Omnilife Insurance Company Limited
Solvency and Financial Condition Report

Year ended 31 December 2024

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Summary

Company Overview

Omnilife Insurance Company Limited ('Omnilife', 'the Company' or 'firm') is a privately owned, UK life insurance company. At 31 December 2024 the Company was wholly owned by RGA Americas Investments LLC which is part of Reinsurance Group of America ('RGA'). The ultimate parent company of the Group is Reinsurance Group of America, Incorporated ('RGA Inc'), whose corporate headquarters is located St. Louis, Missouri and is listed on the New York Stock Exchange (NYSE: RGA).

Purpose of the Solvency and Financial Condition Report

The Solvency and Financial Condition Report ('SFCR') is an annual report that the company is required to produce as part of the Solvency II regime. Throughout this report, Solvency UK is taken to mean the Solvency II regime as modified by the Prudential Regulation Authority ('PRA') in the UK.

This report will assist the Company's customers in understanding the Company's regulatory capital and financial strength.

Business and Performance Summary

During the year the company has continued to focus on managing the existing business. We successfully implemented the requirements of the Consumer Duty as they apply to closed books by the 31 July 2024 deadline. We have also made good progress on embedding our operational resilience activities. Alongside this there has been a renewed focus on capital with an updated policy and an exercise to simplify the capital structure of the business.

The gross long term technical provision is £579.8 million (2023: £661.8 million) whilst the reinsurer's share of the long term technical provision was £228.7 million (2023: £265.1 million). The change in the long term technical provision for annuity business related to interest rate movements.

Total expenses were £6.3 million (2023: £6.0 million). 2024 expenses include a full year of operating costs including the HLAC business which transferred during 2023.

The 2024 loss after tax of £1.3 million (2023: profit of £23.5 million) was generated from underlying surplus generation of the business offset by interest rate movements.

The Company's financial position remained strong on a Solvency UK basis, with Shareholder's funds being £172.7 million (2023: £173.9 million); this represents 385% (2023: 364%) coverage of the minimum solvency capital requirement ('SCR').

Governance Overview

The board of directors of the Company ('the Board') is responsible for, amongst other things, the approval of the Omnilife strategy, setting and oversight of the effectiveness of Omnilife's governance structure and internal control system and oversight of the risk management system, including setting Omnilife's risk appetite and tolerances.

The Omnilife System of Governance includes:

- an organisational structure, with clear allocation and segregation of responsibilities;
- corporate policies that define key principles and rules for operation;
- operating procedures detailing the activities and controls individuals are expected to perform; and
- a regular governance effectiveness review.

Risk Management

Omnilife manages its risks using a 'Three Lines of Defence' model which is widely used across the UK life insurance industry. The 3 lines of defence within Omnilife are as follows:

1. Active risk management - the risk-taking business units such as finance, investment, and administration. All individuals that carry out a 'first line' activity or make decisions on behalf of Omnilife are responsible for managing the risks in relation to that activity or decision.
2. Risk assurance - the second line functions of risk management and compliance provide oversight and assurance to the Board. They are also responsible for the provision of the policies and standards with which the first line must comply.
3. Independent assurance - the internal audit function provides independent assurance to the Board regarding the risk management and internal control activity of the business.

Omnilife has appointed a Whistleblowing Champion to whom employees may, in confidence, raise concerns about possible improprieties in financial reporting or other matters.

Omnilife's Risk Management System is designed to assess, control, and monitor risks from all sources for the purpose of increasing value to all Omnilife's stakeholders. Risk management within Omnilife is a combination of 'top down' strategic planning and 'bottom up' risk assessment.

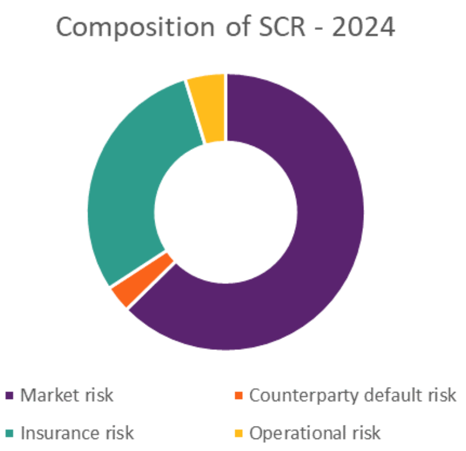
The Company's overall strategy and business plan are set with reference to Omnilife's risk appetite, to ensure that the type and amount of risks to which Omnilife is exposed can be adequately managed and are in line with agreed preferences.

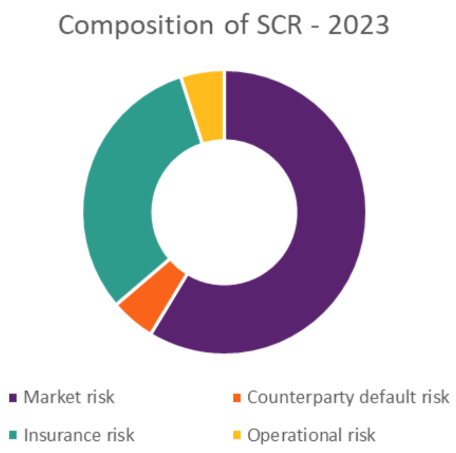
The Company's system of governance and risk management is described in detail in Section B.

Risk Profile

Omnilife has specific written risk policies in respect of each of its material categories of risk exposure; these policies set out the process the Company will follow to identify, assess, mitigate, manage, and report risks.

The chart below shows the component risks which make up the Company's total Solvency Capital Requirement ('SCR'). This is the amount of capital that Omnilife must hold to protect it from extreme risk events.





The chart shows that the Company's greatest exposure is to market risk which arises through its investment in corporate bonds and lifetime mortgages. Insurance risk arises from the annuity business where the Company is exposed to the risk that annuitants live longer than estimated, increasing the overall payments made to our policyholders.

The composition of the risks is largely unchanged over the year.

Capital Management

The Company's risk management framework incorporates explicit risk appetite statements relating to capital. The SCR coverage ratio is a key risk indicator which is regularly reported to the Board Risk Committee and to the Board.

The Company's own funds are mainly comprised of ordinary share capital and reconciliation reserves (retained earnings). These items are treated as Tier 1 unrestricted capital items. There is a £5.8m deferred tax asset which is treated as Tier 3 capital. The Tier 3 capital is not eligible to cover the Minimum Capital Requirement ("MCR").

The table below summarises the Company's capital position as at 31 December 2024.

Solvency Position (£000's)	31 December 2024	31 December 2023
Own Funds	172,729	173,922
Solvency Capital Requirement	44,814	47,722
SCR Coverage Ratio	385%	364%
Minimum Capital Requirement	11,203	11,930
MCR Coverage Ratio	1490%	1401%

There has been a £1.2m reduction in Omnilife's own funds, however due to a reduction in the SCR there has been an increase in the Company's solvency ratio to 385% (2023: 364%).

Omnilife carries out an Own Risk and Solvency Assessment ('ORSA') annually, and more frequently if required. The ORSA process is intended to identify, assess, monitor, manage and report on both short-term and long-term risks and to determine the capital required to ensure that Omnilife can continue to meet its solvency requirements over its business planning period. In particular, the ORSA process connects the Company's Risk Management System with its risk exposures and its related economic capital needs, and incorporates:

- the Board's forward-looking plans for the business;
- a consideration of the appropriateness of the Standard Formula assumptions; and
- continuing compliance with Solvency UK regulatory requirements.

The 2024 ORSA was approved by the Board on 24 October 2024.

Statement of Directors' Approval

Omnilife Insurance Company Limited

Approval by the Board of Directors of the Solvency and Financial Condition Report
Financial period ended 31 December 2024

We certify that:

- the Solvency and Financial Condition Report ('SFCR') has been properly prepared in all material respects in accordance with the PRA rules and Solvency UK Regulations; and
- we are satisfied that:
  - throughout the financial year in question, the insurer has complied in all material respects with the requirements of the PRA rules and Solvency UK Regulations as applicable to the insurer; and
  - it is reasonable to believe that, at the date of the publication of the SFCR, the insurer has continued so to comply, and will continue so to comply in future.

By order of the Board

Deian Jones

Date: 28 March 2025

A. Business and Performance

A.1. Business and External Environment

A.1.1. Summary Information

Omnilife is a private limited company. It is incorporated in the UK and its company registration number is 02294080. The registered office is:

Omnilife Insurance Company Limited
45th Floor
22 Bishopsgate
London
EC2N 4BQ

The company is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA.

Prudential Regulation Authority
Bank of England
20 Moorgate
London
EC2R 6DA
https://www.bankofengland.co.uk/prudential-regulation

Financial Conduct Authority
12 Endeavour Square
London
E20 1JN
https://www.fca.org.uk/

The independent external auditors of the Company are:
Deloitte LLP
1 New Street Square
London

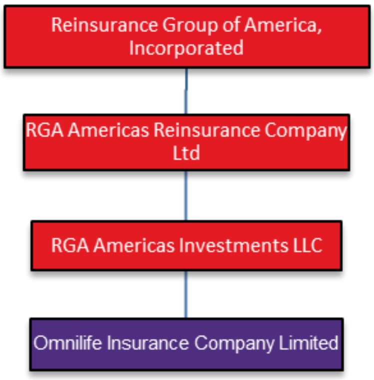
The Omnilife Board of Directors has reviewed and approved the contents of the 2024 Solvency & Financial Condition Report.

A.1.2. Group Structure

Omnilife is wholly owned by RGA Americas Investments LLC, a subsidiary of RGA Americas Reinsurance Company Ltd. The ultimate controlling party is Reinsurance Group of America Incorporated, a company incorporated in the State of Missouri and listed on the New York Stock Exchange (NYSE: RGA).

RGA is one of the largest global life and health reinsurance companies. As at 31 December 2024 RGA had consolidated assets of $118.7 billion and in 2024 consolidated net premiums were $17.8 billion.

A simplified RGA Group structure is set out below.



A.1.3. Business and Strategy

Omnilife's strategy is to pursue acquisition opportunities of closed blocks of life business with an emphasis on RGA's core capabilities of biometric and investment risks.

The core Omnilife business is UK annuities which represent over 99% of our best estimate liabilities. Omnilife also has a small volume of protection and savings business sold by the company prior to 2020 that is closed to new business and in run-off.

The table below illustrates the relative size of each of Omnilife's lines of business, in terms of Best Estimate Liabilities as at 31 December 2024, with a comparison to the prior year.

LINE OF BUSINESS	BEST ESTIMATE LIABILITIES (£ MILLION)[1]			
	2024		2023	
	Gross	Net	Gross	Net
UK Annuities	587.0	358.5	675.8	411.0
Protection & savings business	1.8	1.6	1.9	1.7
Total	588.7	360.0	677.8	412.6

The insurance liabilities of Omnilife are primarily UK sterling denominated, together with some US dollar denominated (less than 1% of the total).

A.1.4. Significant Business and External Events

Reinsurer counterparty risk

In 2024 the Prudential Regulation Authority released Supervisory Statement 5/24 in relation to funded reinsurance, a form of reinsurance that transfers both asset and liability risk to the reinsurer.

