



RGAX

INNOVATION & PROJECT MANAGEMENT

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DISCUSSION TOPICS

- Who is RGA?
- What is RGAX?
- The Innovation Process
- Transformation of the Project Manager

At RGA...

- We are a leading global life and health reinsurer with operations in 26 countries.
- We combine global resources and insights with local market knowledge and expertise.
- We meet client needs through an extensive suite of products and services.
- We provide:
 - Superior risk management
 - Innovative solutions
 - Dedicated client focus

RGA's Highlights

- RGA has grown to become one of the largest and most respected life and health reinsurers in the world
- Proven track record of profitability
- #1 facultative reinsurer in the world with high degree of mortality expertise and underwriting controls
- Strong presence in key international markets provides diversification and significant earnings contributions
- Industry-leading management talent and technical expertise

Financial Overview – 2016

Income Statement



Balance Sheet



Awards and Recognitions



#1 in Business Capability Index (“BCI”)

In 2016, RGA was ranked #1 on NMG Consulting’s Global All Respondent Business Capability Index (BCI), based on feedback from insurance executives in more than 50 countries.

RGA also ranked #1 on NMG’s All Respondent BCI in Canada, Germany, Hong Kong, Indonesia, Japan, Mexico, Philippines, Singapore, South Africa, Taiwan, Thailand, and the United States (individual mortality and group life and disability), as well as in each of the Asia and EMEA regions, in aggregate.



Employer of the Year

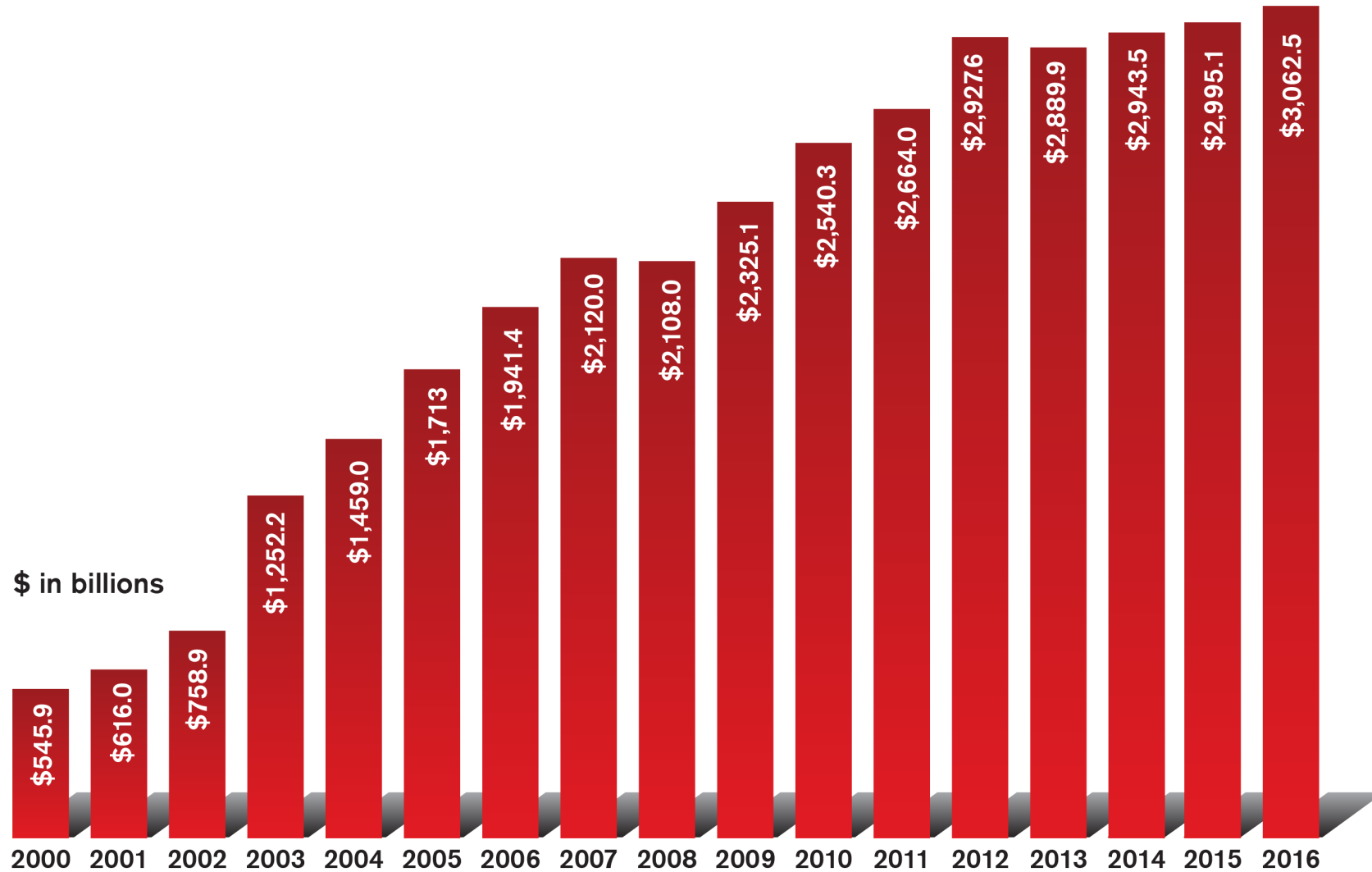
RGA was named “Employer of the Year” at the 20th Annual Asia Insurance Industry Awards.



