FIL Life Insurance (Ireland) DAC

Solvency and Financial Condition Report as at 30 June 2017

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INTRODUCTION

Background

The Solvency II regime has been effective from 1 January 2016 and established a new set of EU-wide capital requirements, risk management and disclosure standards. FIL Life Insurance (Ireland) DAC is subject to this regime.

This Solvency and Financial Condition Report ("SFCR") is intended to provide essential information about the solvency and financial position of FIL Life Insurance (Ireland) DAC referred to hereafter as "FIL Life Ireland" as at 30 June 2017. The requirement for an annual SFCR report arises under Solvency II.

A Regular Supervisory Report ("RSR") is also required, normally on a 3 year basis.

The Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplements Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (the "Delegated Regulation"). Article 304 of the Delegated Regulation states that the *"information which supervisory authorities require insurance and reinsurance undertakings to submit"* also includes *"the solvency and financial condition report disclosed by the insurance or reinsurance undertaking".*

The Solvency and Financial Condition Report ("SFCR") is a publicly available document.

Rounding has been applied throughout the SFCR, using the Excel ROUND function to round to thousands.

Structure of this report

The body of the report contains five distinct sections:

- Section A provides details on the business of the company and an assessment of the company's performance over the reporting period.
- Section B provides a description of the system of governance of the company.
- Section C provides details on the risk profile of the company and the management of risk exposures.
- Section D describes the valuation of the assets and liabilities of the company for solvency purposes.
- Section E provides details on the calculation of capital requirements, and outlines the company's approach to capital management.

Appendix 1 is the report of the independent auditor.

Appendix 2 is the annual quantitative reporting templates (QRTs) at 30 June 2017.

EXECUTIVE SUMMARY

Business and Performance

FIL Life Insurance (Ireland) DAC, “FIL Life Ireland / the Company” is a regulated life insurance provider, based in Ireland and authorised by the Central Bank of Ireland (“CBI”). FIL Life Ireland is part of the wider Fidelity group, with FIL Limited (Bermuda) and MNLC Holdings Limited (Bermuda) being the parents. Each holds 50% of the voting share capital. The Company has a single line of business, linked and unit-linked insurance in the form of regular premium group retirement business through its flagship product, the Multinational Retirement Savings scheme. This product is designed for multi-national companies that have employees in numerous jurisdictions, who wish to provide a scheme through which their employees may save for their retirement.

FIL Life Ireland does not take on traditional underwriting and due to internal arrangements, pricing underwriting exposure is limited.

The Company made a profit after taxation of EUR 254,756 (2016: EUR223,905) for the year and this amount has been transferred to the retained earnings. During the year ended 30 June 2017, the Company had accepted gross premiums on contracts classified as investment contracts amounting to EUR 127,877,742 (2016: EUR117,281,871) and made claims of EUR 108,190,569 (2016: EUR 99,399,178), there were 3 new schemes on boarded in financial year to June 2017 (2016:11). As at 30 June 2017 the Company has AUM of EUR 643,242,063 (2016: EUR 576,344,683). Fee income received in connection with the management of policyholder assets amounted to EUR 2,150,878 (2016: EUR 2,165,089) while income from FIL Fund Management Limited ("FFML") amounted to EUR 2,606,943 (2016: EUR 2,005,005). The Directors do not propose a dividend for the year ended 30 June 2017 (2016: Nil).

Investment performance has no significant direct impact on the Company’s performance except for a small amount of seed capital where market risk exists as the units purchased from this seed capital are owned by the shareholders. Investment performance only impacts the Company indirectly through management charges on assets under management as fees due to be received by the Company are based on a fixed percentage of AUM. There has been an increase in the investment performance over the financial reporting period principally as a result of foreign exchange and market movements in the unit-linked assets.

System of Governance

FIL Life Ireland has a system of governance which is led by the Board. The FIL Life Ireland Board has overall responsibility for business decisions and compliance with the regulatory system. The Board is responsible for ensuring that there is an effective governance structure, risk management and general control environment in place for the Company. The Board also has overall responsibility for its strategy and risk management pertaining to the business activities of the Company. The Board is supported by key control functions such as Risk, Compliance, Internal Audit, and the Actuarial Function (externally appointed actuary). In addition, functions such as Finance have a vital role to play in the sound and prudent management of the business. The Company has a fit and proper policy in place to ensure those holding key function positons possess the appropriate qualifications, experience and knowledge. Full details of each key function are noted within the body of this report.

The Company’s risk management system encompasses key elements including the Risk Appetite Statement, Risk Register, Key Risk Indicators, Risk Assessment and the Own Risk and Solvency Assessment (ORSA), which is integrated into the Company’s structure and decision making. The Company uses a “three lines of defence” internal control system which is designed to support the risk management framework. The Board delegates the review of the effectiveness of the risk management system and the internal control framework to the Risk Committee and matters’ relating to Internal Audit and other monitoring of controls in place is overseen by the Audit Committee.

The Board have overall responsibility for the ORSA and takes an active role in its production (in line with the Company’s ORSA Policy and process) and ensures regulatory compliance. The Company undertakes a full ORSA at least annually and reports on its findings within six months of its accounting year end.

The Company’s system of governance is supported by an outsourcing policy. The policy outlines the delegation and outsourcing arrangement within the Company. The Company outsources to another group company which is regulated by the UK Financial Conduct Authority.

Risk Profile

The Company does not take on traditional underwriting risk and due to internal arrangements, pricing underwriting exposure is limited.

Investment performance does not have a significant direct impact on the Company's performance, except for (i) a small amount of seed capital where market risk exists on this capital as the units seeded are owned by the shareholders (ii) investment performance impacts the Company indirectly through management charges on assets under administration (AUM) as fees due to be received by the Company are based on a fixed percentage of Assets Under Management.

The range of material risks to which the Company is exposed is curtailed due to the existence of an intercompany agreement. This agreement does lead to a degree of counterparty risk due to the Company's reliance on this agreement with another Fidelity entity. The Board accepts and monitors this exposure and gains comfort that it is familiar with the intercompany's financial stability and in an event of an unlikely default, management actions are in place to manage this event.

The Company does not have material exposure to life underwriting risk, operational risk and market risk as the Company is protected from risk to its financial position through intercompany agreements as well as due to policyholder liabilities being unit-linked and not offering life assurance benefits beyond a return of the value of investments.

Risk Strategy

The Company adopts a low risk strategy. In general terms, where a medium or high risk exists, the Company will seek to reduce this risk as much as possible through internal controls or other methods of risk mitigation. The Board's risk strategy recognises that certain risks are accepted, within limits, as a result of the Company's business model. The Company has a robust process for identifying and managing its key risks. Risks are managed and monitored to a risk appetite defined in the Risk Appetite Statement and approved by the Board, normally on an annual basis.