As a member of the RGA group, the diligent assessment and mitigation of counterparty risk to our parent has been an integral part of our strategy both in terms of the structuring of reinsurance arrangements and our ongoing risk management. Our approach includes the assessment of recapture risks and how these are appropriately mitigated. The Board therefore considers that Omnilife is well placed in responding to reinsurance risks.

[1] Omnilife does not calculate the Solvency II Risk Margin at the level of individual lines of business, Best Estimate Liabilities have therefore been used above to compare the relative materiality of the different lines of business. The Risk Margin accounted for less than 1% of the overall Solvency II Technical Provisions as at 31 December 2024.

Credit rating

Omnilife has retained its A+ (Strong) credit rating from S&P Global Ratings reflecting the financial strength of the Company and its strategic role within the RGA group.

Climate change

As part of the RGA Group, the Company has aligned its plans to prepare for the future impacts of climate change to those of RGA. This creates a more impactful approach. RGA's 2023 Sustainability Report is available on its website.

A.2. Underwriting Performance

A.2.1. Overall Underwriting Performance

The following table sets out Omnilife's performance in the technical account for long-term business and the total profit / (loss) as shown in the financial statements for the year.

Profit & Loss £m	2024	2023
Net written premium	(10.9)	(5.2)
Investment return	6.9	49.5
Other income	0.0	0.0
Net claims	(37.0)	(37.5)
Movement in net technical provisions	45.6	29.8
Net operating expenses	(6.3)	(6.0)
Other expenses & foreign exchange profits/losses	(0.0)	0.1
Profit / (loss) on technical account before tax	(1.8)	30.7
Tax (charge) / credit	0.5	(7.3)
Total Profit / (loss)	**(1.3)**	**23.4**

Omnilife made a loss of £1.3m over 2024 (2023: profit of £23.4 million), the main components of this profit are as follows:

- The increase in interest rates through the year has led to a reduction in the value of both assets and liabilities. The assets and liabilities are closely matched, however a reduction in the value of surplus assets and assets backing the capital requirement resulted in a loss.
- The reduction in corporate bond spreads and the illiquidity premium on lifetime mortgages over the year will in isolation have led to an increase in asset values with limited changes to the gross liabilities. This profit has partially offset the loss from the increase in interest rates.
- Favourable mortality experience and changes to the mortality assumptions have also contributed to limiting the loss.
- The tax credit of £0.5m is largely in respect of the 2024 losses.

A.3. Investment Performance

A.3.1. Holdings by Asset Class

The investments held as at 31 December 2024 are shown in the table below.

Asset class at 31 December (£ million)	2024	2023
Bonds	385.0	427.6
Lifetime mortgages	105.2	109.0
Reinsurance asset	228.7	265.1
Cash accounts	22.3	28.0
Policy loans	0.1	0.1
Other assets	15.5	15.5
Total assets	756.8	845.3

The increase in interest rates and the run-off of the business have resulted in a reduction in the market value of assets.

A.3.2. Overall Investment Performance

Component of Investment Performance (£ Million)	2024	2023
Investment income	20.5	19.2
Realised gains / losses	(3.2)	(3.8)
Unrealised gains / losses	(10.4)	34.1
Interest on policy loans	0.0	0.0
Foreign exchange gains / losses	0.0	0.1
Net investment gains / losses	6.9	49.6

Omnilife earned investment income during the year from bond coupons and interest on short-term deposits and cash accounts. The realised and unrealised losses in 2024 are due to the increase in interest rates.

Omnilife maintained a very small amount of Own Funds in US dollar during 2023. The foreign exchange gains / losses in the year were negligible.

A.4. Performance of Other Activities

A.4.1. Other Activities

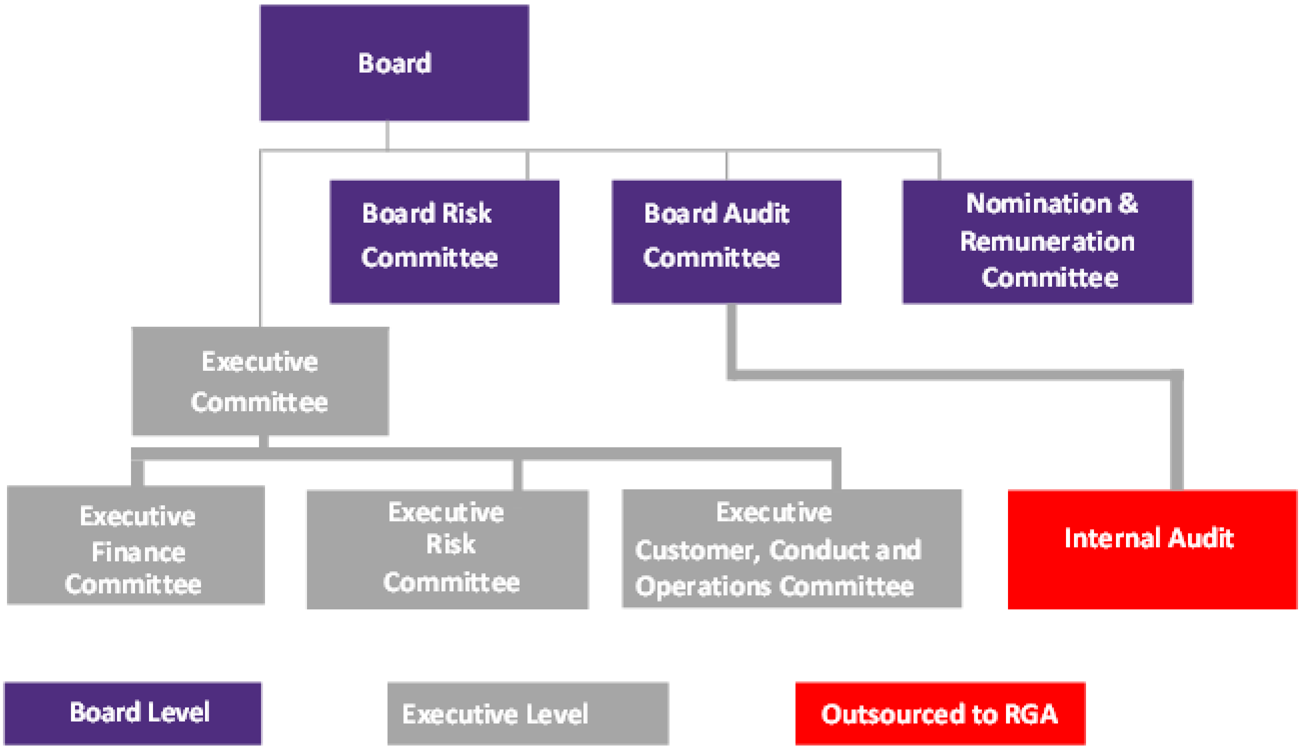
Omnilife does not carry out any material activities outside of the core activities related to the acquisition and management of UK and overseas insurance and reinsurance business.

B. System of Governance

B.1. General Information

B.1.1. Overview of Governance Framework

The governance structure supports the 'three lines of defence' model. The committee structure as it currently applies to Omnilife, is set out below.



B.1.2. Board and Sub-Committees

Board of Directors

The Board has overall responsibility for management of the business. Its role is to oversee the development of the company's overall strategy and ensure suitable controls are in place to manage the business.

The Board is responsible for assessing the customer outcomes and service provided to its customers, to minimise foreseeable harm and for taking appropriate action to lessen or mitigate the risks of poor outcomes, or risks of disruption to the provision of customer service, including. establishing systems of risk management.

The Board is composed of the CEO and six non-executive Directors ('NEDs'), 4 of which are independent ('INEDS'). The Board meets at least four times a year or more frequently as considered necessary.

The Board delegates authority to its committees via formal terms of reference approved by the Board. These three Board committees are composed of non-executive directors and report up to the Board after each meeting.

Board Risk Committee

The purpose of the Board Risk Committee is to provide oversight of the line 2 Risk and Compliance functions. The Committee assist the Board in setting the Company's risk appetite, monitoring risk exposures against agreed risk limits and tolerances, and for the oversight of any actions required to bring risk exposures back within tolerance.

Board Audit Committee

The purpose of the Board Audit Committee is to assist the Board in fulfilling its oversight responsibilities by leading the process of reviewing and making recommendations on its financial and regulatory reporting, the external auditor and matters relating to the Internal Audit Function.

Representatives from the Internal Audit Function attend the Board Audit Committee and have a standing invitation to the Executive Risk Committee.

Nomination and Remuneration Committee

The Committee's remit in relation to nomination matters assists in ensuring the effectiveness of the board by overseeing the composition and skills of the board and by leading the identification of suitable candidates for election to the board. In addition, the Committee makes recommendations to the Board in terms of the appointment of individuals into regulated senior management functions.

In relation to remuneration, the Committee oversees the application of the company's remuneration policy within the RGA group context, including the framework for the remuneration of executive directors and others covered by the PRA/FCA Senior Managers and Certification Regime ('SMCR').

Executive committees

Senior management have set up executive level committees to assist them in the delivery of their responsibilities.

The reporting lines for the executive committees are shown in the diagram in section B.1.1 above. Minutes of executive committee meetings may be made available to the relevant Board Committee on request.

B.1.3. Remuneration

Remuneration policy

The Remuneration policy is regularly reviewed by the Nomination and Remuneration Committee, in the context of the wider RGA group, and approved by the Board. The policy sets out the principles and framework for Omnilife employee remuneration, which is transparent to all employees, with clear communication of the reward structure and the processes used for decision-making; is applied consistently to all employees, with no 'special arrangements' inconsistent with this policy; and provides employees with total compensation that is competitive with relevant market medians.

Omnilife staff are employed by RGA UK Services Limited and are entitled to remuneration and benefits consistent with other employees of RGA.

Executive Directors and employees

The objective of the Remuneration Policy is to provide total compensation that is in line with market rates and structured and calibrated so as to attract, retain, motivate and reward its employees to deliver enhanced performance.

Remuneration packages comprise a_Basic salary, Pension contributions, an Annual Bonus, and other benefits such as insurance cover. For senior executives a long-term incentive plan may also be paid. There is no supplementary pension scheme or early retirement scheme within Omnilife.

The Nomination and Remuneration Committee reviews the ongoing appropriateness of the Remuneration Policy, and resulting colleague remuneration, in the context of the wider RGA group. This includes the balance of fixed and variable pay, seeking to avoid the incentivisation of excessive risk taking. Variable compensation is linked to performance metrics, which can include the performance of Omnilife, RGA Group, specific business areas, and individual achievements. The Committee retains the right to apply risk adjustment malus ahead of any award.

Non-Executive Directors

The remuneration of NEDs is a matter for the Board but advice about appropriate payments via benchmarking is provided by the Nomination and Remuneration Committee. All INEDs are paid a fixed fee, with Board and Committee Chairs receiving an additional fee for their extra work. RGA Group employees serving as NEDs are not remunerated by Omnilife.