Reinsurance Company of the Year

RGA Middle East was named “Reinsurance Company of the Year” for the second consecutive year at the 2016 Middle East Insurance Industry Awards.

Life Reinsurance In Force



Global Life and Health Reinsurers

Ranked by 2016 net earned premiums*

\$ Millions as of December 31, 2016

Rank	Reinsurer	Net Earned Premiums
1	Swiss Re	11,486
2	Munich Re ¹	10,707
3	Reinsurance Group of America²	9,249
4	SCOR Re	8,327
5	London Life	7,455
6	Hannover Re	7,092
7	China Life Re	3,316
8	General Re ³	3,068
9	Pacific Life Re	1,506
10	PartnerRe Ltd.	1,117

*These are preliminary estimates. Final rankings will be released after all companies publish their annual results.

¹ Does not include Munich Health

² Net premiums

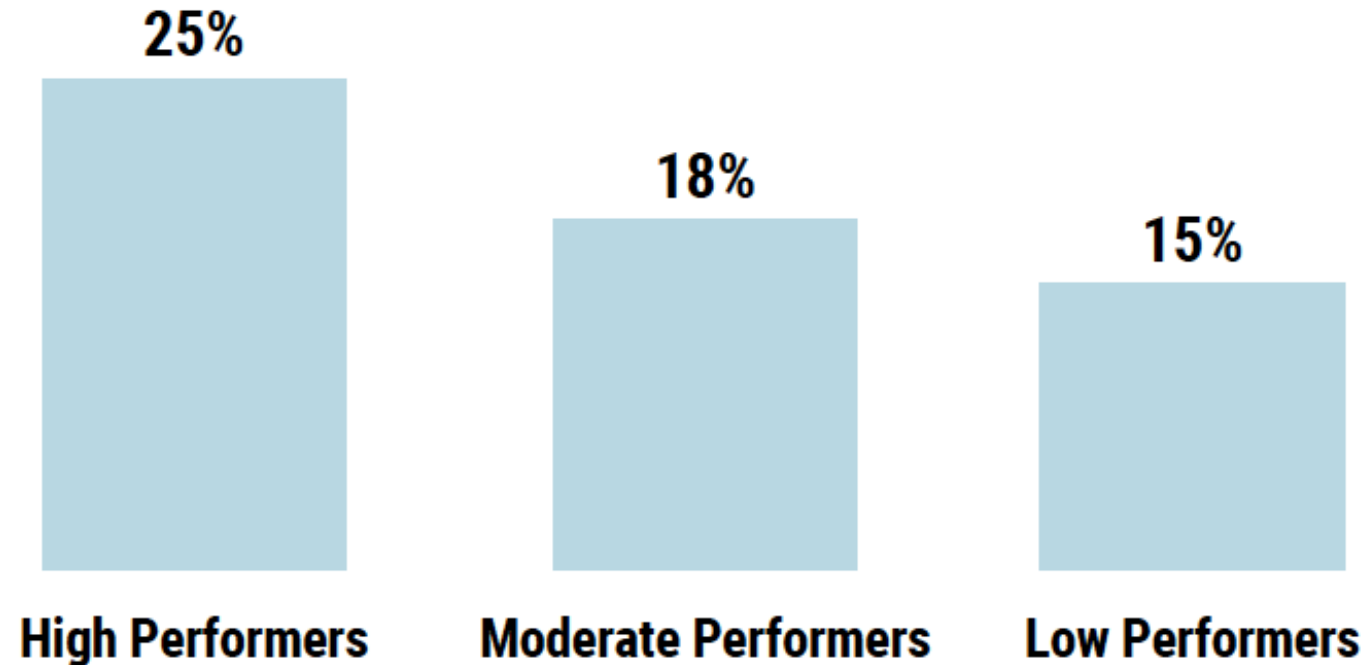
³ Does not include BHRG

Please note, to convert to USD, average exchange rates for the year have been used.

Source: Annual filings

INNOVATE

HIGH PERFORMERS ARE MORE LIKELY TO BET ON DISRUPTIVE, DISCONTINUOUS INNOVATION



A full one-fourth of innovation resources at high performers are devoted to disruptive innovation, compared to less than one-fifth or one-seventh at lower performing companies