Valuation for Solvency Purposes

FIL Life Ireland's assets are primarily those held to back the unit-linked liabilities, with the surplus held as cash or similarly liquid investments. The value of these assets is stated at either market value or the expected realisable value. Similarly, the main components of the Company's liabilities are the technical provisions. The technical provisions are made up as follows:

- the Unit Liability;
- the Best Estimate Liability ("BEL"); and
- the Risk Margin ("RM").

Where a liability can be replicated using financial instruments, then the value of the technical provisions for that liability is determined as the market value for those instruments. Otherwise (where a market value is not observable for a liability), the value of technical provisions equals the sum of the BEL and the RM.

Capital Management

The Company maintains an efficient capital structure from equity shareholders' funds, consistent with the company's risk profile and the regulatory and market requirements of its business. In order to ensure that the Company retains a capital surplus, the capital policy is to maintain a buffer over and above the minimum capital requirement of the higher of:

(i) the Solvency Capital Requirement ("SCR");
(ii) the requirements identified in the Own Risk & Solvency Assessment (ORSA), also known as the Pillar 2 requirement.

The capital policy goal is to hold a discretionary buffer over the greater of the SCR and ORSA requirements, as determined by the Board. The discretionary buffer is subject to a quarterly review by the FIL Life Ireland Head of Finance and reviewed by the Board.

The Company is regulated by the Central Bank of Ireland to carry out contracts of insurance and is required to maintain adequate financial resources. It must be able to demonstrate that its available capital exceeds the capital requirement at any time.

The objectives of the Company's capital management policy are twofold:

(i) it aims to ensure that capital is, and will continue to be adequate to maintain the safety and stability of the Company, assuring a high level of confidence in the Company, and

(ii) it aims to ensure that capital is reasonable and not so high that a reasonable rate of return is difficult to achieve. The Company has adequate capital to meet its capital requirements under Solvency II and currently has no plans to issue, repay or otherwise change its capital management position. Under both the current solvency position and forward looking projections the Company has sufficient capital to cover key identified risks.

BUSINESS AND PEFORMANCE

A.1 Business

Legal Name

The name of the undertaking is FIL Life Insurance (Ireland) DAC ("the Company"), a Designated Activity Company.

Name and contact details of supervisor and external auditor

The Company is regulated by the Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1, Ireland

The Company's external auditor is PricewaterhouseCoopers, Chartered Accountants & Statutory Audit Firm, One Spencer Dock, North Wall Quay, Dublin 1, Ireland.

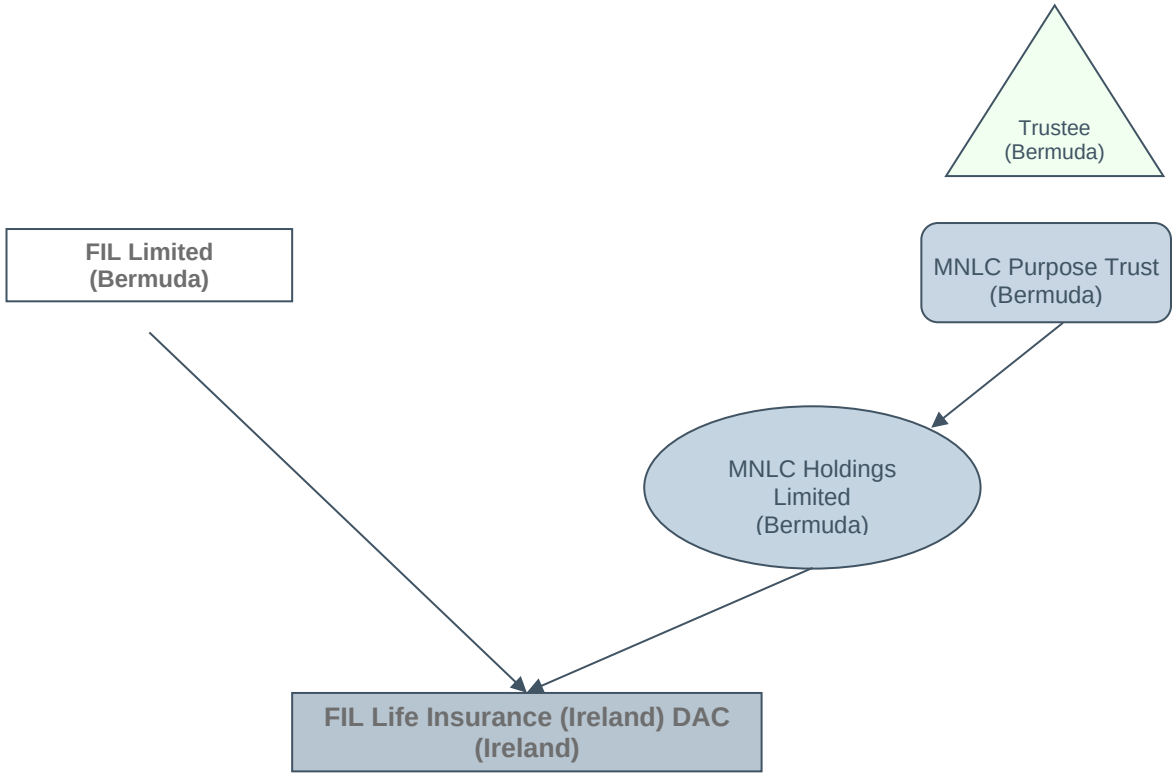
Description of holders of qualifying holdings

The holders of qualifying holdings in the Company are as follows:

- FIL Limited (Bermuda), the ultimate holding company in the Fidelity group.
- MNLC Holdings Limited (Bermuda), which is wholly owned by MNLC Purpose Trust (Bermuda).

If part of a group, details of the position within the legal structure of the group

The positioning of the Company within the Fidelity group is as follows, with FIL Limited (Bermuda) being the ultimate holding company within the group.



Material lines of business and geographical areas

The Company writes a single line of business (index linked and unit-linked insurance in the form of regular premium retirement business) through its flagship product, the Multinational Retirement Savings Plan. This is mainly written through Trustees (the policyholders) located primarily in the Isle of Man, with individual scheme members being located throughout the world.

Significant business or external events over reporting period

There were no significant internal or external events, occurring over the period since the previous valuation, which impacted upon the business.

Proportion of ownership and voting rights

The register of holdings of qualifying holdings is as follows:

€1.00 A Ordinary

Shareholder	Shares held	% of Class	Voting %	Capital %
FIL Limited	1,240,000	16.1	Non-Voting	14.3
MNLC Holdings Limited	6,460,000	83.9	Non-Voting	74.3

€1.00 B Ordinary

Shareholder	Shares held	% of Class	Voting %	Capital %
FIL Limited	500,000	50.0	50.0	5.7
MNLC Holdings Limited	500,000	50.0	50.0	5.7

A.2 Underwriting Performance

Underwriting performance by material business line and geographical area

The Company has limited exposure to pricing underwriting risk due to an intercompany agreement. The Company's pricing model aims to develop a framework to support flexible pricing options required to meet the needs of the business. Pricing is bespoke to each client and is dependent upon the metrics of the plan at take on and projected into the future.