B.2. Fit and Proper Requirements

B.2.1. Skill, Knowledge and Expertise Requirements

Overview of requirements

A robust approach to managing the fitness and propriety of Omnilife's employees is important to ensure that they demonstrate the following attributes:

- They have the necessary knowledge, skills and experience to undertake their intended roles and responsibilities competently, in an effective and efficient manner and, where relevant, are able to add value to the business;
- They do not undertake their activities in a manner that will bring the Company into disrepute; and
- They do not undertake their activities for the purposes of financial crime, fraud, or any other criminal activity.

Senior Managers and Certified Personnel

All employees are required to meet the PRA Conduct Standards and FCA Conduct Rules in carrying out their duties for Omnilife.

Omnilife's SMCR handbook sets out the processes and procedures required by UK regulated firms to ensure it meets the regulatory authorities' expectations for ensuring the initial and ongoing fitness and propriety (F&P) of its Senior Manager Function (SMF) and Certified Function role holders under SMCR.

This approach is integrated into processes for recruitment; Initial training and supervision; Ongoing training and competence management; Annual fitness and propriety checks; and Governance and management reviews.

The extent to which the above processes are applied will be determined by the intended roles and responsibilities of a specific individual.

Corporate governance effectiveness reviews

The Company's Governance Framework is subject to periodic corporate governance effectiveness reviews as described in Section B.9. The reviews consider the continuing suitability of the Governance

Framework, including annual reviews of the ongoing effectiveness of the Board and its sub-committees.

Any other reviews (e.g. reviews conducted by Internal Audit or other external third-party experts) are considered when determining the ongoing managerial and technical competence of Senior Managers and Certified Personnel.

B.3. Risk Management System

B.3.1. Overview of Risk Management System

Omnilife has a Risk Management System that is designed to assess, control, and monitor risks from all sources for the purpose of increasing short and long-term value to Omnilife's stakeholders. Omnilife ensures that there is strong alignment between the risk appetite, risk register and other management information.

B.3.2. Business Strategy and Plan

Omnilife's Business Strategy provides the basis for articulating Omnilife's Risk Appetite Statement, which defines a clear mandate for the amount and type of risks to accept and manage, along with the types of risks to avoid.

Each year, Omnilife prepares a Business Plan developed with reference to, and consistent with, Omnilife's risk appetite and provides a forward-looking view of the Omnilife risk profile. It reflects any planned changes to the business through expected transfers in or acquisitions, financial performance targets, the use of risk reduction strategies, such as reinsurance and any important business development activities.

The Plan forecasts the expected profits and solvency position over the plan period.

B.3.3. Risk Strategy

Omnilife has formally documented policies that define the strategies, framework and tools for the management of all material risk categories.

Risk management is a continuous process that is used in the implementation of the Business Strategy and allows for an appropriate understanding of the nature and significance of the risks to which the business is exposed, including sensitivity to those risks and its ability to mitigate them.

Omnilife recognises that a successful Enterprise Risk Management ('ERM') framework involves an integrated and iterative approach, with a commitment to continuous improvement. The objectives of Omnilife's risk strategy are to grow a risk culture throughout the company and manage risks through control processes that provide appropriate assurance to the Board.

B.3.4. Risk Governance

Three Lines of Defence

The Board utilises a 'Three Lines of Defence' model for risk governance, as set out below.

OMNILIFE BOARD 'TONE FROM THE TOP' – 'RISK CULTURE' 'PERFORMANCE & RISK OVERSIGHT' 'RISK ACCEPTANCE'		
FIRST LINE OF DEFENCE **'ACTIVE RISK MANAGEMENT'** Responsible for implementation of the strategy and for the identification, management and mitigation of risks across the organisation	**SECOND LINE OF DEFENCE** **'RISK ASSURANCE'** Responsible for the risk management system. Provides independent oversight and challenge of activities and risk decisions taken by the first line and guidance on risks relevant to the strategy.	**THIRD LINE OF DEFENCE** **'INDEPENDENT ASSURANCE'** Provides independent and objective assurance on the design and effectiveness of governance, risk management and controls processes.
IT, ACTUARIAL FUNCTION, INVESTMENT MANAGEMENT, FINANCE, CUSTOMER OPERATIONS & OVERSIGHT, ETC.	**RISK MANAGEMENT FUNCTION** **COMPLIANCE & FINANCIAL CRIME FUNCTION** **DATA PROTECTION FUNCTION**	**INTERNAL AUDIT**

Risk Owners

The Risk Owner is the individual with the responsibility and the authority to manage a given risk. All risks identified in the Company's Risk Register (see Section B.3.7) are assigned to Risk Owners, who collectively ensure that the impact and likelihood of occurrence of any adverse risks are minimised.

The CEO has Board-level responsibility for firm-wide risk management activities and is supported by the CRO.

Risk Management Function

In the Second Line of Defence, the Risk Management Function is headed by the CRO, who reports to the CEO and the Board Risk Committee ('BRC').

The Risk Management Function is responsible for development, maintenance and operation of the risk management system ('RMS').

The Risk Management Function provides risk opinions on major initiatives and proposals to assist the Executive Committee and Board in the decision-making process.

The Risk Management Function works with Omnilife's operational functions to assist them in identifying, assessing and managing their risks. The assessment process uses the Risk Register, which is updated to reflect any changes to the impact or probability of individual risks or the design and performance of controls.

The Risk Management Function liaises with the Compliance and Internal Audit Functions with a view to assisting in the development of overall risk-based assurance and monitoring plans. An Integrated Assurance Map assists in ensuring full coverage of risks across the second and third line functions. Using this, a program of risk assurance is performed annually which considers certain risks in detail and generates findings for risk owners which are tracked to resolution.

The Risk Management Function provides regular risk management reports to the BRC, which are subsequently reported to the Omnilife Board.

A review of the Risk Management Function's effectiveness is conducted on a regular basis by the Internal Audit Function.

The Board and risk management

The Board sets the risk culture for the Company. It approves and provides effective oversight of the risk management system including all current and future risk exposures, risk appetite, risk metrics and risk tolerance limits;

B.3.5. Risk Appetite

Overview

The Omnilife Risk Appetite Framework sets out Omnilife's policy and process in relation to risk appetite, tolerances, monitoring and reporting. It is formally documented and approved by the Board.

The Risk Management Function support the Board in the creation and embedding of an effective risk appetite and tolerance framework. Omnilife's Risk Appetite includes qualitative and quantitative statements reflecting:

- Key organisational objectives and stakeholder expectations,
- Skill, resources and technology required to manage and monitor risk exposures, and
- Tolerance for loss (risk tolerances) or negative events that can be easily quantified.

Risk tolerances are the most granular level used for the business operations and translate the risk appetite for each risk category into risk monitoring measures. These are reported to the BRC by the Risk Management function

Omnilife's risk appetite is supported by the Capital Management Policy, which determines the Company's capital requirements, and the Recovery and Resolution Plan ('RRP') which sets out in detail the steps the Company would take to restore its solvency and operational capabilities in response to severe shocks reducing its capital position including those involving the failure of a reinsurer..

The ORSA and RRP play a key role in helping to understand the current risk appetite implied within the Business Plan.

B.3.6. Risk Policy

Omnilife's Risk Policy provides an overview of the risk management system for employees and the Board. Specifically it:

- details the key components of the risk management system, with references to other risk management documents that form part of the risk management system;
- sets out clear roles and responsibilities for the day-to-day operation of the risk management system; and
- provides a high-level view of the material risks facing the Company and how these are effectively identified, assessed, managed and reported (see Section C for further details).

B.3.7. Risk Register and Risk Assessments

Content of the Risk Register

All employees are responsible for the timely identification and escalation of risks to the Risk Management Function to ensure risks are captured within the Risk Register. The Risk Register records Omnilife's identified risks and also includes information on their probability and impact, the controls in place to mitigate them, and how they are monitored.

Risk assessments

The Risk Management Function is responsible for the maintenance of the Omnilife Risk Register and Key Risk Indicators, and provides independent challenge on the nature, scope and appropriateness of control activities. The BRC reviews the Risk Register regularly to ensure its ongoing appropriateness and completeness.

The risk assessment process involves an assessment of inherent risk followed by an assessment of control design and operational effectiveness to determine the residual risk.

Mapping to capital requirements

The Risk Management Function is responsible for ensuring that the Standard Formula used for capital assessment is appropriate, and that all material quantifiable risks identified are addressed. This mapping is performed on an annual basis to ensure that Omnilife's risk profile is appropriately modelled and reflected in the capital calculation. The risk mapping is subject to review and approval by the BRC and is part of Omnilife's ORSA process. As part of the ORSA (see Section B.4), Omnilife also considers a broader range of risks, as recorded in the Company's Risk Register.

B.4. Own Risk and Solvency Assessment

B.4.1. Performance of the ORSA

Overview of the ORSA process

Omnilife's ORSA process is developed and approved by the Board and is set out in detail in the ORSA Policy document.

ORSA timelines and records

The ORSA is performed yearly or more frequently following a trigger event. A trigger event is something that significantly changes the financial strength of the Company or the outlook, such as a change in Business Strategy or risk appetite, a serious loss event or some regulatory factor.

ORSA governance

Omnilife governs the ORSA process using the same governance committees as set out in section B.1.1.

ORSA Report

The CRO is responsible for producing the ORSA Report, a draft of which is prepared at least annually by the Risk Management Function. The Report is presented first to the BRC for review and challenge and, once a draft meets the satisfaction of the Committee, the Report is presented to the Board for review, challenge and final approval.

The Report is submitted to the PRA and is used by the Board to inform its decision making. The Report is also distributed to managers to ensure they, and their team, understand the strategy, risks and tolerances affecting their areas.

B.4.2. Use of the ORSA

Business Strategy and Business Plan

Omnilife prepares a Business Plan each year and, in the ORSA, this forms the base case for the forward-looking assessment of own risks, which considers the Company's risk profile in the context of its risk appetite. The ORSA results then influence the following year's Business Plan, in a cyclical relationship. The Company monitors its experience against its Business Plan on an ongoing basis.

Risk and capital management

The CRO is responsible for managing the ORSA process and plays an important role in communicating and embodying the process and the wider risk culture within the Company. The CRO will continuously assess and challenge the status quo from a risk management perspective.

As part of the ORSA, Omnilife calculates the Standard Formula SCR as at the valuation date and projects it forward over the business planning horizon as part of the annual ORSA cycle.

The ORSA will also consider a broader range of risks, as recorded in the Company's Risk Register and other Key Risk Indicators, than allowed for in the Standard Formula. The capital requirement is also tested under single stresses and multi-faceted scenarios. The results are used to assess the impact of stressed conditions on the Company's future financial strength and could lead to the Company refining its Business Plan and taking further measures to mitigate particular risks.

B.5. Internal Control System

B.5.1. Overview of the Internal Control Framework

The Internal Control Framework is a key element of the management of risks that threaten Omnilife's objectives. It helps to facilitate and provide reasonable assurance over:

- the effectiveness and efficiency of operations;
- the reliability of financial reporting; and
- compliance with laws and regulations.