WITH TECHNOLOGY EATING EVERY INDUSTRY



WHILE YOU ARE FIGHTING A MULTI-FRONT WAR

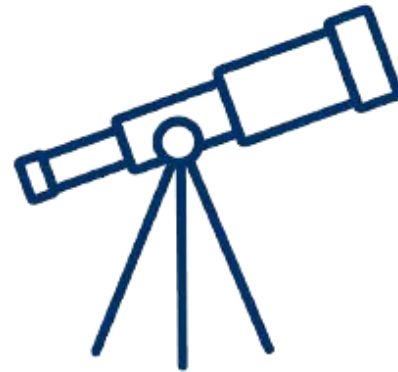
**New markets
to enter**



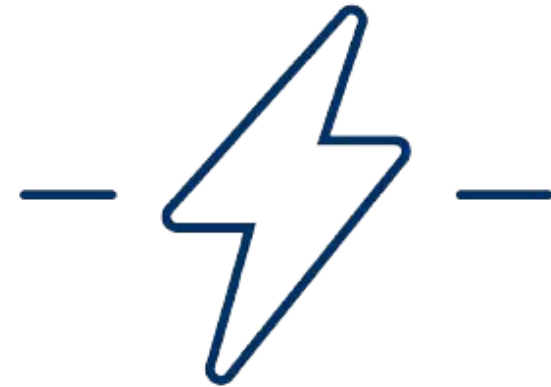
**Understanding
competitor strategy**



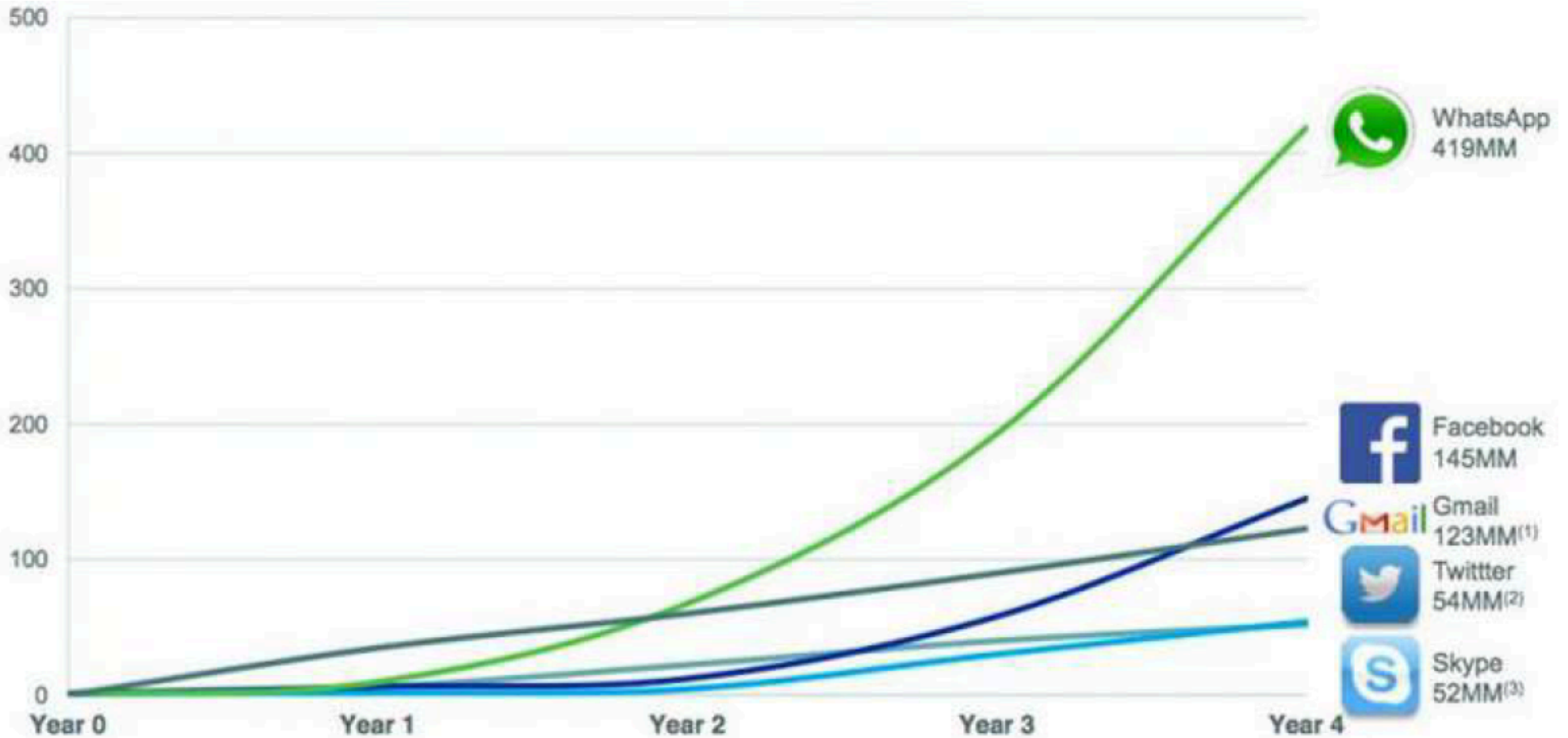
**Identifying insurgents
& responding to them**



**Seeing disruptive
technology trends
& threats**



AND TECHNOLOGY ADOPTION IS GETTING FASTER



Source: Facebook

Source: (1) comScore Media Metrix
(2) comScore Media Metrix, news, and company filings
(3) News and company filings in addition to estimates derived from these sources

BE UNEMPLOYED

INNOVATE OR ^ ~~DIE~~



INNOVATION

WHAT is our mandate?

Identify > Test > Commercialize > Scale

revenue streams outside of reinsurance

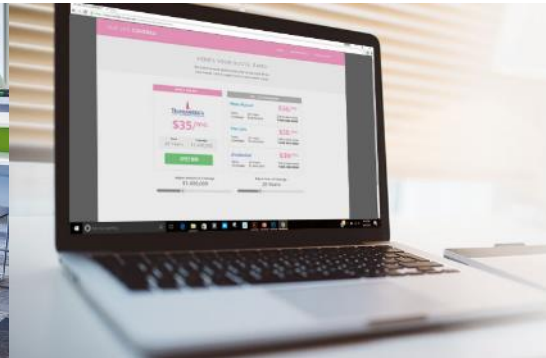
WHAT IS RGAX?