There is an underwriting and pricing policy that includes the terms on which new business is written.

The Company's business does not involve accepting any insurance risk and therefore no traditional underwriting is required. Given that FIL Life Ireland does not undertake any traditional underwriting, there is no quantitative information on the performance to report.

The Company only has one line of business. The Company's product offering is a retirement savings plan designed for multi-national companies that have employees in numerous jurisdictions, who wish to provide a scheme through which their employees may save for their retirement ("Multinational Retirement Schemes").

(€'000)	30 June 2017	30 June 2016
Gross Premium	127,878	117,282

Underwriting performance compared to prior year as per financial statements

(€'000)	30 June 2017	30 June 2016
Gross Premium	127,878	117,282
Fee income on investment contracts	2,151	2,165
Fee income record keeping	155	107
Rebate fee income	1,584	1,176
Rebate fee insurance income	1,023	829
Total Fee Income	**4,913**	**4,277**

The increase in gross premium year on year was a result of an increase in single premium received EUR 88,002,971 in the financial year to June 2017 versus 2016 EUR 60,526,009 less a decrease in regular premium 2017 EUR 39,874,771 2016 EUR 51,809,495. The increase in fee income is a result of an increase in average assets under management in the reporting period.

A.3 Investment Performance

The Company's unit-linked assets are fully invested in funds managed by third party fund providers as well as funds managed by other Fidelity group companies.

The investment performance has no direct impact on the Company's performance, other than through the small amount of seed capital that the Company places into new funds (seed capital). Market risk exists on this capital as the units seeded are owned by the shareholders. The Company also has a holding in a Fidelity UCITS Liquidity Fund where gains and losses are reported through the statement of comprehensive income.

Investment performance indirectly impacts the business through the effect it has on annual management charges (AMCs). The Company's funds are all unit-linked and so the rewards and costs of investing are directly attributable to the policyholders. The performance of the funds only impacts FIL Life Ireland in so far as it earns a management charge on the assets under administration. Performance information on underlying funds is reviewed by the Board on a quarterly basis.

Investment performance compared to prior year as per financial statements

(€'000)	30 June 2017	30 June 2016
Investment Performance	49,361	(14,228)

The increase in the investment performance was principally a result of market movements and foreign exchange movements in the unit-linked assets. This increase is reported in the Statement of comprehensive income in fair value gains/losses on financial assets at fair value through profit and loss and change in investment contract liabilities. As stated above FIL Life Ireland does not bear significant direct risk related to the unit-linked assets; the risks related to these are borne by the policyholders as the value of their policy is in direct correlation with the value of the unit-linked assets. The Company will hold some assets in a range of mutual funds for the purpose of facilitating business operations (seed capital). The Company does bear secondary market risk which results from fees due to be received by the Company being based on a fixed percentage of assets under management ("AUM"). As markets move, the valuation of the AUM and consequently the fees due to the Company may be impacted.

Income and expenses by asset class

Income and expenses by asset class is not applicable as the Company is a unit-linked business only.

Gains/losses recognised directly in equity

There are no gains/losses recognised directly in equity.

Any investments in securitisation

There are no investments in securitisations.

A.4 Performance of other activities

Description of other material income or expenses

Material Income

In view of the nature of FIL Life Ireland's activities, FIL Life Ireland shall be entitled to total income that equates to 106.5% of expenses and all other costs by way of an intercompany agreement (exclusive of taxes on income) as determined by FIL Life Ireland. Adjustments may be necessary to ensure that income equates to the aforementioned position. Total income will be made up of investment income and rebate income.

(€'000)	30 June 2017	30 June 2016
Rebate fee income	1,584	1,176

The reason for the increase year on year was a result of the increase in allocated administrative costs and an increase in the number of schemes under administration from 15 to18 from July 2016.

Material Expenses

FIL Life Ireland's material expense relates to administrative charges for FIL Life Ireland's administration services.

(€'000)	30 June 2017	30 June 2016
Administration Expenses	2,181	2,147

Administration expenses have increased as a result of an increase in the number of schemes under administration.

Performance compared to prior year as per financial statements

See tables above.

A.5 Any other information

There is no other relevant information of note relating to business or performance.

SYSTEM OF GOVERNANCE

B.1 General information on the system of governance

Structure of administration, management or supervisory bodies including description of main roles and responsibilities and description of segregation of responsibilities and committees

The Company's Board of Directors is comprised of five Directors, two independent, non-executive Directors, two non-executive Directors and one executive Director. The Board of Directors has the overall responsibility for business decisions and for compliance with the regulatory system.

The main roles and responsibilities of the Board include the following:

- The Board is responsible for the effective, prudent and ethical oversight of the Company, setting its business strategy and ensuring that risk and compliance are properly managed.
- The Board shall have the necessary knowledge, skills, experience, expertise, competencies, professionalism, fitness, probity and integrity to carry out their duties. It should have a full understanding of the nature of the Company's business, activities, financial statements and related risks along with a full understanding of each director's individual responsibilities and collective responsibilities.
- The Board may delegate authority to sub-committees or management to act on behalf of the Board in respect of certain matters but, where the Board does so, it shall have mechanisms in place for documenting the delegation and monitoring the exercise of delegated functions. The Board cannot abrogate its responsibility for functions delegated.
- The Board should satisfy itself as to the appropriateness all policies and functions for the Company and in particular that these policies and functions take full account of Irish laws and regulations and the supervisory requirements of the Central Bank of Ireland ("Central Bank", "CBI"), when appropriate.
- The Board shall establish a documented risk appetite, and shall ensure that the risk management framework and internal controls reflect the risk appetite.
- The Board shall satisfy itself that all key Control Functions such as internal audit, compliance and risk management are independent of business units, and have adequate resources and authority to operate effectively.
- The Board shall ensure that the Company's remuneration practices do not promote excessive risk taking. The board shall design and implement a remuneration policy to meet that objective and evaluate compliance with this policy.

Further details on the governance structures can be found in the sections below.

Material changes in governance structures

There are no material changes to report relative to the previous report. There have been no material changes in governance structures over the course of the past year.

Information on remuneration policy and practices including: Principles of remuneration policy including any fixed or variable proportions; Information on performance criteria on which entitlements to share options or variable remuneration is based; Description of the main characteristics of any supplementary pension or early retirement scheme

The Company has no employees with staff being secondees of a group company with operational services also being provided by a group company. Executive salaries for Directors are set outside of the Company. For these reasons the Company does not have a separate Remuneration Committee. No individual is incentivised to put the capital of FIL Life Ireland at risk.