Ultimate accountability for ensuring that Omnilife has an adequate Internal Control Framework rests with the Board. Whilst the Board maintains oversight of the Internal Control Framework, it has delegated to its committees the responsibility for the day-to-day and operational management of the key elements, functions and processes that make up this system. The Board, Committees and Key Internal Control Functions manage the key elements of Omnilife's Internal Control Framework through the:

- Governance Framework (see Section B.1);
- Corporate policies;
- Operating procedures;
- Risk governance structure (see Section B.3.1); and
- Risk Register (see Section B.3.7).

B.5.2. Key Internal Control Functions

Omnilife has established the following Key Internal Control Functions, each of which reports to either the BAC or the BRC:

- Compliance & Financial Crime Function (BRC);
- Risk Management Function (BRC);
- Finance Function (BAC/BRC);
- Actuarial Function (BAC/BRC);
- Data Protection Function (BRC);
- Internal Audit Function (BAC).

The structure of these Internal Control Functions, including their position within the wider Governance Framework, has been designed to provide Omnilife with a robust Internal Control Framework that enables it to monitor on an ongoing basis the appropriateness of its systems and controls.

The External Audit function (BAC) provides a further control.

Details of the Risk Management Function are provided in Section B.3.1 above. Further information on Omnilife's Compliance & Financial Crime, Finance and Data Protection Functions is provided below, while the Internal Audit and Actuarial Functions are described in Sections B.6 and B.7 respectively.

Compliance & Financial Crime Function

Responsibility for overseeing the company's compliance with its regulatory requirements and its financial crime deterrence rests with the Compliance and Financial Crime function. The function is led by the Chief Compliance Officer, who reports jointly to the CEO and the BRC.

The Compliance and Financial Crime function creates a risk-based Compliance Plan annually which is approved by the BRC. Progress on implementing the Plan and key findings are reported to BRC and the senior managers of the company regularly and areas of weakness requiring remediation are the responsibility of the relevant senior management to resolve with the concurrence of the Compliance and Financial Crime function.

To ensure that a compliance and financial crime culture is embedded throughout the firm, day to day responsibility and accountability for complying with all regulatory requirements rests with the relevant operational functions. The Compliance & Financial Crime function's responsibility is to interact with and oversee the operational functions to ensure that they:

- are aware of applicable regulatory, legislative and financial crime requirements;
- understand fully how regulatory, legislative requirements apply to the business;
- have incorporated accurately and effectively regulatory, legislative requirements into company standards, policies and procedures; and
- have included the Compliance & Financial Crime function as a key stakeholder within certain policies and procedures.

The Compliance & Financial Crime function is responsible, together with the Chief Executive Officer, for maintaining the relationship between the firm and the relevant regulatory, supervisory and legislative bodies.

A review of the Compliance & Financial Crime Function's effectiveness is conducted on a regular basis by the Internal Audit Function, as determined by the BRC and the Board.

Finance Function

Omnilife's accounting policies and procedures reside within the Finance Function. The Finance Function is the responsibility of the Chief Financial Officer.

The Board has delegated to the BAC the responsibility for ensuring that the firm has adequate financial systems and controls, for monitoring Omnilife's financial health, and to provide it with accurate and up to date financial performance information. It will also provide advice and commentary to the Board on all relevant material financial matters.

Data Protection Function

The DPO advises the organisation to ensure all policies and procedures relating to data comply with the legislative and regulatory requirements, including the General Data Protection Regulation (GDPR).

Should a data protection breach occur, the DPO will report to the BRC on the data breach, including details of any reports made to the Information Commissioners Office (ICO).

B.6. Internal Audit Function

B.6.1. Overview of the Internal Audit Function

The Internal Audit Function reports directly to the BAC, the membership of which consists only of NEDs.

On this basis, the Internal Audit Function is considered independent from all other business functions and, therefore, is able to provide objective opinions on the adequacy and effectiveness of Omnilife's Risk Management System and Internal Control Framework.

The areas to be reviewed under the Internal Audit Plan are determined based on the risks to the business, based on those detailed within the Risk Register together with Internal Audit's own judgement, with every activity of Omnilife within the scope of Internal Audit reviews. The Internal Audit Plan is reviewed and approved by the BAC at least annually and can be amended during the year where there have been significant changes to Omnilife's risk profile.

The Internal Audit Function reports to the BAC quarterly.

The CEO, the Compliance Function Holder and the CRO normally attend BAC meetings, so that they may understand and assist to address any identified issues, weaknesses and failures. They may also be invited to contribute to (although not determine) the Internal Audit Plan development process.

The BAC provides to the Board, on a regular basis, reports outlining its progress against the Internal Audit Plan and also the key findings, risks and issues identified as a result of both Internal Audit reviews and reviews carried out by the external auditor.

The effectiveness of the Internal Audit Function is reviewed by the BAC on an annual basis.

B.7. Actuarial Function

The Chief Actuary reports to the CEO. The Chief Actuary and the wider actuarial function have duties and responsibilities that extend beyond the responsibilities of the Actuarial Function as defined in the relevant legislation .

The Actuarial Department is referred to as an Internal Control Function to the extent that it undertakes many activities that strengthen Omnilife's Risk Management and Internal Control Systems and enable management to undertake informed and risk-based decision-making processes (e.g. financial and non-financial data analysis and assessment, capital monitoring etc.).

The specific responsibilities relating to the Chief Actuary role are as follows.

- co-ordinating the calculation of Technical Provisions;
- ensuring appropriate methodologies and assumptions are used in Technical Provisions;
- assessing the sufficiency and quality of data used in Technical Provisions;
- comparing the best estimates against experience;
- reporting on the reliability and adequacy of Technical Provisions;
- overseeing Technical Provisions in cases where approximations might be required or a case-by-case approach needed;
- expressing an opinion on the overall underwriting policy;
- expressing an opinion on the adequacy of reinsurance arrangements; and

- contributing to the effective implementation of the Risk Management System, in particular with respect to risk modelling for capital calculations for both SCR and ORSA purposes.

At least annually, the Chief Actuary co-ordinates production of a report to the Omnilife Board, setting out how the duties of the Actuarial Function, as defined in the relevant legislation, have been discharged and ensuring that any issues are escalated to the Board as necessary.

B.8. Outsourcing

Omnilife remains ultimately responsible for any activity that is outsourced. The Outsourcing Policy, which has been approved by the Board, describes the principles and policies the Company follows in deciding to outsource an activity and in subsequently monitoring it. In making a business case for outsourcing, the Company uses a risk-based approach and conducts due diligence before agreeing a contract. The arrangements include suitable monitoring and reporting requirements, details of the provider's business continuity planning and an exit strategy.

The Company outsources:

- investment management to RGA Capital Limited and RGA Enterprises Services Company;
- the provision of corporate services to RGA UK Services Limited and RGA Enterprises Services Company, including Internal Audit, IT, HR, Finance & Facilities
- The administration of the in-payment annuities to EQ (formerly Equiniti).

RGA Enterprises Services Company is US-based and the other outsourced service providers are UK-based.

B.9. Assessment of Governance

B.9.1. Board and Committee Performance and Effectiveness Reviews

Comprehensive Board and Committee performance and effectiveness reviews are conducted regularly, which also includes an annual director performance review. The Board reviews the results and implements any agreed changes.

Results and recommendations arising from annual reviews of Committee performance and effectiveness against their Terms of Reference are reported to the Board through each Committee Chair, with any agreed changes implemented by the Committee.

Where deemed appropriate by the Board, ad hoc Board and/or governance reviews may be undertaken. Co-ordination and oversight of the reviews is the responsibility of the BAC and will normally be undertaken by the Internal Audit Function. All reports are to be reviewed by the respective committee prior to issuance to the Board.

B.9.2. Review of Governance Effectiveness

The Internal Audit Function undertakes periodic reviews of the Governance Framework at the request of the Board.

B.9.3. Review of the Risk Management System

The BRC formally considers any material weaknesses within the Risk Management System on an annual basis and reviews the appropriateness of risk appetite and risk tolerance limits each year as part of the ORSA process. Results of all reviews are reported to the Board via Committee minutes and by the Committee Chair.

In 2022 the Internal Audit Function performed a review of the Risk Management system of Omnilife with the report issued in January 2023. A review is planned again for 2025.

B.9.4. Review of the Internal Control Framework

The Internal Control Framework is assessed through regular Internal Audit reviews. Internal Audit reviews examine the design and operational effectiveness of processes and controls in place to manage any associated risks.

The BAC and Internal Audit Function ensure that the key internal controls across the firm are audited over a three year timeframe.

C. Risk Profile

This section describes the nature of the risks which the Company has underwritten and the guiding principles which it has followed and intends to follow in future in reinsuring or covering those risks.

Risk assessment process

The Board is ultimately responsible for the adequacy of Company's risk management processes and framework, and for ensuring that all material risks are identified and addressed. At an executive level, the first line committees are responsible for ensuring the identification and management of risks and the Executive Risk Committee is responsible for the adequacy of the risk management framework.

Risk profile

The balance sheet is dominated by the closed annuity business with gross BEL of £587.0m (2023 £675.8m). There were no new transfers in during 2024.

The group life risk and other closed business represents a small proportion of the overall business with liabilities before reinsurance of £1.8m (2023 £1.9m).

The annuity business means that the company is exposed to the risk that annuitants live longer than estimated. It is also exposed to the risk that matching assets perform less well than expected. These risks are mitigated by the reinsurance arrangements that Omnilife has in place.

The Company seeks to reduce risks from changes in interest rates by matching cashflows from its asset portfolio with the required payments to annuitants, however surplus assets may be exposed to interest rate movements. It reduces liquidity risks by maintaining minimum liquid assets. The Company's liquidity risk policy is reflected in the levels of cash and other liquid assets it maintains to meet its shorter-term obligations and structural risks.

The Company accepts that operational risks arising from its people, processes, systems or the external environment are a natural consequence of its business operations but seeks to avoid or mitigate the risk to a minor level wherever practical.

The small volumes of legacy business no longer have a material impact on the solvency of the company, but the company remains committed to providing a good service to the customers.

Climate change risks can crystallise as investment risks or insurance risks. Considerations of climate change are embedded in individual risk policies and the ORSA considers specific scenarios where climate change risks could emerge across several risk types.

Use of reinsurance

The Company uses reinsurance agreements to manage its exposures to longevity and market risks. Reinsurance to other companies within the RGA Group is chosen as the primary method to manage the Company's risk profile in order to retain value within the group.

The Company uses different forms of reinsurance contracts to transfer risk:

- Longevity swaps, which transfers longevity risk.
- Funded reinsurance, which transfers all longevity and asset risk with collateral assets pledged by the reinsurer.
- Stop loss, which mitigates losses on a portfolio of assets and liabilities.

Retention is set at levels consistent with the Company's risk capital management policy and risk appetite to protect the overall solvency position of the Company.

Prudent person principle

The Company selects and manages its investments in accordance with the 'prudent person principle', by following guidelines set out in its Investment Policy Statement, which has been agreed by the Board.