- RGAX was created to make big leaps, not just baby steps.



An Innovation Studio

We keep our idea monster well fed by tapping our internal genius as well as brilliant external partners. Ideas are turned into formal problem statements, and we test proposed solutions vigorously until they are proven scalable.



A Business Accelerator

Business concepts that pass validation are inherited by our entrepreneurs in residence and internal staff to lead prototype initiatives; Once we hit scalable metrics they move into full-blown lines of business / businesses with their own P&L, Staff, etc.



Subject Matter Experts

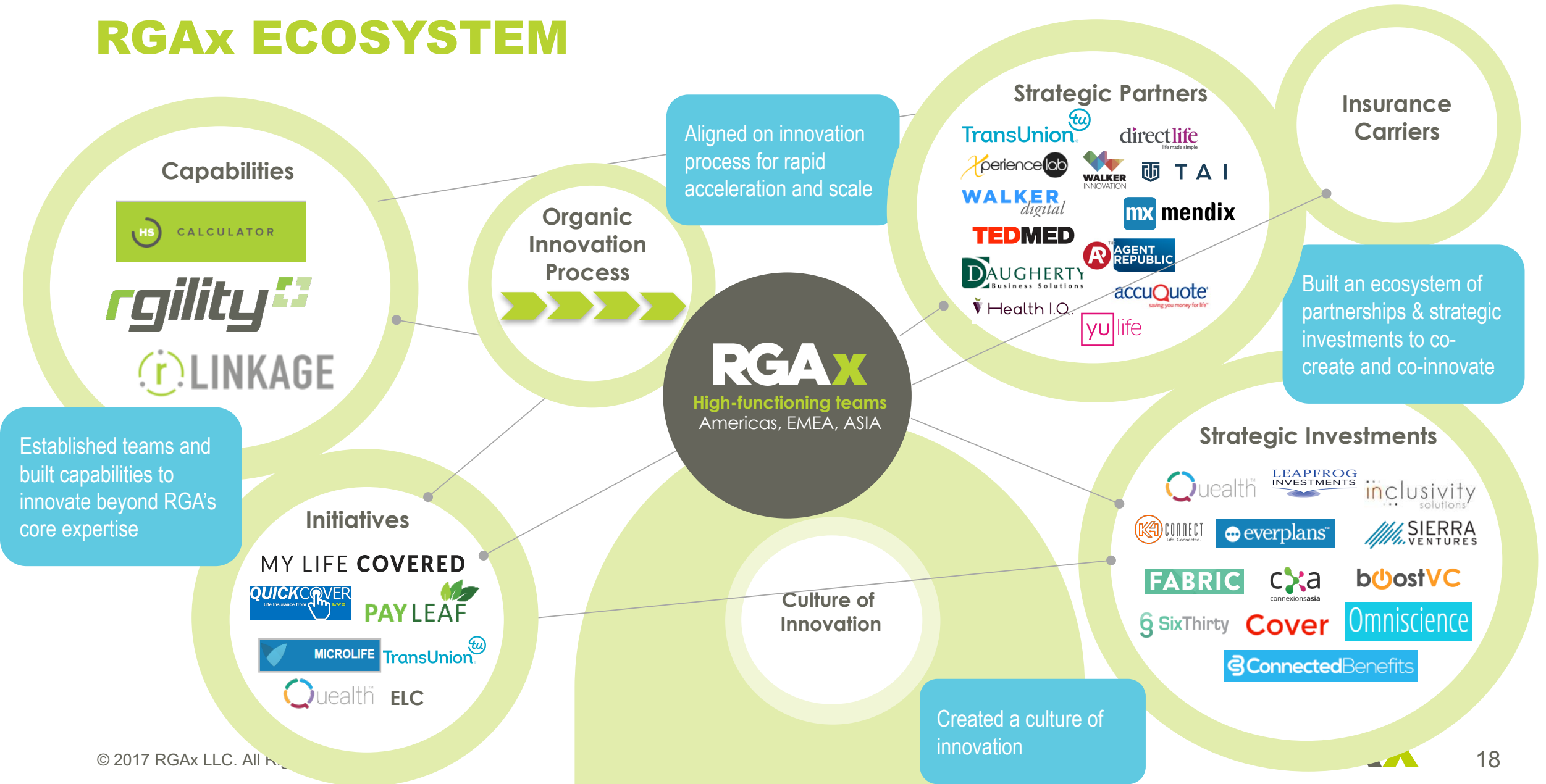
Our team's skill set runs deep, with experience in actuarial, underwriting, product, industry research, health, and other disciplines. We put that experience to work, building the future of insurance with our underwriting, marketing, distribution, and data analytics.