The Fidelity Group has a remuneration policy in place, which includes the relevant principles governing how members of staff are remunerated

At an individual level employees are assessed at least once a year. The performance assessment of all employees includes both qualitative and quantitative elements where appropriate. The variable pay structure for rewarding high performers is fully discretionary and is determined by individual performance and overall company affordability.

Information about material transactions during the reporting period with shareholders, with persons who exercise a significant influence, and with members of the administrative, management and supervisory bodies.

There have been no material transactions during the reporting period.

Information explaining how risk management, internal audit, compliance and actuarial function are integrated into the organisational structure and decision making processes of the undertaking.

See section B.3 for information about how the risk management function is integrated into the organisational structure and decision making processes of the undertaking.

See section B.4 for information about how the compliance function is integrated into the organisational structure and decision making processes of the undertaking.

See section B.5 for information about how the internal audit function is integrated into the organisational structure and decision making processes of the undertaking.

See section B.6 for information about how the actuarial function is integrated into the organisational structure and decision making processes of the undertaking.

B.2 Fit and proper requirements

Description of minimum requirements for skills, knowledge and experience applicable to persons in key functions

The Company has a Fit and Proper policy in place, to ensure that the persons who run the Company collectively possess appropriate qualifications, experience and knowledge, where relevant to the role in question.

Description of process for assessing fitness and propriety of persons in key functions

Fitness for a role is based on an assessment of management competence and technical competence. This assessment includes a review of previous experience, knowledge and professional qualifications, and demonstration of due skill, care, diligence and compliance with the relevant standards of the sector the person has worked in.

Assessment of propriety of an individual is based on their reputation, reflecting past conduct, criminal record, and financial record and supervisory experience.

All reasonable steps are undertaken to ensure that sufficient information is obtained to enable the Company to properly make informed decisions as to the fitness and propriety of Directors, Senior Managers and key function holders.

B.3 Risk management system including own risk & solvency assessment (ORSA)

A description of the company's risk management system and how it can effectively identify, measure, monitor, manage and report the risks

COMPONENTS OF THE RISK MANAGEMENT SYSTEM (RMS)

The risk management system encompasses all of the processes, procedures, documentation, controls and actions that contribute towards the management of risk within the Company.

The risk management strategy for the Company is captured in detail in the following documents:

- The Risk Appetite Statement;
- The Risk Register;
- The Key Risk Indicators report;
- Quarterly Risk reports; and
- The Own Risk and Solvency Assessment (ORSA).

The key elements of the Company's risk management system are noted below.

RISK APPETITE STATEMENT

The Board is responsible for establishing the risk appetite of the Company and for ensuring that it falls within acceptable risk appetite levels. The Risk Appetite Statement has been tailored to define the level and nature of risks that the Board considers acceptable to the Company. The Board uses the Risk Appetite Statement on an ongoing basis to shape its strategy. The Board normally reviews and approves the Risk Appetite Statement at least on an annual basis.

The Board delegated authority to the management group of the Company (the "Management Group") to accept certain levels of risk, within pre-agreed limitations as set out in the Risk Appetite Statement, on behalf of the Company.

THE RISK REGISTER

The Risk Register is a list of key risks to which the Company is deemed exposed. It is the product of the risk identification processes of the Company.

KEY RISK INDICATORS (KRI'S) REPORT

The Company has assigned KRIs to the risk categories where appropriate. These KRIs aim to provide management information as early as possible so that risks can be dealt with effectively but also so that opportunities to the Company can be acted upon. Risk indicators are reviewed regularly to ensure that they remain relevant to the key risks being monitored.

QUARTERLY RISK REPORTS

Risk reports are normally prepared on a quarterly basis. The reports produced contain information on the risk exposures and risk events for the Company and provide a commentary of the current risk exposure and forward looking risk exposure, and a description against the risk appetite of the Company in respect of the material risk exposures and management actions.

OWN RISK AND SOLVENCY ASSESSMENT (ORSA)

The ORSA considers the risks facing the Company, the appropriate mitigation and, where necessary, the amount of capital required to meet the risk. The ORSA is carried out in line with the ORSA process that has been implemented by the Company, in line with Solvency II requirements. Accordingly, the Company's risk profile is subject to appropriate and relevant scenario stress testing, as set out in the Own Risk and Solvency Assessment policy, and this is performed normally on an annual basis (and will be undertaken more frequently in the event that the risk profile of the Company changes materially.

OTHER ASPECTS OF THE RISK MANAGEMENT SYSTEM (RMS)

RISK CULTURE

Embedding, promoting an effective risk culture, supported with appropriate risk training and awareness is fundamental to embedding the Company's Risk Framework, Risk Appetite and establishing an effective risk culture throughout the Company, and Fidelity. The promotion of an effective risk culture is seen as a core management activity, recognising that the achievement of a positive and embedded risk culture should be also promoted by the Risk Management function and that risk culture is reflected in the Company's risk appetite statement and risk policy. Risk training and risk culture awareness is thus considered fundamental to embedding the risk framework and establishing an effective risk culture throughout the Company. Risk training and risk culture embedding is delivered through delivery of material to educate recipients on the subject of risk management, mandatory compliance and policy training modules completed online and functional management workshops and presentations.

CAPITAL

Capital provides the ultimate buffer for a firm to withstand financial shocks arising from severe risk events. As such, the assessment of an appropriate level of capital to hold is both an essential element of the Company's risk management framework and a mandatory requirement of the Central Bank. The Company is required to meet minimum regulatory capital standards at all times. These capital reserves are monitored by the Finance Officer of the Company and form the basis of financial reporting to the Central Bank. The risk management and finance teams also perform stress testing and scenario analysis on the Company's key business risks and adjustments are made to the capital requirements as appropriate in line with the Own Risk and Solvency Assessment (ORSA).

OPERATIONAL RISK AND OUTSOURCING

As the Company has an outsourcing arrangement with another internal group company the operational risks associated with this arrangement are assessed as part of the determination of capital requirements for operational risk exposure, and discussed with key business subject matter experts.

OTHER POLICIES

All employees supporting the business of the Company are expected to be familiar with all FIL Limited policies and any internal sub-policies or standards which also contribute to the overall risk management and control environment. Relevant policies include business continuity management, due diligence and background vetting (employees and third party contracts), FIL Limited information security and standards, and financial crime policies.

A description of how the RMS including the risk management function are implemented and integrated into the organisational structure and decision-making processes

THE BOARD

The Board has ultimate responsibility for the Company's risk management policy and risk management framework. The Board is responsible for reviewing the operation and effectiveness of the policy and framework.

The Company operates a governance structure that ensures that risk-taking is controlled in an appropriate manner. The Board is responsible for ensuring robust risk management and governance practices are in place for the Company and for ensuring that the management of the Company is operating the business in accordance with that risk strategy.