The guidelines include constraints based on 5 risk management principles:

- **Principle 1: Match liability cashflows.**

Assets should be of a similar duration to liabilities to ensure net interest rate risk remains within risk appetite and sufficient liquid assets need to be held to make annuity payments as they fall due.

- **Principle 2: Investment expertise in asset classes.**

We will only invest in asset classes where we understand the risk and have demonstrable expertise in investing in such assets.

- **Principle 3: Control concentration to any one risk factor.**

We seek to balance our exposures to risk factors to benefit from diversification and avoid over exposure to any single factor.

- **Principle 4: Control exposure to Illiquid assets and valuation uncertainty.**

We should not have an excessive concentration to illiquid assets. Illiquid assets are defined as assets that are not traded on an exchange and for which a deep and liquid secondary market does not exist.

- **Principle 5: Risk adjusted return.**

We consider ESG factors and associated risks in investment decisions. Subject to the other principles, we seek competitive investment returns on a risk-adjusted basis.

The Investment Policy Statement lists permitted assets and sets out risk appetite limits for specific assets classes aligned with these principles to control exposures. A maximum holding to a single security of 5% is set to control investment risk.

Less than 1% of the Company's assets and liabilities are held in currencies other than sterling.

The Investment Policy Statement is implemented by our Investment Manager and any breaches of the Policy are reported to the Board Risk Committee who are required to agree the proposed remedial action.

Risk exposures

The resulting risk profile as given by the standard formula SCR as at 31 December 2024 is shown below.

Solvency Capital Requirement £m	31 Dec 2024	31 Dec 2023
Life Longevity	13.7	15.8
Life Expense	5.9	6.9
Diversification within Life underwriting risk	*(3.4)*	*(3.9)*
Life Underwriting SCR	**16.2**	**18.7**
Interest Rate	22.2	18.3
Credit Spread	26.1	29.7
Concentration	3.7	4.0
Currency	0.1	0.0
Diversification within Market risk	*(17.6)*	*(16.9)*
Market SCR	**34.5**	**35.1**
Counterparty Default SCR	**1.7**	**3.0**
Diversification across all risk categories (E)	*(10.3)*	*(12.1)*
Basic SCR	**42.2**	**44.7**
Operational Risk	**2.6**	**3.0**
Adjustment for deferred tax loss absorbency	**-**	**-**
SCR	**44.8**	**47.7**

The net of reinsurance risk exposure under the standard formula SCR is driven by market risk (primarily spread risk and interest rate risk) but with a material amount of life risks (almost entirely longevity risk and expense risk from annuities). The counterparty default risk is split between reinsurance and debtor risk.

C.1. Insurance Risk

Insurance risks are the risks that the costs of providing the insurance benefits exceed those expected (whether in pricing or in reserving).

C.1.1. Longevity risk

Omnilife's primary exposure to insurance risk is from annuity policyholders living longer than expected. Actuarial assumptions relating to the level and trend of mortality rates are required in reserving for these contracts. The Company is exposed to the risk that actual experience of mortality rates is lower than these assumptions.

Actuarial assumptions are determined using recent experience combined with industry standard mortality tables and mortality improvement models. An experience analysis investigation is carried out annually to confirm the appropriateness of the mortality assumptions.

The Company has entered into a number of reinsurance treaties which materially reduce the longevity risk.

The exposure to longevity risk is tracked by the Executive Finance Committee and Board Risk Committee through the capital and liquidity report. Risk provide commentary in regular reporting and stresses and scenarios are run as part of the ORSA process.

C.1.2. Expense risk

The Company is exposed to the risk that the costs of administering the in-force portfolio are higher than expected or increase faster than expected. Actuarial assumptions relating to the amount of expenses and future inflation of expenses are required for reserving the annuity contracts. Expense risks are not mitigated by any of the reinsurance treaties.

An experience analysis investigation is carried out annually to confirm the appropriateness of the expense assumptions including any expense overrun provision. The exposure to expense risk is tracked by the Executive Finance Committee and the Board Risk Committee through the capital and liquidity report. Current year expenses are compared against expected within the valuation report. Risk provide commentary within regular reporting whilst stresses and scenarios on expense risk are considered as part of the ORSA process.

C.2. Market Risk

The Company is exposed to market risk through its holdings of debt securities and lifetime mortgages.

Climate change effects have the potential to also lead to market risks crystalising in several of the subcategories below as well as in other areas such as counterparty default or insurance risks.

Omnilife's investment assets, principally bonds and cash, are managed for Omnilife by RGA Capital Limited and RGA Enterprise Services. The Board has approved investment guidelines that define the appetites and tolerances within which these investment managers must operate which include considerations of the liabilities backed by these assets.

C.2.1. Spread risk

The Company's largest market risk exposure is to credit spread risk from its portfolio of corporate bonds. The credit spread is the additional yield on corporate bonds relative to risk-free rates and represents the compensation for the risk of default together with an illiquidity premium. The credit spread element of the SCR reflects the risk of a corporate bond downgrading to a lower rating (and reducing in value) or defaulting. The risks associated with the lifetime mortgages which include property risks, the risk of early repayment and the mortality and morbidity risks are also captured within the spread risk module within the standard formula.

C.2.2. Interest rate risk

Interest rate risk arises through any mismatch in the amount and timing of cash flows on assets and liabilities held by the Company. Surplus assets may also be at risk of losing value from changes in interest rates. The investment guidelines set a limit on the maximum acceptable duration difference between the assets and target specified which helps control this risk, although in practice assets backing liabilities are closely matched.

C.2.3. Other market risks

The Company is exposed to property risk through lifetime mortgages. Falls in property prices will increase the likelihood of incurring losses as a result of the presence of the NNEG. This risk is captured in the spread risk module of the Standard Formula.

The Company may be exposed to concentration risk as a result of large individual exposures within its investment portfolios. Omnilife have a small exposure to foreign exchange risk from the overseas assets and liabilities from the legacy book. The company It is not directly exposed to equity risks.

C.2.4. Assessment and Management of Market Risks

The Omnilife Investment Policy is approved by the Board and provides details of how it identifies, measures, monitors and controls market risk with related roles and responsibilities.

RGA Capital Limited and RGA Enterprise Services provide regular investment reports to the Board.

Adherence to the investment guidelines and investment risk appetite is monitored by the Risk Function and reported regularly. In addition, the matching position of assets against liabilities, are monitored and reported quarterly.

Sensitivity analysis is produced and included within the ORSA to improve the understanding of key market risks on the solvency position of Omnilife.

Significant deviation or underperformance against the Business Plan is escalated to the Board by the Board Risk Committee.

C.3. Counterparty Credit Risk

Counterparty credit risk is defined as the risk of loss due to counterparty default or failure to fulfil their obligations. This is the risk of loss or of adverse change in Omnilife's financial position, resulting from deposits in bank accounts, reinsurance counterparties and any debtors to which Omnilife is exposed to defaulting. The main sources of counterparty risk relate to its exposure to reinsurers.

However, as the reinsurers are extremely well capitalised, the failure of any of its main reinsurers is well outside a 1 in 200 event leading to a relatively low SII capital requirement primarily from the risk from default in cash holdings.

However, as the impact such an event would be highly material, Omnilife has a detailed Recovery and Resolution Plan that sets out the steps the Company would take were a reinsurer or outsourcer to fail to fulfil their obligations. It also sets out an Immediate Recovery Metric which is used to calculates its exposure to a single reinsurance counterparty and to set a limit to this exposure.

C.3.1. Assessment and management of Counterparty Credit Risk

The Reinsurance Policy and Outsourcing Policy are approved by the Board and include details of identifying and monitoring permitted counterparties.

The recovery and resolution plan considers the extreme event of the RGA group, our main reinsurer, failing completely. The impact of such an event is mitigated by the use of collateral including letters of credit.

The exposure to reinsurance counterparties is monitored regularly, with the capital requirement, collateral position, and an assessment of the security of the firm included in regular reporting to the Board Risk Committee.

C.4. Liquidity risk

Liquidity risk is defined as the risk that sufficient liquid resources are not available to meet policyholder commitments and other liabilities as they fall due.

C.4.1. Assessment and Management of Liquidity Risk

Omnilife's has a Liquidity Management Policy approved by the Board. It details how liquidity risk is identified, measured, monitored and controlled, with related roles and responsibilities.

Liquidity monitoring is carried out by the Senior Capital Management Actuary and issues are escalated to the CFO as required. A quarterly liquidity report is presented to the Executive Finance Committee and the Board Risk Committee.

C.5. Operational risk

C.5.1. Definition of Operational Risk

Operational risk is defined as the risk of loss arising from inadequate or failed internal processes, people and systems or from external events impacting Omnilife's ability to operate. This risk encompasses all functions rendered in the course of conducting business. This includes legal and regulatory risk, but excludes risks arising from strategic and reputational risk.

C.5.2. Assessment and Management for Operational Risk

Omnilife has formally documented policies and procedures for all aspects of the business that define the end-to-end business processes, provide guidelines, put in place appropriate governance structures and include control activities to ensure the robustness of the business operations. As such the identification, management and monitoring of operational risk is the responsibility of all Omnilife employees.

For this purpose, Omnilife has defined control activities in respect of all risk categories and wider business operations. These control activities are included in the Omnilife Risk Register with designated Risk and Control Owners responsible for ensuring that they remain appropriate on an ongoing basis.

C.5.3. Operational Risk Reporting

All issues related to operational risk are reported to the Risk Management Function and reviewed by the BRC, which agrees detailed management actions to be implemented to address the issue. Omnilife monitors its status against its operational risk appetite and this is reported to the BRC on a quarterly basis by the Risk Management Function.

Omnilife makes use of significant outsourcing, in particular using specialist services within the RGA Group together with external companies, such as EQ (previously known as Equiniti) which provides administration services in respect of both annuity portfolios.

To ensure the standard and reliability of services provided, the Board have approved an Outsourcing & Related Party Transactions Policy and a Vendor Risk Management Policy. These policies set out how outsourcing providers are selected and monitored. The Recovery and Resolution Plan describes steps that would be taken by Omnilife if a provider failed to fulfil its obligations.

C.6. Strategic Risk

C.6.1. Definition of Strategic Risk

Strategic risk is defined as the risk to earnings or capital arising from adverse business decisions or improper implementation of those decisions. This risk is a function of the compatibility between Omnilife's strategic goals, the business strategies developed to achieve those goals, the resources deployed against these goals, the quality of implementation and the appropriateness of responses to changing business conditions. This includes group and reputational risk as a by-product of inappropriate/inadequate management and the mitigation of other risk categories.

C.6.2. Mitigation and Management for Strategic Risk

Strategic risk is primarily mitigated through review and approval of the Business Strategy and Business Plan by the Board. The Omnilife Business Strategy and Business Plan are regularly appraised in light of internal and external developments by the Board and its sub-committees. Performance against the

Business Plan is subject to ongoing management review and is used to initiate actions to manage strategic risks as well as other risks.