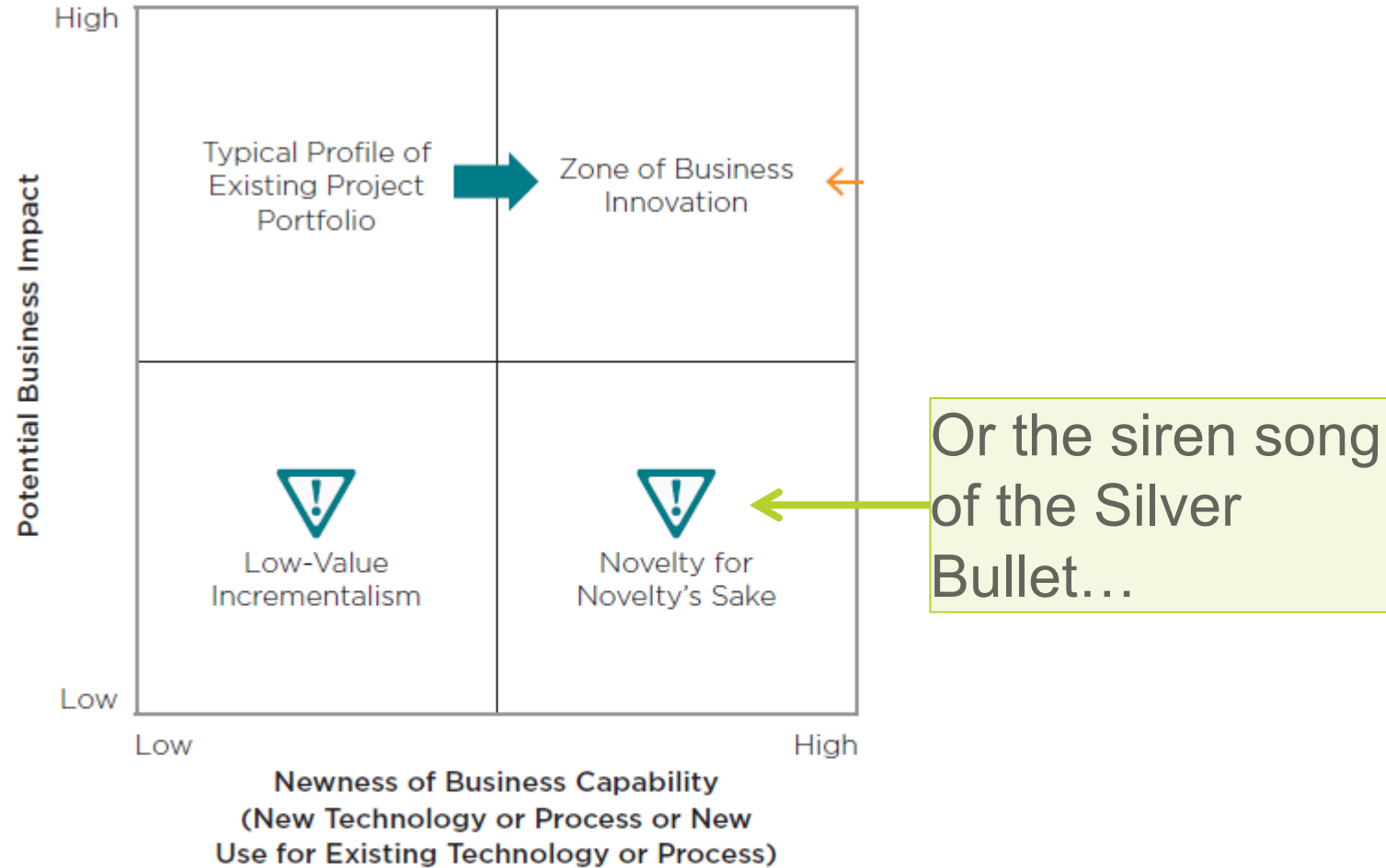
A Network of Strategic Partners

We rocket-power our solutions by co-innovating and co-creating with some of the brightest players in the business. By putting our heads together and pooling resources, one plus one can start to look like something much, much bigger.

RGAx ECOSYSTEM



INNOVATION IDEAS VS TRADITIONAL PROJECT PROPOSALS



INNOVATION PROCESS MODEL

- Think of it as the flux capacitor inside the RGAx time machine.



Step 1: Concept

Idea / Concept is the beginning of our Innovation Pipeline funnel.

Ideas formed into formal Problem Statements selected based on viability and scalability

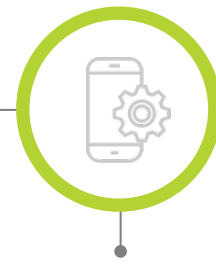


Step 2: Concept Validation

2-6 week sprints

Concept Validation is validating the concept with small consumer group, survey, etc.

Concept testing proves valid moves it to Prototype



Step 3: Prototype

12-18 months

Prototype is building out the infrastructure of the business model, A/B testing and optimizing with broader customer reach

Establishing long-term partnerships of ecosystem to sustain business model



Step 4: Commercialize / Scale Up

Business is in scaling mode.