The responsibilities of the Board therefore include:

- Approving the risk management strategy to be followed by the Company and ensuring that regular reviews of this strategy take place;
- Receiving regular reports from the Risk Committee and monitoring the overall risk situation of the Company on a regular basis;
- Ensuring a strong risk culture exists within the Company; and
- Maintaining and regularly reviewing the Company's Risk Appetite Statement which articulates the general attitude towards the desired level of risk in the organisation. This includes reviewing and updating risk limits which will be specified for each of the principal risks in order to express the risk tolerance at an individual risk level.

The Board has delegated responsibility for certain risk related tasks to the Risk Committee. The Board is responsible for the oversight of the Risk Committee, its role and operation.

THE RISK COMMITTEE

The Risk Committee is responsible for reviewing the effectiveness of the risk management and internal control framework across the Company. The core roles and responsibilities of the Risk Committee are as follows:

- Providing oversight and advice to the Board on matters including:
    - The risk exposure and appetite of the Company.
    - The future risk strategy, taking account of the Board's overall risk appetite, the current financial position of the Company; and
    - The capacity of the Company to manage and control risks within the agreed strategy.

  The Committee may draw on the work of the Audit Committee and the External Auditor in providing such advice.
- Oversight of the Risk Management Function of the Company;
- Ensuring that the development and on-going maintenance of an effective risk management system within the Company is effective and proportionate to the nature, scale and complexity of the risks inherent in the business; and
- Advising the Board on the effectiveness of strategies and policies with respect to maintaining, on an ongoing basis, the amounts, types and distribution of both internal capital and own funds adequate to cover the risks of the Company.

The Risk Committee is governed by its terms of reference, which evidences the functions delegated to it by the Board, and is operated in line with applicable regulatory requirements and guidance. The terms of reference shall be reviewed annually by the Risk Committee to ensure continuing appropriateness. Any proposed amendments to the terms of reference will be submitted to the Board for approval.

THE RISK MANAGEMENT FUNCTION

The Risk Management Function of the Company is responsible for providing the Board, Risk Committee, and the Management Group with the appropriate risk management, advice and guidance including information on the Company's overall risk profile, proposals for refinements to its risk appetite, improvements to the Company's risk mitigation techniques, and regular updates of a risk event register. The Chief Risk Officer ("CRO") is the Head of the Risk Management Function and is referred to as the Head of Risk.

THE ACTUARIAL FUNCTION

The Actuarial Function will contribute to the effective implementation of the risk management system and will comment or contribute on other aspects of the risk management system, including, but not necessarily limited to, market risk and asset liability matching. More detail can be found in section B.6.

THE FINANCE FUNCTION

The Finance Function will play a key role in managing risk within the Company such as market and credit risk and in areas such as capital management, asset-liability matching and investments.

THE AUDIT COMMITTEE

The Audit Committee focusses on the oversight control framework for the Company. While its role in relation to risk management is of a more limited nature, it does focus on any matters relating to internal audit and other monitoring of controls in place, which also helps to manage risk. The Audit Committee operates on a similar basis to the Risk Committee and is governed by its own terms of reference in line with regulatory requirements.

FIL LIMITED (FIL GROUP) / INTERNAL AUDIT

The Company has the benefit of the support of certain functions of the FIL Group, which assist in the management of risk for the Company. These supports include the support of the internal audit team, which is centralised in the FIL group. The FIL group, like the Company, operates risk management on a "three line of defence" basis, as set out in more detail below. This is designed to ensure that day to day responsibility for risk management originates at a local level as part of the overall business process and a robust framework of risk identification, evaluation monitoring and control exits. The Framework mirrors and is guided by FIL group policy and FIL group approach, which is informed by the reporting from local entities into group risk reporting. More detail on the Internal Audit Function can be found in Section B.5.

The responsible persons and specific committees (if any), their roles, position and scope of responsibilities

The FIL Life Ireland Oversight Group meets at least on a quarterly basis. The Oversight Group monitors activities outsourced to other entities to ensure sufficient oversight over those outsourced functions. The Oversight Group reports to the FIL Life Ireland Board. This group comprises representatives from Operations, Investment services & Fund Accounting, Compliance, Finance and Investment Proposition. The duties of the group are to monitor against specific policies and secondly to monitor and review management information on the services provided by outsourced providers. Exceptions are reported to the FIL Life Ireland Board.

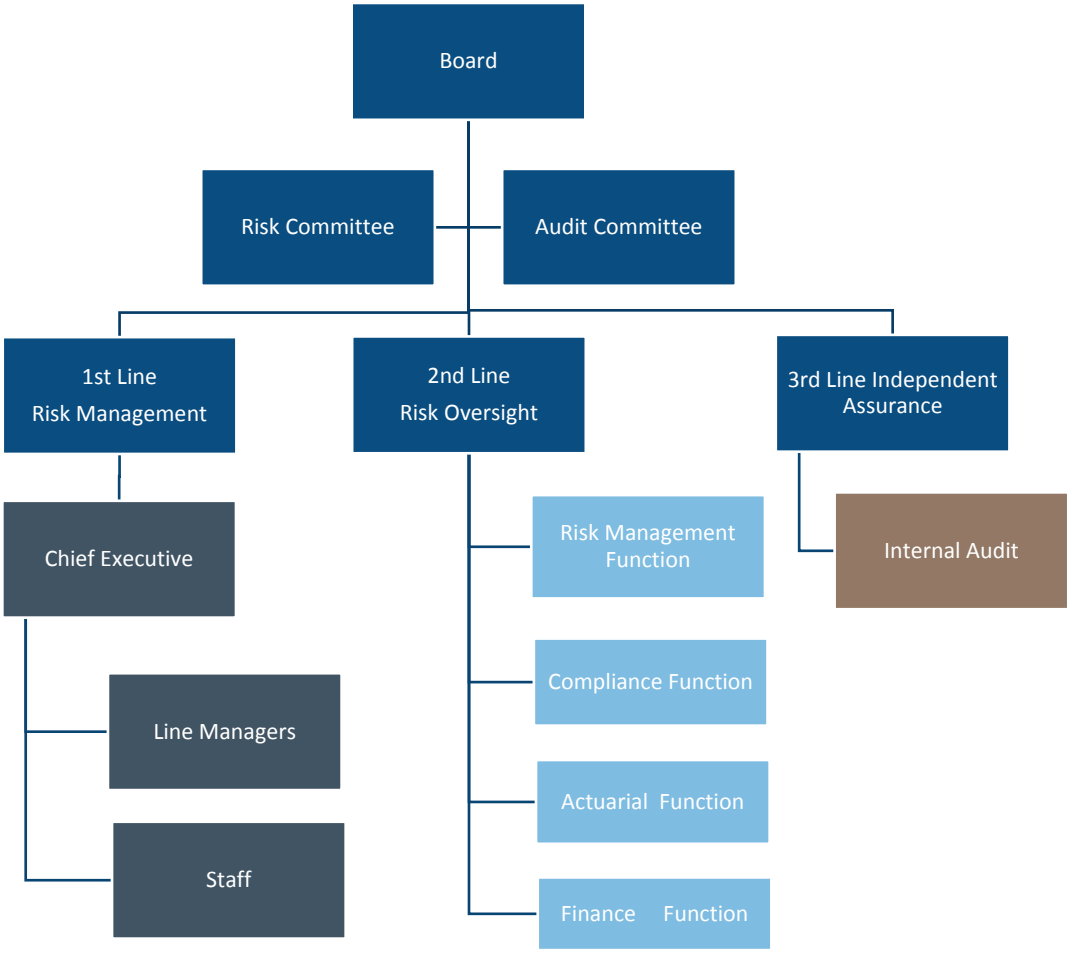
Description of how existing committees interact with the Administrative, Management or Supervisory Body ("AMSB") to ensure the AMSB meets its responsibilities with regard to the internal model

The Company does not use an internal model.