Stress and scenario testing is also used at the strategic and business planning stages and within the ORSA to identify possible events and future changes in economic conditions that could have unfavourable effects on the Business Strategy and/or Business Plan and the Company's financial standing. This includes consideration and assessment of stresses that will threaten the viability of the Business Plan and Business Strategy (i.e. reverse stress testing).

C.7. Other Risk

C.7.1. Reputational Risk

Omnilife recognises reputational risk as a by-product of inappropriate/inadequate management and mitigation of all other risk categories. As such, the identification of reputational risk is the combined responsibility of all Risk Owners. Identified reputational risks are addressed through the management/mitigation of strategic risk which is owned by the CEO.

C.7.2. Conduct risk

Conduct risk has the potential to arise if the Company's behaviours result in poor customer outcomes; it is inherent in any operation that provides products or services to customers. Delivering good customer outcomes is a key driver in building a valuable, sustainable business and the Company is only willing to tolerate negligible levels of conduct risk.

Regular conduct risk training is completed for all employees, with more in-depth training for certified individuals. Additionally, a number of processes are in place and executed by first line management to manage and monitor conduct risk exposures across the end-to-end customer journey. This includes a product governance framework including annual product risk reviews. Conduct risk processes are subject to review and oversight provided by the Risk and Compliance functions.

C.7.3. Climate risks

The Chief Risk Officer is responsible for ensuring climate-related risks are identified, measured, monitored and managed through the Company's risk management framework and in line with its risk appetite and the requirements of policy statement PS11/19 and Supervisory Statement SS3/19, for managing the financial risks relating to climate change.

For key risks in the risk register we consider if the risk has the potential to be affected by physical risks from climate change or from the transition effects associated with adjustment towards a low-carbon economy.

Climate change is considered within ORSA scenarios and stress tests.

The investment team consider potential climate change effects, along with broader environmental, social and governance assessments, in the decision-making process for selecting new bonds and reviewing current holdings.

As part of the RGA group, Omnilife forms part of group wide targets most recently reported to the market in the RGA sustainability report 2023. These are subject to monitoring and action to deliver against those targets.

The Board oversees the management of the climate-related risks and opportunities.

C.8. Sensitivities

The Solvency II balance sheet at 31 December 2024 has been recalculated to show the sensitivity of results to changes in assumptions. Sensitivity analysis helps the Company understand the impact of a range of risk events on the Solvency balance sheet. The SCR coverage ratio at 31 December 2024 was 385%.

Sensitivities (31 December 2024)	Impact on own funds (£m's)	Impact on SCR (£m's)	Impact on Excess Surplus (£m's)	Impact on SCR coverage ratio (%)
1% increase in interest rates	(11.6)	(2.0)	(9.6)	(9)
1% decrease in interest rates	13.1	1.6	11.5	15
1% increase in credit spreads	(18.0)	(4.2)	(13.8)	(4)
5% decrease in mortality	(3.0)	(0.3)	(2.7)	(4)

Although the movement in own funds is material for the market risks, the movement in the SCR coverage is more modest and should be viewed in the context of the base SCR coverage ratio of 385%. Omnilife remains well capitalised following each of these sensitivities.

Assumptions

- 1% increase/decrease in interest rates: this sensitivity increases/decreases the discount rate used for assets and liabilities by 1%. Asset and liability values reduce in an interest rate up stress and increase in an interest down stress. The impact on asset and liability values offset each other to some extent, however the impact on assets is larger due to the surplus assets.
- 1% increase in credit spreads: This is a 1% increase in spreads for the corporate bonds and a 1% increase in the illiquidity premium for the lifetime mortgages. This stress results in a fall in asset value leading to a reduction in own funds. No change is assumed for the discount rate used for liabilities although in practice we might expect some increase in the volatility adjustment which would provide some offset to the fall in asset values. The lower value of assets results in a smaller impact of the stresses in the SCR.
- 5% decrease in mortality: this sensitivity allows for a 5% decrease in base mortality rates. Liability values increase while asset values remain unchanged leading to a reduction in own funds. The increased value of liabilities results in a larger impact of certain stresses in the SCR.

No future management actions are modelled. For each of the sensitivities, all of the other assumptions remain unchanged.

D. Valuation for Solvency Purposes

D.1. Assets

D.1.1. Financial Assets

The following table sets out the value, valuation approach and assumptions for each of Omnilife's main financial asset classes as at 31 December 2024.

Asset Class	2024		2023		Valuation Methodology
	Value £m	% Assets	Value £m	% Assets	
Government Bonds	13.4	2.5%	18.8	3.2%	Average of quoted market price
Corporate Bonds	371.6	70.4%	408.8	70.5%	Average of quoted market price
Lifetime Mortgages	105.2	19.9%	109.0	18.8%	Mark to model price
Cash, Deposits*	22.3	4.2%	28.0	4.8%	Account value / balance held
Money Market Funds	7.7	1.5%	-	-	Quoted market price
Other Assets	7.5	1.4%	15.0	2.6%	
Total**	527.7	100.0%	579.6	100.0%	

* All of the cash and short-term deposits are in institutions with a credit standing of A or above.
** Excluding reinsurance recoverables and reinsurer's share of outstanding claims of £229.1m as at 31 December 2024 (£265.5m as at 31 December 2023).

There is no active market in lifetime mortgages and the value is determined using am actuarial model that requires significant inputs which are not based on observable markets. The fair value of lifetime mortgages is calculated by discounting the value of future expected cash flows.

The principal assumptions underlying the calculation of lifetime mortgages include the following:

No-negative equity guarantee ('NNEG'): The NNEG is a feature of lifetime mortgages where the borrower will not owe more than the value of their house. The fair value of lifetime mortgages takes into account an explicit provision in respect of the NNEG. The key assumptions used to derive the value of the NNEG include current property price, property growth and property volatility.

Mortality or entry into long term care: This is based on the combined expectation of death or entry into long term care of the borrower or the last remaining borrower in relation to a joint life contract.

Voluntary early redemptions: Due to limited market information, these assumptions have been derived from the Company's own experience on this product.

Expenses: Assumptions for future expenses levels are based on the adminstration costs incurred.

Discount rate: The discount rate applied to the lifetime mortgage cash flows comprises two parts: the PRA risk-free curve and an allowance for illiquidity based on current market rates for new business at different loan-to-value points.

D.1.2. Comparison of Solvency UK Assets with Annual Report and Accounts

There are no differences between the bases, methods or assumptions used for the Solvency UK Pillar 1 valuation of Omnilife's main asset classes and those used in the asset valuation for the Annual Report and Accounts.

D.1.3. Reinsurance Asset

As at 31 December 2024, the value of Omnilife's reinsurance recoverable was £228.7m with the reinsurers' share of outstanding claims of £0.4m.

The Company treats the value of the reinsurance arrangements as an asset. The value of the Reinsurance Asset is determined in a manner consistent with that used to calculate the Best Estimate Liabilities, using the same model, and includes an adjustment for reinsurer counterparty default risk.

D.1.4. Intangible Assets

As at 31 December 2024, Omnilife did not attach any value to goodwill or any other intangible assets.

D.1.5. Other Assets

The other assets as at 31 December 2024 break down as follows:

Other Assets Value £m	2024	2023
Debtors (excluding reinsurance operations)	1.6	8.2
Policyholder Loans	0.1	0.1
Deferred Tax Asset	5.8	6.8
Total	**7.5**	**15.0**

Debtors (excluding reinsurance operations)

Debtors (excluding reinsurance operations) amount to £1.6 million. This relates largely amounts due from group companies in respect of tax recoverable plus premiums due on direct insurance business. They have been calculated at face value as they are expected to be settled in the short-term, i.e. less than 24 months, after the valuation date.

Policy loans

Policy loans amount to £0.1 million. These are secured on Individual Deposit Administration policies and are valued at face value as they can be repaid to Omnilife at any time.

Deferred Tax Asset

The deferred tax asset is £5.8m.

D.2. Technical Provisions

The Technical Provisions are equal to the sum of the Best Estimate Liabilities and the Risk Margin.

D.2.1. Material Lines of Business

The annuities are the most material line of business with the legacy business representing less than 0.5% of the total best estimate liabilities. No products span more than one line of business, so no unbundling of contracts is necessary in the calculation of Technical Provisions.

D.2.2. Technical Provisions as at 31 December 2024

The table below sets out the Technical Provisions as at 31 December 2024 for each of Omnilife's main lines of business.

Technical Provisions £m	2024	2023
Best Estimate Liabilities		
UK Annuities	587.0	675.8
Protection & savings business	1.8	1.9
Total Best Estimate Liabilities	**588.7**	**677.8**
Risk Margin	3.3	4.0
TMTP	(12.2)	(20.0)
Technical Provisions	**579.8**	**661.8**

The reduction in the technical provisions over the year is largely due to the increase in interest rates and the run-off of the business.

D.2.3. Valuation Basis

Best Estimate Liabilities

The assumptions used to in the calculation of the Best Estimate Liabilities (BEL's) as at 31 December 2024 are set out in Section D.2.4 below.

Risk Margin

The assumptions used to in the calculation of the Risk Margin as at 31 December 2024 are set out in Section D.2.4 below.

Transitional Measure on Technical Provisions (TMTP)

The TMTP is described in Section D.2.47 below.

D.2.4. Valuation Methodology

The Best Estimate Liabilities ('BEL'), for all lines of business, have been valued either at a scheme or policy level (as appropriate), except for the Best Estimate Liabilities in respect of overhead expenses which are calculated at company level.

Under Solvency UK requirements, the BEL should typically be derived by discounting future expected liability cash-flows that are calculated using realistic, best estimate assumptions. For the majority of Omnilife's in-force business, a full cash-flow projection has been adopted. The approach adopted for each material line of business is described in the following sub-sections.

Individual Annuities

The BEL for individual annuity business (both in payment and deferred) is determined by discounting the expected futures cash flows using the PRA risk free curve appropriate for the currency of the benefit. For the ex-Generali sterling annuity business, a volatility adjustment is used to increase the discount rate. The expected cash flows allow for the expectation of future deaths of policyholders with the mortality assumptions derived from experience analysis together with allowance for future mortality improvements.

Expense Provisions

The Expense provision is calculated by looking at the shortfall between:

- The expense loadings projected on the existing business, consistent with the valuations of each line of business; and
- The forecast maintenance expenses.

The overrun has been capitalised over a four year period.

Risk Margin

Omnilife assumes that all market risks are hedgeable, and therefore excludes market risk capital from the Risk Margin calculation. Whilst the asset default risk is deemed to be hedgeable, the reinsurer's default risk is included in the risk margin calculations as at 31 December 2024.

D.2.5. Uncertainty in the Technical Provisions

Data

For the annuity business the administration is largely outsourced to EQ and Omnilife is to some extent reliant upon the accuracy and completeness of the data provided. The customer operations and oversight team provide oversight of EQ and perform checks on the quality of the data. The actuarial function also check and validate the data.

For overseas Group Risk business reinsured in from Medgulf, Omnilife does not perform any data administration and so is reliant upon the accuracy and completeness of the data provided by Medgulf.

