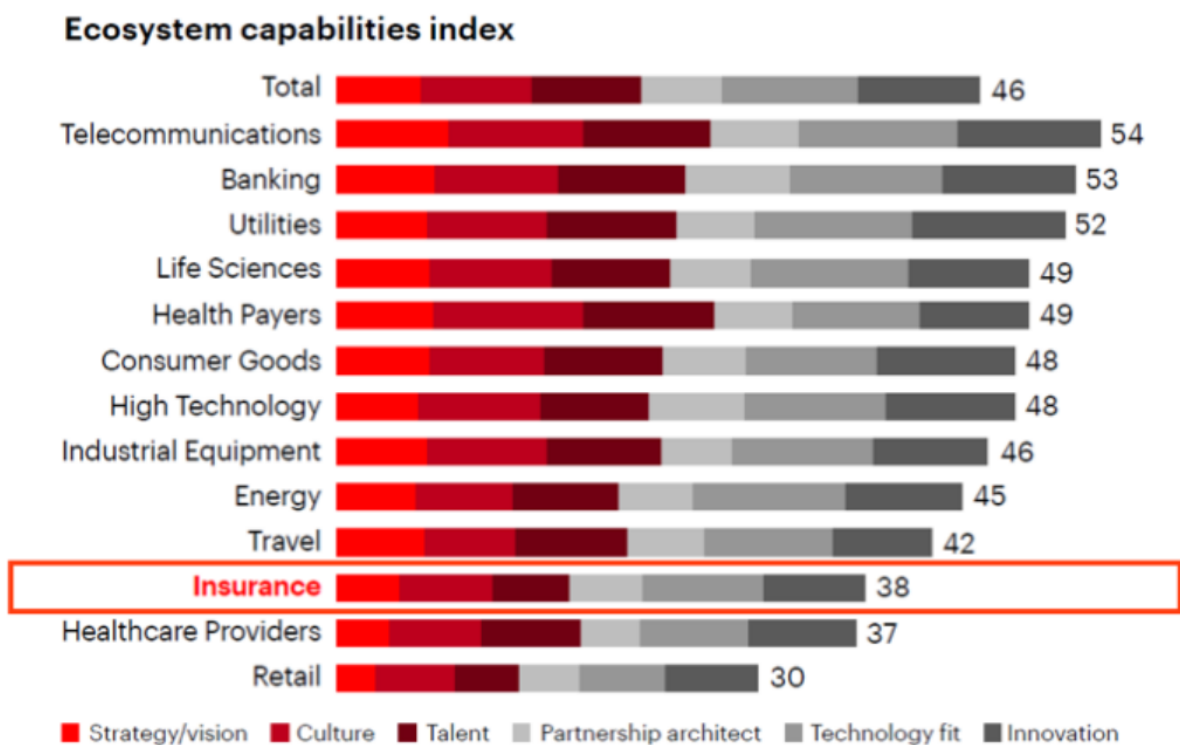
Consumers are open to share transaction data to be able to get more personalized and relevant Insurance offers and products.

74% of Digital Banks customers 64% Traditional banks *

Insurance APIs growing but still lag banking applications



INSURERS NEED TO CATCH UP WITH OTHER INDUSTRIES IN CRITICAL NEW CAPABILITIES



How can
you win
**customer
trust?**

Only
21%
of consumers
trust insurers

SMEs are
consumers

Winning customer trust?

However...

75%

of consumers trust
tech brands to provide
innovative, tech solutions

SMEs are consumers

To win consumers make it seamless and relevant

Ambient digital insurance products

Ambient digital insurance products

Fade into the background of our digital lives, providing innovative solutions to real problems while barely being noticed