B.4 Internal control system

Description of internal control system

The Company uses a “three-lines-of-defence” internal control system, which is designed to support the effectiveness of the Company’s risk management framework and also support the Company’s Board in ensuring that an effective internal control framework is in place. The following graph shows key components of the three-lines-of-defence model.



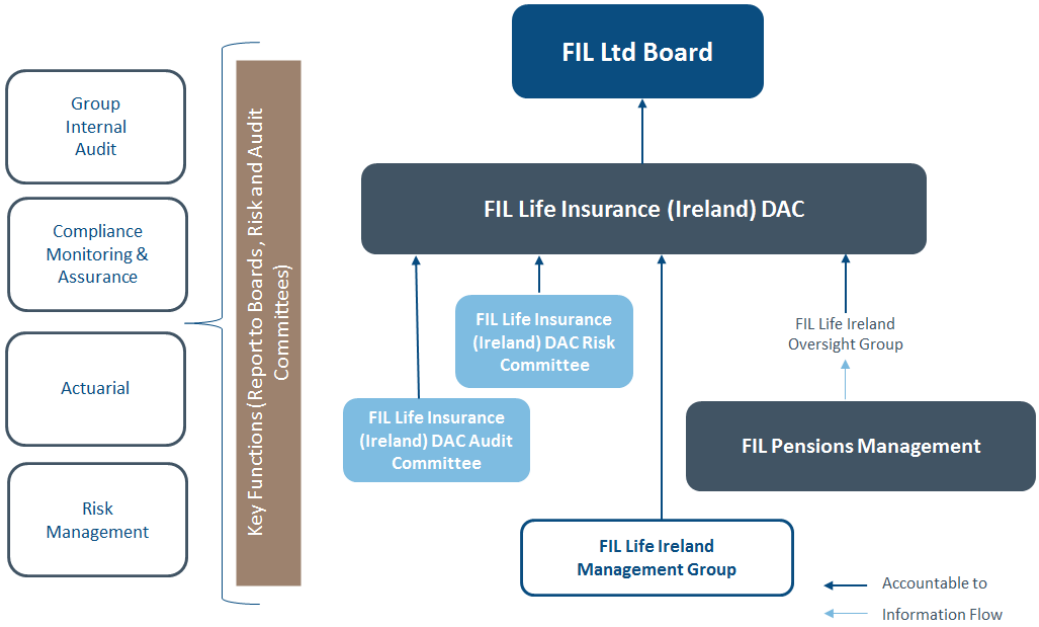
The internal control system includes administrative and accounting procedures, an internal control framework, appropriate reporting arrangements and the Compliance Function, in addition to the risk function. Specific internal controls are in place in relation to the valuation of assets and liabilities.

Description of how the compliance function is implemented

The Compliance Function is part of the second line of defence. The Compliance Function provides advice and guidance, in relation to regulatory obligations, to the business functions and Board of Directors. It monitors and provides regular assessment of the effectiveness of policies, processes, controls and procedures designed to ensure that the Company meets its obligations at all times. It also participates in the Company’s strategic and change agendas to ensure that existing and/or forthcoming obligations are factored in to all projects and initiatives. The Compliance function reports on relevant compliance items to the Board, including regulatory issues, breaches and errors as well as compliance monitoring, review findings and regulatory publications/papers impacting the Company’s business.

Description of governance committees

The governance arrangements including how the risk management system is integrated into the Organisational structure and decision-making processes of the Company is outlined below:



B.5 Internal audit function

Description of how the internal audit function is implemented

The Company's third line of defence against risk is comprised of the Internal Audit function and the Audit Committee. Internal Audit, reporting to the Audit Committee, provide independent assurance on the effectiveness of the systems and controls in place in the Company, including operational, compliance and risk management.

The Internal Audit function reports on the relevant audit items to the Board and Audit Committee, including audit findings from completed reviews, audits in progress and any notable issues including overdue actions. It examines and evaluates the functioning of the Company's internal controls and other elements of the Company's system of governance, as well as the adequacy of and compliance with regulatory obligations, internal strategies, policies, processes and reporting procedures.

Description of how its independence and objectivity is maintained

As the Internal Audit function is centralised within the FIL Group, it is completely independent and as a result, may perform its functions and report its findings to the Audit Committee without impairment.

B.6 Actuarial function

Description of how actuarial function is implemented

The Actuarial Function is part of the second line of defence in the Company's risk management framework. The Actuarial Function role has been outsourced to Milliman, the global insurance consultancy firm. The Head of Finance oversees the work performed by Milliman.

The Head of Actuarial Function ("HoAF") is a PCF role as prescribed by the CBI. The HoAF signs off on all of the relevant key tasks and deliverables as listed in the terms of reference for the Actuarial Function, agreed between the Company and Milliman, and which is in accordance with Solvency II requirements.

B.7 Outsourcing

Description of outsourcing policy including outsourcing of critical or important operational functions or activities, Jurisdiction of service providers

The Board has adopted a delegation and outsourcing policy to support the operation of the Company's effective system of governance. The policy describes the process used to determine whether to delegate or outsource functions to other providers. This policy aligns to the other policies so adopted by the Board and the business strategy of the Company, in line with the requirements of the CBI.

The Company is aware of the requirements of the CBI prior to delegation to third parties and the Company's compliance with these requirements is addressed in the policy. The policy outlines the delegation and outsourcing arrangements in an appendix of the policy, together with the rationale for the arrangement and whether each outsourced function is a critical or important function for the purposes of Solvency II. The policy also contains summary details of the agreements.

The Company recognises that delegation arrangements do not alter its relationship and obligations to its policyholders and do not affect the Company's legal or regulatory responsibilities for its authorised activities. The Company also notes that delegations or outsourcing arrangements must not impair the ability of the Central Bank to supervise the Company. The Board has ensured that the contractual arrangements in place to effect the delegation or outsourcing are consistent with this obligation.