For group income protection claims in payment, the administration and management of these claims falls to resources external to Omnilife and so Omnilife is reliant upon the accuracy and completeness of the data it is provided with.

Assumptions

Best estimate assumptions have been set using information and analysis available as at 31 December 2024. For example:

- Economic assumptions are derived using market data as at the valuation date.
- IBNR assumptions for overseas group life business have been determined based on historic internal experience analyses.
- Overhead expenses are set using the forecast level of expenses.
- Profit margins are determined based on high-level experience analyses.

These assumptions are subject to uncertainty from various sources, including changes in claim reporting patterns, claim settlement patterns, legislation, and economic conditions.

Any items of experience where it is expected that the actual emergence of experience may vary, perhaps materially, from the best estimate assumption (set out in Appendix 1) are discussed in further detail below.

It is worth noting that the aim of the assumption setting process is to derive true best estimates, with no bias towards conservatism or optimism. Whilst subject to an inevitable degree of uncertainty, these assumptions are expected to reflect future emerging experience without bias.

Mortality – individual annuity business

The mortality assumption and the allowance for future improvements have been set with reference to experience and expert judgement, however there will inevitably be some uncertainty relating to these assumptions.

Modelling

The simplifications adopted in calculating the BEL, as discussed in Section D.2.4 above and in particular using an alternative method to full cash-flow projection for the less material lines of business, will necessarily lead to some uncertainty in the Technical Provisions. However, the Company does not believe that the simplifications adopted lead to materially different Technical Provisions than would result from implementing the full calculations.

D.2.6. Comparison of Solvency UK Technical Provisions with Annual Report and Accounts

The Technical Provisions shown in the Annual Report and Accounts at 31 December 2024 include the same Risk Margin and Best Estimate Liabilities that make up the Solvency UK Technical Provisions.

D.2.7. Regulatory Approvals

Matching adjustment

Omnilife has not sought permission from the PRA to make use of the Matching Adjustment. Therefore, no Matching Adjustment is used when determining Omnilife’s Technical Provisions.

Volatility adjustment

Omnilife has applied the volatility adjustment to the discount rate used for the ex-Generali sterling denominated annuity business. As at 31 December 2024 the volatility adjustment was 0.24% and reduces the gross technical provisions by £4.6m.

31 December 2024 £m	As Published	Without Volatility Adjustment	Impact of removing the Volatility Adjustment
Technical Provisions	579.8	584.4	4.6
Reinsurance Recoverables	228.7	232.5	3.8
Deferred Tax	5.8	6.0	0.2
Own Funds	172.7	172.1	(0.6)
Solvency Capital Requirement	44.8	44.8	0.0
SCR Coverage Ratio	385%	384%	(1%)
Minimum Capital Requirement	11.2	11.2	0.0
MCR Coverage Ratio	1490%	1483%	(7%)

Without the volatility adjustment, own funds would be expected to reduce by £0.6m to £172.1m. The loss of own funds is smaller than the increase in technical provisions as the reinsurance provides protection.

Without the volatility adjustment the SCR change is limited whilst the SCR coverage reduces by 1%.

Transitional measures

Transitional measure on Technical Provisions

Omnilife has applied the TMTP in the valuation of technical provisions. As at 31 December 2024 the value of the TMTP was £12.2m.

The TMTP applies to the pre-2016 ex-HLAC business and was approved by the PRA on 10 March 2023 and took effect on 30 April 2023.

The TMTP has been used by the Company to phase in the impact of moving from the valuation principles under INSPRU to the Solvency UK regime. The move to Solvency UK has increased the value of technical provisions for the Company in two areas:

- Under INSPRU the risk adjusted yield on assets was used to discount the value of annuity liabilities. Under Solvency UK the Company must therefore discount annuity liabilities at the risk-free rate. The reduction in the discount rate (compared to INSPRU) results in a higher value of liabilities.
- The concept of the risk margin is an additional requirement under Solvency UK.

The TMTP has been recalculated as at 31 December 2024. Omnilife has adopted the new TMTP method, introduced by the PRA at 31 December 2024, for running off the TMTP. In future the TMTP will be automatically recalculated at each valuation point using a prescribed methodology.

The TMTP represents a material balance sheet item for the Company given that it is used to cover the impact of not using the matching adjustment and phasing in the risk margin for business written before 1 January 2016. Therefore, not applying the TMTP would result in a material change to the solvency position of the Company.

The table below shows the solvency position of the Company with and without the TMTP.

31 December 2023 £m	As Published	Without TMTP	Impact of removing the TMTP
Technical Provisions	579.8	592.1	12.2
Reinsurance Recoverables	228.7	236.3	7.6
Deferred tax	5.8	6.9	1.2
Own Funds	172.7	169.2	(3.5)
Eligible Own Funds to meet SCR	172.7	168.9	(3.8)
Solvency Capital Requirement (SCR)	44.8	44.3	(0.6)
SCR Coverage Ratio	385%	382%	(4%)
Eligible Own Funds to meet MCR	167.0	162.3	(4.7)
Minimum Capital Requirement (MCR)	11.2	11.1	(0.1)
MCR Coverage Ratio	1490%	1467%	(23%)

Without the TMTP, basic own funds would be expected to reduce by £3.5m to £169.2m. The loss of own funds is smaller than the TMTP at the valuation date due to the reinsurance protection.

A stop loss reinsurance treaty provides protection for a proportion of the assets and technical provisions underlying the TMTP. If the TMTP were removed, the stop loss would absorb a proportion of the solvency loss.

We have assumed that a deferred tax asset could be set up against the residual loss of own funds.

The Company would have enough own funds to meet the SCR without applying the TMTP.

D.3. Other Liabilities

The other liabilities as at 31 December 2024 break down as follows:

Other Liabilities £m	31 Dec 2024	31 Dec 2023
Claims outstanding	0.5	0.5
Creditors arising out of insurance and reinsurance (excl related parties)	2.8	2.3
Accruals and provisions	0.2	0.3
Amounts Due to related parties	0.7	0.5
Taxation	0.0	5.9
Total	4.3	9.5

D.3.1. Comparison of Solvency UK Other Liabilities with the Annual Report and Accounts

There are no material differences between the valuation bases, methods and assumptions used for the Solvency UK Pillar 1 valuation of Omnilife's other liabilities and those used in the Annual Report and Accounts.

D.4. Alternative Methods for Valuation

Omnilife does not use any alternative methods for valuation other than the mark to model valuation for the lifetime mortgages described in D.1.1.

E. Capital Management

E.1. Own Funds

E.1.1. Objectives, Policies and Processes Employed for Managing Own Funds

The Company's risk management system incorporates a Risk Appetite Statement relating to Own Funds. The Risk Appetite Statement ensures that there are sufficient own funds to cover the SCR, with an appropriate buffer.

The Company's Business Plan and Business Strategy are subject to an annual review process and approval by the Board. This annual review incorporates a projection of expected SCR coverage over the planning horizon, which also forms a key part of the ORSA process and the ORSA Report. The Company also produces a recovery and resolution plan on an annual basis to demonstrate that the Company has sufficient funds to recover following an extreme scenario, involving a default of a reinsurer, or run-off the business in an orderly manner. The Company aims to remain within its risk appetite for solvency over the length of the business planning horizon.

As at 31 December 2024 the ratio of eligible Own Funds to SCR was 385%, compared to 364% at the previous year-end.

E.1.2. Description of Own Funds

Omnilife's Own Funds are allocated to the following tiers set out in the Solvency II regulations:

- Ordinary share capital and the related share premium account (Tier 1)
- Reconciliation reserve (Tier 1)
- Deferred Tax Asset (Tier 3)

Omnilife currently has no Ancillary Own Funds items.

Ordinary share capital and the related share premium account

The ordinary share capital is fully paid up and therefore is classified as Tier 1 capital.

Reconciliation reserve

The reconciliation reserve is a balancing item which ensures that the total Own Funds equal the excess of assets, which are available to absorb unexpected losses, over liabilities. For Omnilife, it is comprised solely of retained earnings, however the deferred Tax assets has been excluded as this is Tier 3 capital.

Restrictions

The deferred tax asset is classed as Tier 3 capital as this is less than 15% of the SCR there is no restriction for SCR purposes. For MCR purposes no Tier 3 capital is eligible.

Below is the table which sets out the value of Own Funds, split by categories, as at 31 December 2023:

Components of Own Funds £m	31 Dec 2024	31 Dec 2023
Ordinary Share Capital plus the Share Premium Account (Tier 1)	20.0	155.6
Reconciliation Reserve (Tier 1)	147.0	11.6
Deferred tax asset (Tier 3)	5.8	6.8
Own Funds	**172.7**	**173.9**

In May 2024 Omnilife simplified the Company's capital structure by reducing the share premium account to zero and crediting its profit and loss account. Over the year own funds have reduced by £1.3m and details of the loss for the year are provided in section A.2.1.

E.1.3. Comparison of Solvency UK Own Funds with the Annual Report and Accounts

The equity in the Annual Report and Accounts is the same as basic Own Funds under Solvency UK at 31 December 2024.

E.2. Solvency Capital Requirement and Minimum Capital Requirement

The SCR and MCR as at 31 December 2024 amount to £44.8 million and £11.2 million respectively.

The amount of the SCR split by individual risk is shown in Section C above. The SCR split by risk category is shown in Section E.2.1 below.

E.2.1. SCR split by Risk Module

Solvency Capital Requirement £m	31 Dec 2024	31 Dec 2023
Market Risk	34.5	35.1
Life Underwriting Risk	16.2	18.7
Counterparty default Risk	1.7	3.0
Diversification benefit	*(10.3)*	*(12.1)*
Basic Solvency Capital Requirement	**42.2**	**44.7**
Operational Risk Capital	2.6	3.0
loss absorbing capacity of deferred taxes	-	-
Solvency Capital Requirement	**44.8**	**47.7**

Omnilife uses the Standard Formula approach to determine its SCR and does not make use of any undertaking specific parameters. The Standard Formula approach involves applying a series of prescribed stress tests and factor-based calculations.

The PRA did not require Omnilife to apply a capital add-on as at 31 December 2024.

The SCR at 31 December 2024 is lower than the previous year-end, mainly due to the increase in interest rates and the resultant reduction in assets and liabilities.

The MCR at 31 December 2024 is £11.2m and has reduced in line with the SCR. At the last year-end the MCR was at £11.9m. The MCR for Omnilife is driven by the floor of 25% of the SCR.

E.2.2. Simplifications Adopted for the SCR Calculation

No material simplifications are used.

E.3. Duration-Based Equity Risk Sub-Module

Omnilife does not make use of the duration-based equity risk sub-module in the calculation of the SCR.

E.4. Internal Model Information

Omnilife does not use an internal model for determining its SCR.

E.5. Non-Compliance with the MCR or SCR

Omnilife has had no incidences of non-compliance with either the MCR or the SCR.

Appendix 1 – Quantitative Reporting Templates (QRTs)

The following pages contain QRTs for Omnilife as at 31 December 2024.

All figures are presented in £000's with the exception of ratios that are in decimal. Please note that totals may differ from the component parts due to rounding. All items disclosed are consistent with the information provided to the regulators privately.