Ambient digital insurance products

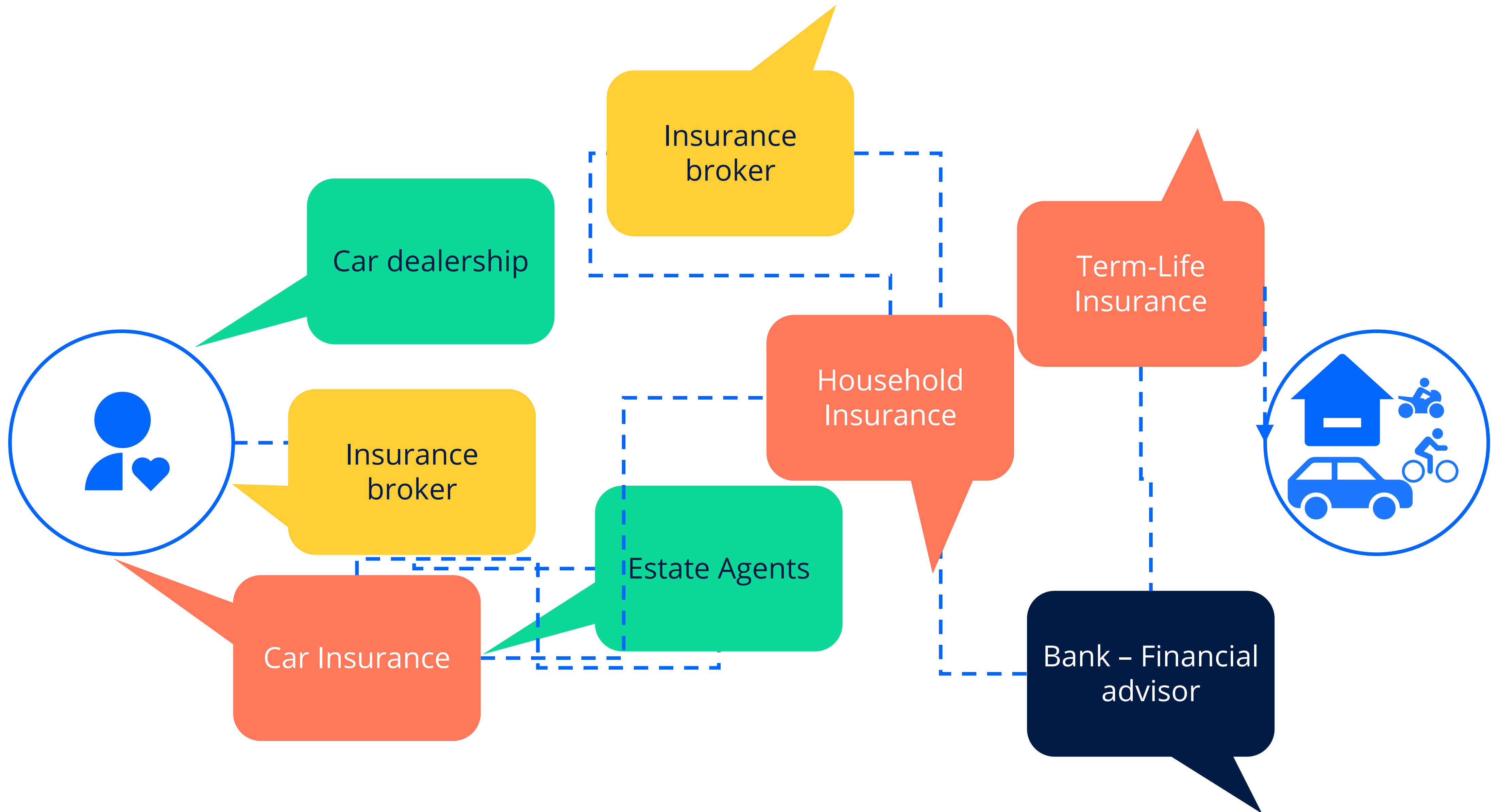
Fade into the background of our digital lives, providing innovative solutions to real problems while barely being noticed