Innovation

Execution



	Idea	Concept	Concept Validation	Prototype	Scale Up
Activities / Deliverables	<p>FUNNEL OF IDEAS: Establish wide funnel of ideas developed by many different parent relationships</p> <p>FILTER: Filter based on Problem Genre</p> <p>IDENTIFY CONCEPT LEAD (if not already identified)</p> <p>CONCEPT DEFINITION: Develop Concept Definition Document: Problem Statement, Value Proposition, High-level Business Model Canvas, Market Due Diligence Analysis</p> <p>SELECT FOR CONCEPT PHASE</p>	<p>DEVELOP CONCEPT PITCH PRESENTATION: Refined Problem Statement, Value Prop, Concept Visualization (process flow, wire frames, etc.), Validation Plan, high-level Financials, Risk Assessment, Next Steps</p> <p>REVIEW PITCHES: Concept pitches to the Team</p> <p>SELECT FOR CONCEPT VALIDATION PHASE: Identify Concepts with the most promise and lowest risk</p> <p>DEVELOP CONCEPT VALIDATION PLAN: Refine Hypothesis and Assumptions, define test(s) to execute, identify resources/skills required, determine success/viability metrics, and test timeline</p>	<p>CUSTOMER DISCOVERY: Perform testing to discover customer interest level/ risk potential</p> <p>CUSTOMER VALIDATION: Validate the hypothesis by presence/absence of Product/Market fit. Fail/Pivot/Pass</p> <p>PASS: COMPLETE PROTOTYPE DEFINITION DOCUMENT: Use artifacts created to date to further define opportunity, clarify RG&A investment proposal, develop pro-forma of Revenue/Expense model</p> <p>CONCEPT VALIDATION DEBRIEF FOR PROTOTYPE FUNDING: Concept Validation results & recommendation for go forward (Investment needed, resources, partners).</p> <p>SELECT FOR PROTOTYPE: Funding Request Meeting, assemble team, assign Execution/ Program Manager</p>	<p>DEVELOP PROTOTYPE TEST PLAN: Develop prototype test assumptions and hypothesis, metrics to test</p> <p>ESTABLISH TIMETABLE WITH KEY MILESTONES AND PROVIDE MONITOR REPORTING: Test tracking, investment, and milestone progress</p> <p>PROTOTYPE TESTING / PIVOT & TEST</p> <p>OPTIMIZE BUSINESS MODEL: Formalize Business Plan with 5-year pro-forma, staffing model, scale-up recommendation</p> <p>SCALE-UP READY ASSESSMENT REVIEW: Validate Business Initiative Lead, Business Plan, staffing model & resources, and evaluate readiness to scale</p>	<p>EXECUTE SCALE-UP BUSINESS PLAN</p> <p>ESTABLISH FUNCTIONAL TEAMS/DEPARTMENTS</p> <p>ESTABLISH P&L REPORTING AND MANAGEMENT REVIEWS</p> <p>MANAGE AND GROW THE BUSINESS</p>