The following Solo QRTs are provided:

- IR.02.01, balance sheet information.
- IR.05.02, information on premiums, claims and expenses by country.
- IR.05.03, information on premiums, claims and expenses by class of business.
- IR.12.01, information on the technical provisions by class of business.
- IR.22.01, information on the impact of long term guarantee measures and transitionals.
- IR.23.01, information on Own Funds, including basic Own Funds.
- IR.25.04, information on the SCR, calculated using the standard formula.
- IR.28.01, specifying the MCR for insurance.

IR.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	5,767
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	392,692
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	385,034
R0140	*Government Bonds*	13,396
R0150	*Corporate Bonds*	371,638
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	7,658
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	0
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	105,316
R0240	*Loans on policies*	84
R0250	*Loans and mortgages to individuals*	105,232
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	228,699
R0280	*Non-life and health similar to non-life*	
R0315	*Life and health similar to life, excluding index-linked and unit-linked*	228,699
R0340	*Life index-linked and unit-linked*	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	458
R0370	Reinsurance receivables	440
R0380	Receivables (trade, not insurance)	0
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	22,267
R0420	Any other assets, not elsewhere shown	1,181
R0500	**Total assets**	756,821

		Solvency II value
	Liabilities	C0010
R0505	Technical provisions - total	579,835
R0510	*Technical provisions - non-life*	0
R0515	*Technical provisions - life*	579,835
R0542	Best estimate - total	588,734
R0544	*Best estimate - non-life*	
R0546	*Best estimate - life*	588,734
R0552	Risk margin - total	3,346
R0554	*Risk margin - non-life*	
R0556	*Risk margin - life*	3,346
R0565	Transitional (TMTP) - life	12,245
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	544
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	0
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	2,598
R0830	Reinsurance payables	162
R0840	Payables (trade, not insurance)	954
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in Basic Own Funds*	
R0870	*Subordinated liabilities in Basic Own Funds*	0
R0880	Any other liabilities, not elsewhere shown	
R0900	**Total liabilities**	584,092
R1000	**Excess of assets over liabilities**	172,729

IR.05.02.01

Premiums, claims and expenses by country: Life insurance and reinsurance obligations

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country
R1400			LB	BH				
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross	28	7	0				35
R1420	Reinsurers' share	10,902	3	0				10,905
R1500	Net	-10,874	4	0				-10,870
	Premiums earned							
R1510	Gross	33	29	0				63
R1520	Reinsurers' share	10,905	15	0				10,919
R1600	Net	-10,871	15	0				-10,856
	Claims incurred							
R1610	Gross	60,363	0	0				60,363
R1620	Reinsurers' share	23,325	0	0				23,325
R1700	Net	37,038	0	0				37,038
R1900	**Net expenses incurred**	596	0	0				596

IR.05.03.02

Life income and expenditure

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Premiums written							
R0010	*Gross direct business*	0	0	0	0	28	0	28
R0020	*Gross reinsurance accepted*	0	0	0	0	7	0	7
R0030	Gross	0	0	0	0	35	0	35
R0040	*Reinsurers' share*	0	0	10,900	0	5	0	10,905
R0050	Net	0	0	-10,900	0	29	0	-10,870
	Claims incurred							
R0110	*Gross direct business*	0	0	60,119	0	229	15	60,363
R0120	*Gross reinsurance accepted*	0	0	0	0	0	0	0
R0130	Gross	0	0	60,119	0	229	15	60,363
R0140	Reinsurers' share	0	0	23,312	0	0	13	23,325
R0150	Net	0	0	36,807	0	229	2	37,038
	Expenses incurred							
R0160	*Gross direct business*	0	0	761	0	0	0	761
R0170	*Gross reinsurance accepted*	0	0	0	0	0	0	0
R0180	Gross	0	0	761	0	0	0	761
R0190	Reinsurers' share	0	0	166	0	0	0	166
R0200	Net	0	0	596	0	0	0	596
R0300	Other expenses							6,323
	Transfers and dividends							
R0440	Dividends paid							

IR.12.01.02
Life technical provisions

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Best estimate							
R0025	Gross Best Estimate (direct business)	0	0	586,955	0	1,500	276	588,731
R0026	Gross Best Estimate (reinsurance accepted)	0	0	0	0	3	0	3
R0030	**Gross Best Estimate**	0	0	586,955	0	1,504	276	588,734
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	0	228,483	0	6	211	228,699
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re	0	0	358,472	0	1,498	65	360,035
R0100	**Risk margin**	0	0	3,344	0	2	0	3,346
	Amount of the transitional on Technical Provisions							
R0140	TMTP - risk margin	0	0	941	0	0	0	941
R0150	TMTP - best estimate dynamic component	0	0	11,303	0	0	0	11,303
R0160	TMTP - best estimate static component	0	0	0	0	0	0	0
R0170	TMTP - amortisation adjustment	0	0	0	0	0	0	0
R0180	**Transitional Measure on Technical Provisions**	0	0	12,245	0	0	0	12,245
R0200	**Technical provisions - total**	0	0	578,054	0	1,505	276	579,835

IR.22.01.21

Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
R0010	Technical provisions	579,835	12,222	0	4,608	0
R0020	Basic own funds	172,729	-3,489	0	-591	0
R0050	Eligible own funds to meet Solvency Capital Requirement	172,729	-3,781	0	-788	0
R0090	Solvency Capital Requirement	44,814	-560	0	-2	0
R0100	Eligible own funds to meet Minimum Capital Requirement	166,962	-4,652	0	-788	0
R0110	Minimum Capital Requirement	11,203	-140	0	0	0

IR.23.01.01

Own Funds

	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tie
		C0010	C0020	C0030	C0040	C0C
R0010	Ordinary share capital (gross of own shares)	20,000	20,000		0	
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	
R0070	Surplus funds	0	0			
R0090	Preference shares	0		0	0	
R0110	Share premium account related to preference shares	0		0	0	
R0130	Reconciliation reserve	146,962	146,962			
R0140	Subordinated liabilities	0		0	0	
R0160	An amount equal to the value of net deferred tax assets	5,767				
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	
R0220	**Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds**	0				
R0290	**Total basic own funds after deductions**	172,729	166,962	0	0	
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	172,729	166,962	0	0	
R0510	Total available own funds to meet the MCR	166,962	166,962	0	0	
R0540	Total eligible own funds to meet the SCR	172,729	166,962	0	0	
R0550	Total eligible own funds to meet the MCR	166,962	166,962	0	0	
R0580	**SCR**	44,814				
R0600	**MCR**	11,203				
R0620	**Ratio of Eligible own funds to SCR**	385.44%				
R0640	**Ratio of Eligible own funds to MCR**	1490.27%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	172,729
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	
R0725	Deductions for participations in financial and credit institutions	
R0730	Other basic own fund items	25,767
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	146,962

IR.25.04.21

Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

		C0010
	Market risk	
R0070	Interest rate risk	22,208
R0080	Equity risk	0
R0090	Property risk	0
R0100	Spread risk	26,092
R0110	Concentration risk	3,724
R0120	Currency risk	126
R0125	Other market risk	
R0130	Diversification within market risk	-17,641
R0140	**Total Market risk**	34,510
	Counterparty default risk	
R0150	Type 1 exposures	1,070
R0160	Type 2 exposures	791
R0165	Other counterparty risk	
R0170	Diversification within counterparty default risk	-117
R0180	**Total Counterparty default risk**	1,744
	Life underwriting risk	
R0190	Mortality risk	1
R0200	Longevity risk	13,724
R0210	Disability-Morbidity risk	0
R0220	Life-expense risk	5,901
R0230	Revision risk	0
R0240	Lapse risk	2
R0250	Life catastrophe risk	1
R0255	Other life underwriting risk	
R0260	Diversification within life underwriting risk	-3,391
R0270	**Total Life underwriting risk**	16,238
	Health underwriting risk	
R0280	Health SLT risk	2
R0290	Health non SLT risk	0
R0300	Health catastrophe risk	
R0305	Other health underwriting risk	
R0310	Diversification within health underwriting risk	0
R0320	**Total Health underwriting risk**	2
	Non-life underwriting risk	
R0330	Non-life premium and reserve risk (ex catastrophe risk)	
R0340	Non-life catastrophe risk	
R0350	Lapse risk	
R0355	Other non-life underwriting risk	
R0360	Diversification within non-life underwriting risk	
R0370	**Non-life underwriting risk**	0
R0400	**Intangible asset risk**	
	Operational and other risks	
R0422	Operational risk	2,598
R0424	Other risks	
R0430	**Total Operational and other risks**	2,598
R0432	**Total before all diversification**	76,242
R0434	Total before diversification between risk modules	55,092
R0436	Diversification between risk modules	-10,278
R0438	**Total after diversification**	44,814
R0440	Loss absorbing capacity of technical provisions	
R0450	Loss absorbing capacity of deferred tax	
R0455	Other adjustments	
R0460	**Solvency capital requirement including undisclosed capital add-on**	44,814
R0472	Disclosed capital add-on - excluding residual model limitation	
R0474	Disclosed capital add-on - residual model limitation	
R0480	**Solvency capital requirement including capital add-on**	44,814
R0490	Biting interest rate scenario	increase
R0495	Biting life lapse scenario	decrease

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Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

		C0010
	Linear formula component for non-life insurance and reinsurance obligations	
R0010	MCR_{NL} Result	0

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
R0020	Medical expense insurance and proportional reinsurance		
R0030	Income protection insurance and proportional reinsurance		
R0040	Workers' compensation insurance and proportional reinsurance		
R0050	Motor vehicle liability insurance and proportional reinsurance		
R0060	Other motor insurance and proportional reinsurance		
R0070	Marine, aviation and transport insurance and proportional reinsurance		
R0080	Fire and other damage to property insurance and proportional reinsurance		
R0090	General liability insurance and proportional reinsurance		
R0100	Credit and suretyship insurance and proportional reinsurance		
R0110	Legal expenses insurance and proportional reinsurance		
R0120	Assistance and proportional reinsurance		
R0130	Miscellaneous financial loss insurance and proportional reinsurance		
R0140	Non-proportional health reinsurance		
R0150	Non-proportional casualty reinsurance		
R0160	Non-proportional marine, aviation and transport reinsurance		
R0170	Non-proportional property reinsurance		

		C0040
	Linear formula component for life insurance and reinsurance obligations	
R0200	MCR_{L} Result	7,375

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits		
R0220	Obligations with profit participation - future discretionary benefits		
R0230	Index-linked and unit-linked insurance obligations		
R0240	Other life (re)insurance and health (re)insurance obligations	351,136	
R0250	Total capital at risk for all life (re)insurance obligations		2,041

		C0070
	Overall MCR calculation	
R0300	Linear MCR	7,375
R0310	SCR	44,814
R0320	MCR cap	20,166
R0330	MCR floor	11,203
R0340	Combined MCR	11,203
R0350	Absolute floor of the MCR	3,500
R0400	**Minimum Capital Requirement**	11,203