Compare it to the way your phone backs itself up without you noticing

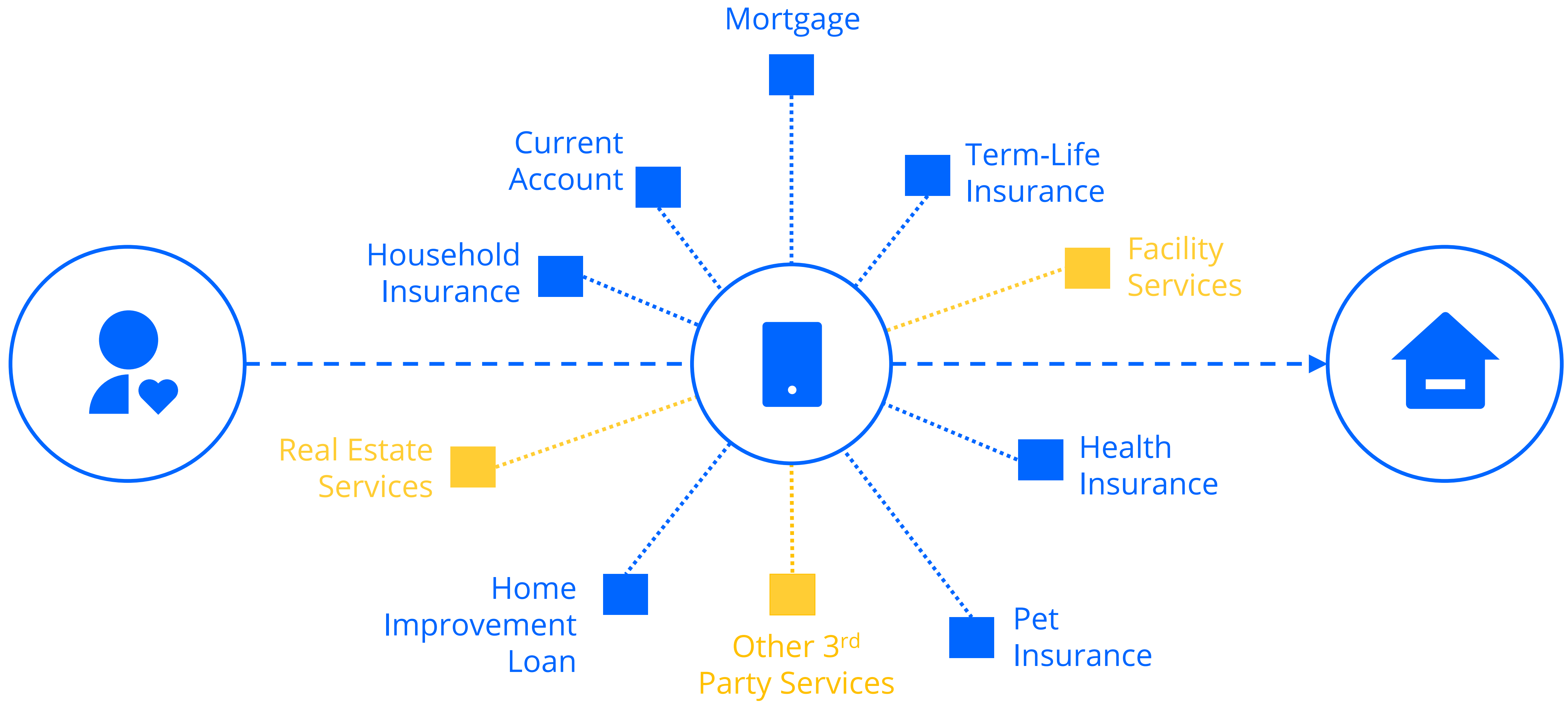


To enter the
ambient
insurance
products space,
you need the
digital
architecture to
support them

From **fragmented** insurance products...



...to ubiquitous
embedded financial
convenience



To win back **customer trust**, you need a digital solution unlocking access to innovative, **ambient insurance products** and services

To win back **customer trust**, you need a digital solution unlocking access to innovative, **ambient insurance products** and services