Tools & Metrics	<ul style="list-style-type: none"> Idea portfolio Concept Definition Document Initial Consumer Research Idea Split 	<ul style="list-style-type: none"> Concept Pitch Brief Document Value Proposition Canvas Lean Canvas Selection Tools and Voting Concept Validation Test Plan 	<ul style="list-style-type: none"> Concept Timetable and Milestones Prototype Test Plan (Targets / Success Measures) Creative Brief Prototype Definition Document Split Testing, A/B Testing 	<ul style="list-style-type: none"> Formalized Timetable with Key Milestones Lean Dashboard with Health Indicators and Hypothesis and test tracking Pivot Change Control Scale-Up Plan 	<ul style="list-style-type: none"> P&L reporting Team Organization
Phase Exit Criteria	<ul style="list-style-type: none"> Concept Definition is Completed Business Model Canvas components identified Concept Lead Assigned 	<ul style="list-style-type: none"> Proposed Lead and Resources or Partner Identified Selection Process completed Selection Review meeting Concept Validation Test Plan completed Initial Legal Touchpoint 	<ul style="list-style-type: none"> Test Assumptions prove valid and Minimal Viable Product is created Prototype Test Plan completed and presented (what's tested and Success Measures) Dedicated Team and Execution Manager assigned / staffed Opportunity Charter (aka Prototype Definition Document) completed or PPT for Funding request Formalize Legal / Financial needs 	<ul style="list-style-type: none"> Business Model components optimized Scale Up Plan Completed Scale-Up ready assessment meeting Business Initiative Lead assigned / staffed Validate Legal / Financial processes 	<ul style="list-style-type: none"> Ongoing Reporting and Communication

Methodology Key

- RG&A Studio
- RG&A Management
- RG&A Concept/Initiative Lead
- RG&A Execution / Program Manager
- Pivot / Change Control
- Iterative Process
- L Legal Touchpoint
- F Finance Touchpoint
- R Research Touchpoint
- Q Innovation Quality Test Lead
- C Creative
- T Technology

TRANSFORMATION OF THE PROJECT MANAGER

Into an Innovation Execution Manager

- Innovation initiatives require even more discipline and process from the PM
- Yet PM must be savvy enough to engender urgency and agility
- PM must be able to act as a deputy to the Initiative Lead
- Project management fundamentals and experience are critical, but so are:
 - **Thought leadership and Process Development**
 - **Commercialization (or appropriate) Experience** (eg. has worked on a Product Development team)
 - **Product Manager (or appropriate)** – worked as an early Product Manager or assisted in the development of Go-To-Market strategy, sales pipeline, etc.

CONCLUSION

- **INNOVATION IS CRITICAL** to your organization's success
- Successful innovation **REQUIRES PROJECT MANAGEMENT** process and discipline
- Innovation demands Project Managers **WITH LEADERSHIP SKILLS AND BROAD BUSINESS ACUMEN**

**INNOVATE & GET
GREAT PROJECT MANAGERS**

BE UNEMPLOYED

OR ^ ~~DIE~~



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