The Company outsources to another group company, which is regulated by the United Kingdom Financial Conduct Authority, the administration services under an Insurance Administration Services Agreement. The Actuarial Function is outsourced to a firm of Actuaries.

OUTSOURCED FUNCTIONS	PARTIES
Insurance administration services and distribution services	Fidelity Group entity
Actuarial Services	Milliman

The Company outsources its operational administration activities to another group entity and distributes its product via this entity, which is a UK regulated entity, forms part of FIL Holdings (UK) Limited ('FHL') and assesses its risks and capital requirements as part of the FHL Group Internal Capital Adequacy Assessment Process (ICAAP). The FIL Life Board deems it appropriate to consider and monitor these risks (as appropriate) with these risks assessed within the FIL Life Own Risk and Solvency Assessment (ORSA).

B.8 Any other information

There is no other information relevant to systems of governance.

RISK PROFILE

C.1 Underwriting risk

C.1.1 Risk exposure

Description of measures used to assess risks, including any material changes over the year

Risk assessments are undertaken looking at the likelihood of a given risk event materialising and the possible impact as a consequence. There have been no material changes over the course of the year. The risk exposure is compared to the Risk Appetite which the Board set.

Description of material risks, including any material changes over the year

The range of material risks to which the Company is exposed is curtailed due to the existence of an intercompany agreement. There are no material residual underwriting risks.

C.1.2 Risk concentration

Description of the material risk concentrations

Due to the existence of the intercompany agreement, the Company's risk exposure is effectively concentrated with the contracting company (in the form of counterparty risk, including the risk that the counterparty will decide to terminate the agreement). It does not have any material underwriting risk concentrations.

C.1.3 Risk mitigation

Description of method for mitigating risk and process for monitoring effectiveness of these strategies

The Company considers a number of methods for mitigating risk including putting in controls or a measure in place, transferring the risk to a third party or considers use of insurance as a measure to reduce the likelihood or impact of a risk. The Company will also consider whether to avoid a risk where it is deemed outside of the Company's appetite.

Risk monitoring is achieved through the completion of specific elements of the risk management framework, as follows:

- On-going review and update of the Risk Appetite Statement by the Head of Risk, along with an annual review by the Risk Committee.
- On-going review and update of the Risk Register by the Head of Risk, along with an annual review by the Risk Committee.
- On-going reporting and discussion of appropriate risk information to the Risk Committee.

C.1.4 Risk sensitivity

Description of assumptions, methodology and results of stress-testing and sensitivity analysis for each material risk

The Company does not face any material underwriting risk exposure due to the existence of an intercompany agreement. However, in the absence of the intercompany agreement, it is exposed both to an increase in expenses and an increase in surrenders. These exposures are examined on an annual basis through the ORSA process, and quarterly through the calculation of the SCR on a Standard Formula basis.

In relation to the sensitivity to expenses, the Company undertakes an expense shock stress including a 50% direct expense stress. This sensitivity was determined based on a point in time shock. However, the overall capital requirements of the Company remain unchanged, resulting in a reduction in the solvency coverage ratio.

The Company is similarly exposed to an increase in surrender rates. The Company undertakes a 50% lapse stress. Similar to the expense shock, the overall capital requirements of the Company remain unchanged, resulting in a reduction in the solvency coverage ratio.

C.1.5 Any other disclosure

The Company does not have any further disclosure to make in relation to its underwriting risk profile.

C.2 Market risk

C.2.1 Risk exposure

Description of measures used to assess risks, including any material changes over the year

See Section C.1.1 for details.

Description of material risks, including any material changes over the year

The range of material risks to which the Company is exposed is curtailed due to the existence of an intercompany agreement. There are no material residual market-related risks.

Description of how assets have been invested in accordance with the 'prudent person principle'

The Company writes a single line of business in Linked Long Term Business with policy holders selecting their own investments, The unit-linked funds are invested in funds managed by third party fund providers as well as funds managed by other Fidelity group companies.

All of the benefits from policyholder investments for the Company are directly linked to the value of units in funds subject to the provisions of the EU Directive relating to the undertakings for collective investment in transferable securities (UCITS). There is no direct investment. The Company has seed capital in new funds. Neither policy holders nor the Company directly hold complex instruments such as derivatives, securitisations, and "non-routine" investments and there are no plans to do so.

C.2.2 Risk concentration

Description of the material risk concentrations

Due to the existence of an intercompany agreement, the Company's risk exposure is effectively concentrated within the FIL Group (in the form of counterparty risk, including the risk that the counterparty will decide to terminate the agreement). It does not have any material underwriting risk concentrations.

Market risks present themselves from the seed capital, used to support new fund set-up, although this exposure is limited due to the seed capital policy in place. The seed capital limit applied is EUR 700K in total. This is monitored regularly and discussed at Board meetings.

C.2.3 Risk mitigation

Description of method for mitigating risk and process for monitoring effectiveness of these strategies

See Section C.1.3 for details.

C.2.4 Risk sensitivity

Description of assumptions, methodology and results of stress-testing and sensitivity analysis for each material risk

The Company does not face any material market risk exposure due to the existence of an intercompany agreement. However, in the absence of this agreement, it is exposed to a shock reduction in underlying policyholder fund values (as margins are largely determined as a percentage of underlying fund values). This exposure is examined on an annual basis through the ORSA process, and quarterly through the calculation of the SCR on a Standard Formula basis.

In relation to the sensitivity to market movements, the Company has quantified an adverse impact of its liabilities arising from a 40% reduction in the value of policyholder unit liabilities. The initial stress sensitivity was determined based on a point in time shock, with a gradual stock market recovery (i.e. recovery/increase in unit linked values). The overall capital requirements of the Company remain unchanged, resulting in a reduction in the solvency coverage ratio.

C.2.5 Any other disclosure

The Company does not have any further disclosure to make in relation to its market risk profile.

C.3 Credit risk

C.3.1 Risk exposure

Description of measures used to assess risks, including any material changes over the year

See Section C.1.1 for details.

Description of material risks, including any material changes over the year

The range of material risks to which the Company is exposed is curtailed due to the existence of an intercompany agreement. The only material residual credit risk is counterparty exposure to the Fidelity Group, particularly in the event of a loss arising such that there is a material recovery amount due from the Fidelity Group. There was no material change to the credit risk exposure of the Company over the year.

Description of how assets have been invested in accordance with the 'prudent person principle'

See section 2.1 for details.

C.3.2 Risk concentration

Description of the material risk concentrations

The material risk concentration to which the Company is exposed is within the FIL Group through the intercompany agreement where the Company places heavy reliance on this agreement to provide support in running the business.

The Company also has material exposure to the default of banks were there are cash balances held with those banks, and to the default of the Fidelity Institutional Liquidity Fund plc ("the ILF"). The Company holds cash deposits with Bank of America Merrill Lynch (BOAML). BOAML is investment grade rated by Standard and Poor's and the ILF is AAA rated. These ratings are monitored for any changes.