You will need

**High-productivity
financial infrastructure**

— Designed for digital makers

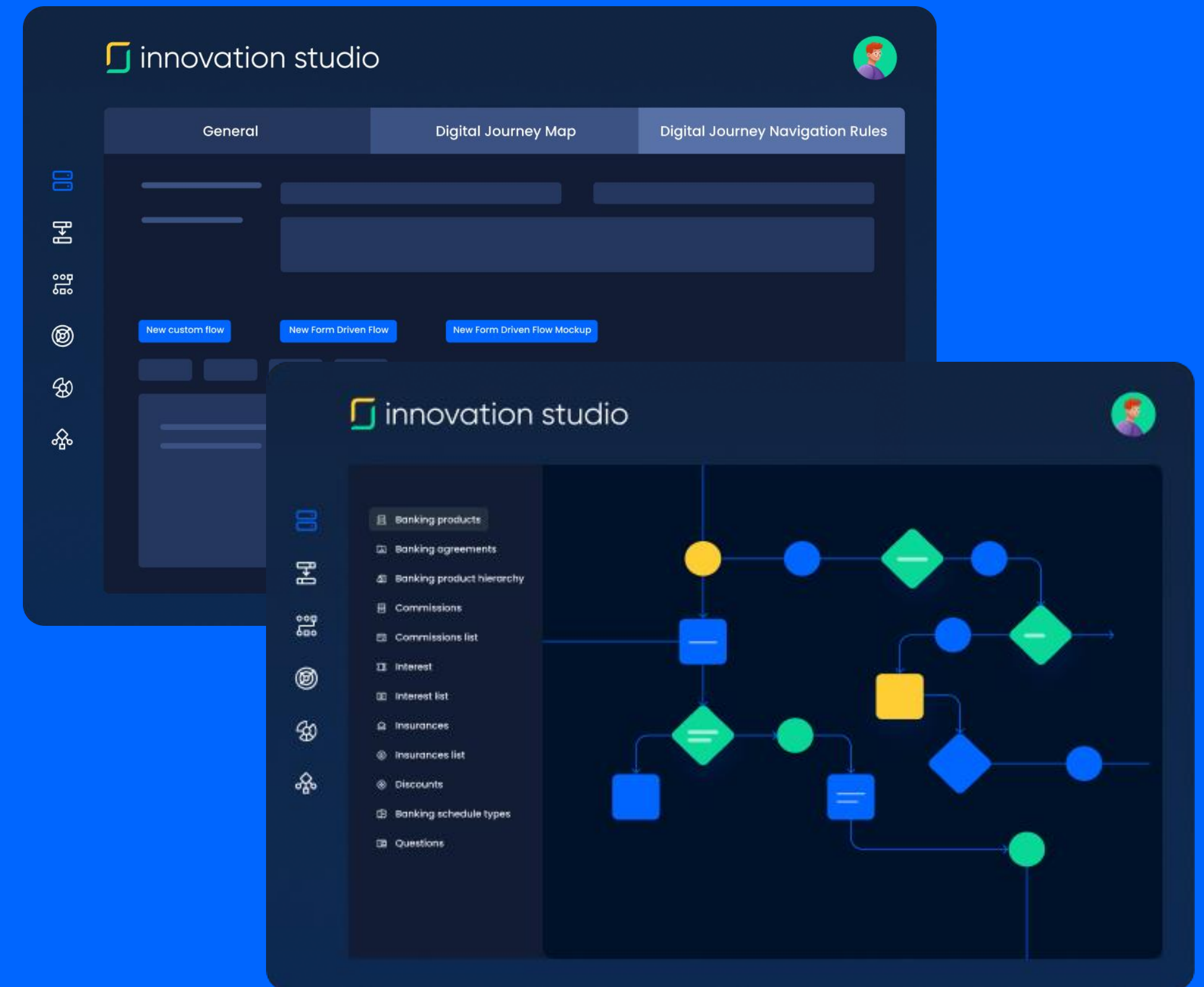
The no-code/low-code studio built specifically for Fintech

 Build innovative **products and services**

 Create personalized **customer journeys**

 Leverage **data at the core** architecture

 Surface ecosystem **innovation**



Key Differentiators

Accelerated time to value



Start small in tactical areas and expand horizontally and vertically, end-to-end

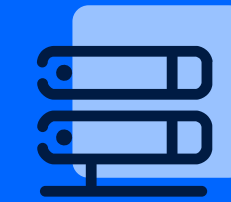
Value is delivered faster (up to x10), with a high emphasis on driving customer value and leveraging technology across multiple use cases.



An integrated, no-code financial technology stack that enables self-service



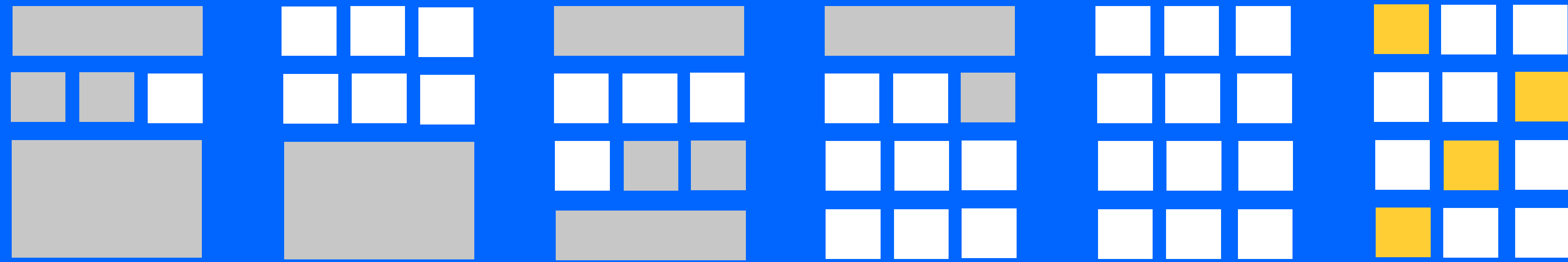
Companies no longer want to pay for multi-million Euro platforms, after which they may possibly get business value by spending big on services to make them work together.



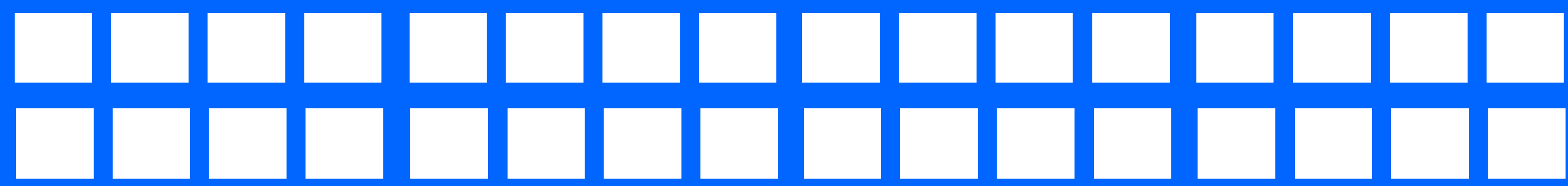
Unique ability to operate with or without legacy infrastructure

We don't just bypass or replace existing systems. There's enormous business value and data available within them. We make use of previous investments through our "data at the core" approach.

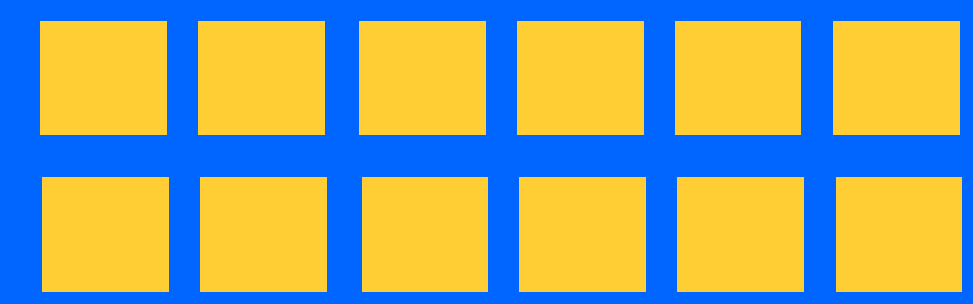
Fast time to market



Out of the box and flexible.
Deploy at your own pace.



Digital & CX Blocks



Ecosystem Blocks

Lean Core Blocks

Banking

Insurance

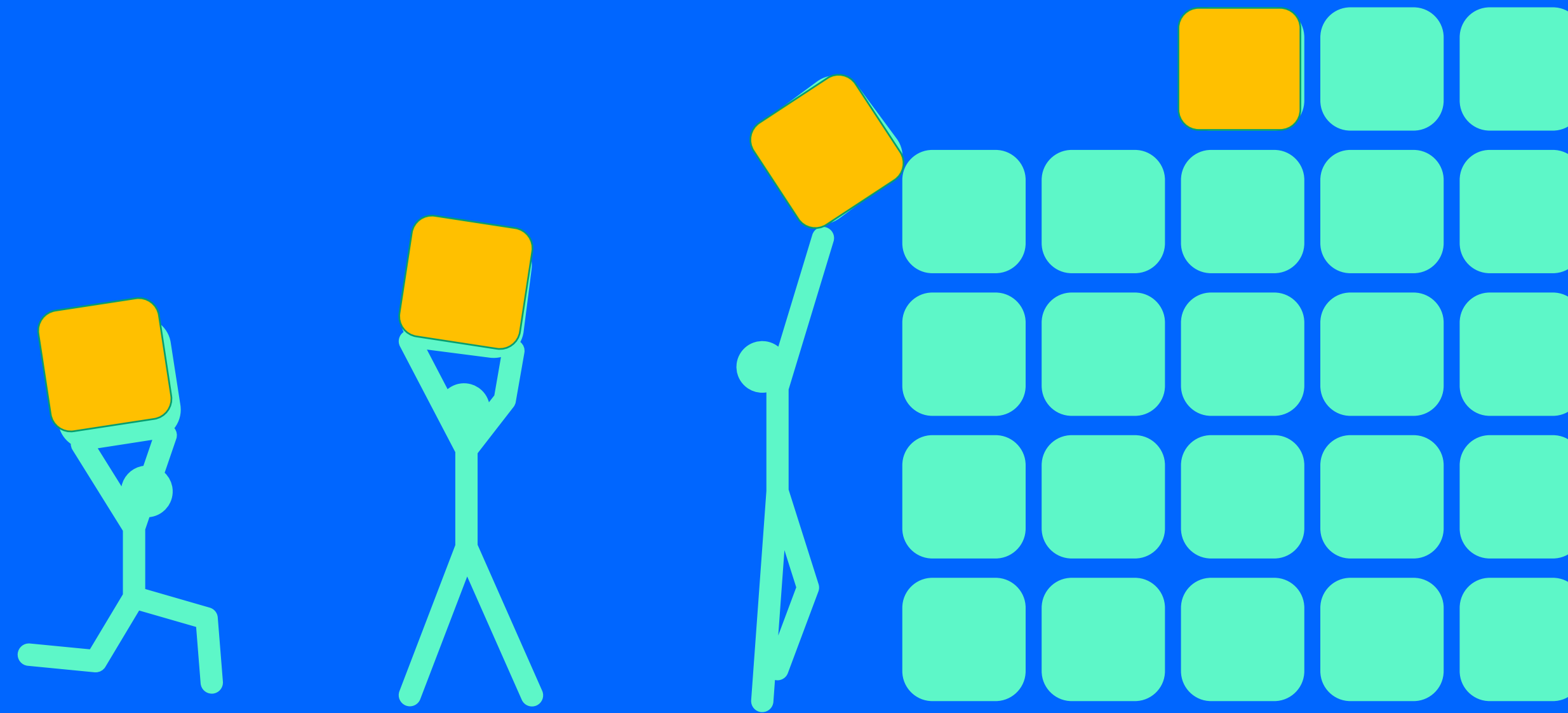
Embedded Finance

3rd Party Services

fintechOS

**Digital makers can
build value faster**

You can build additional value for digital makers



Opportunity for partners to build accelerator revenue streams through the marketplace

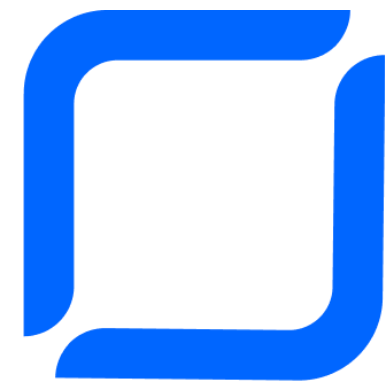
A community of digital makers



FintechOS empowers digital makers inside financial institutions – and those working in their technology partner businesses such as digital consultancies and integrators – to collaborate through our low-code platform. With a growing and diverse community of innovators, all financial brands will benefit from more tried and tested answers to common use cases and faster access to smart new ideas emerging in the fintech ecosystem.

With the launch of [FintechOS Marketplace](#), it's now easier than ever to access pre-built components and integrate with leading API-enabled services.

Best market fit



Target Clients

Tier 3-4 Incumbents

TPAs

MGAs with a single carrier per product

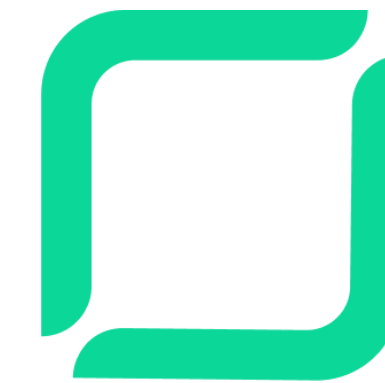
Start-ups with an innovation mind set

Traditional insurers looking to expand into a new market or launch a new brand



Business Type

- Animal and Human Health as 2 linked themes with similar challenges and opportunities
- Commercial SME
- Home Insurance but with a strong focus on claims



Key Themes

- Exploit the growing markets in Pet and Health where competition is weak
- Commercial SME Insurers looking to deliver a highly personalised Personal Lines type experience to their customers
- Claims FNOL + orchestration where we can deliver quick value and flexibility

**Teamwork – lets work together co-
selling Qualification to close
Idea to opportunity**

Thank you!