C.3.3 Risk mitigation

Description of method for mitigating risk and process for monitoring effectiveness of these strategies

See Section C.1.3 for details.

C.3.4 Risk sensitivity

Description of assumptions, methodology and results of stress-testing and sensitivity analysis for each material risk

The Company does not face any material counterparty risk exposure due to the existence of an intercompany agreement, with the exception of exposure to a Fidelity Group entity (which is materially increased due to this agreement). This exposure is assessed in the Company's ORSA, through an analysis of a scenario in which the agreement is terminated, and also another scenario in which there is also a loss of 20% of the Company's capital due to the failure in a counterparty bank. This analysis has shown that under the 'reverse stress' scenario, the Company can meet its policyholder obligations in line with the implementation of its resolution plan, but that the solvency capital ratio would drop below 100%.

C.3.5 Any other disclosure

The Company does not have any further disclosure to make in relation to its credit risk profile.

C.4 Liquidity risk

C.4.1 Risk exposure

Description of measures used to assess risks, including any material changes over the year

See Section C.1.1 for details.

Description of material risks, including any material changes over the year

The range of material risks to which the Company is exposed is curtailed due to the existence of an intercompany agreement. However, this agreement does not explicitly address liquidity risk. There are currently no material risks to liquidity, and this position has remained stable over the course of the year.

Description of how assets have been invested in accordance with the 'prudent person principle'

See Section C.2.1 for details.

C.4.2 Risk concentration

Description of the material risk concentrations

There are no material liquidity risk concentrations to the Company.

C.4.3 Risk mitigation

Description of method for mitigating risk and process for monitoring effectiveness of these strategies

See Section C.1.3 for details.

C.4.4 Risk sensitivity

Description of assumptions methodology and results of stress-testing and sensitivity analysis for each material risk

The Company does not face material liquidity risk. Therefore, this risk exposure is not the subject of any formal stress-testing or sensitivity analysis.

C.4.5 Any other disclosure

The Company does not have any further disclosure to make in relation to its liquidity risk profile.

C.5 Operational risk

C.5.1 Risk exposure

Description of measures used to assess risks, including any material changes over the year

See Section C.1.1 for details.

Description of material risks, including any material changes over the year

The range of operational material risks to which the Company is exposed is curtailed due to the existence of an intercompany agreement. There are no material residual operational related risks. There was no material change to the credit risk exposure of the Company over the year.

C.5.2 Risk concentration

Description of the material risk concentrations

The Company's operations are carried out by one provider, a Fidelity (FIL) Group company. The operations undertaken include carrying out the insurance administration services such as processing and updating details of policyholders' details and investment management services such as devising and implementing investment policy and managing allocation of investments of FIL Life Ireland funds where those funds comprise more than one underlying collective investment scheme.

C.5.3 Risk mitigation

Description of method for mitigating risk and process for monitoring effectiveness of these strategies

See Section C.1.3 for details.

C.5.4 Risk sensitivity

Description of assumptions, methodology and results of stress-testing and sensitivity analysis for each material risk

The Company does not face any material operational risk exposure due to the existence of an intercompany agreement. Therefore, this risk exposure is not the subject of any formal stress-testing or sensitivity analysis, but is considered through consideration of a possible operational risk exposure event(s) elsewhere in the Fidelity Group, leading to an impact on the support agreement for the Company from the other Fidelity Group entity.

C.5.5 Any other disclosure

The Company does not have any further disclosure to make in relation to its operational risk profile.

C.6 Other material risks

Overview of the use of special purpose vehicles, disclosing at least information on whether the SPV is authorised under Solvency II, what risks are transferred to it and how the fully funded principle is assessed on an on-going basis

The Company does not make use of Special Purpose Vehicles.

Risks which are incidental to doing business, but are not actively pursued, include counterparty & credit risk, investment risk in respect of shareholders' funds and capital & funding risk.

C.7 Any other information

There is no other information relevant to the Risk profile.

VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

Value of assets for each material class, as well as a description of the basis, methods and assumptions used for valuation

FIL Life Ireland's assets are primarily those held to back the unit-linked liabilities, with the surplus held as cash or similarly liquid investments. These assets are comparatively straightforward, and are stated at either market value or the expected realisable value (in the case of cash deposits). The methodology for valuing and recognising these assets is therefore not expected to change in the foreseeable future.

Asset holding as at 30 June 2017, as per QRT S.02.01 with 2016 comparables

Classes of Material Assets (€'000)	30 June 2017	30 June 2016 (Un-audited)
Investments (other than assets held for unit-linked funds)	13,153	7,523
Assets held for index-linked and unit-linked contracts	643,878	576,890
Insurance and Intermediate receivable's	1,809	781
Receivables (trade not insurance)	415	319
Cash and cash equivalents	1,131	5,796
Any other assets, not elsewhere shown	9,539	6,057
Total assets	**669,926**	**597,366**

The valuation methodology and assumptions for these assets, including reasons for aggregation, are summarised below:

Investments: other than assets held for unit-linked funds

These represent listed investments held with quoted liquidity funds. The assets are stated at market value.

Assets held for index-linked and unit-linked contracts

Assets held for unit-linked funds are all forms of publically available collective investment schemes; primarily Undertakings for Collective Investment in Transferable Securities ("UCITS") and are stated at the market value provided by the fund managers.

FIL Life Ireland reviews the prices received against agreed tolerances for movements. An SLA is agreed with each fund manager for timeliness and accuracy and these are regularly followed up with meetings and questionnaires to assess the quality of the prices and other data received.

In response to adverse events, FIL Life Ireland may take a number of actions to protect the interests of policyholders in a fund, for example, suspend trading or pricing, defer dealing or diverge from the stated investment policy.

Insurance and Intermediate receivables

Insurance and intermediate receivables are included at the expected realisable value.

Cash and cash equivalents;

Cash and cash equivalents represent cash at bank and is valued at the expected realisable value.

Receivables (trade not insurance) and any other assets, not elsewhere shown

Receivables and other assets, such as debtors are included at the expected realisable value.

For each material class, a quantitative and qualitative explanation of any material differences with the valuation basis, method and assumptions used for the financial statements

There are no differences between the solvency valuation basis and financial statements basis for assets, with the exception of:

- The establishment of a rebate asset within the solvency valuation; and
- The establishment of a Best Estimate Liability plus a Risk Margin within the solvency valuation of the technical provisions (in addition to the unit liability). The technical provisions in the financial statements are set equal to the unit liability.

The rebate asset is similar in nature to a reinsurance asset and captures the benefit of the intercompany agreement. The value of the rebate asset for year-end reporting was €9,539m as at 30 June 2017.

Description of leasing arrangements, separately disclosing information for financial leases and operating leases

The Company does not have any leasing agreements.

Where related undertakings were not valued using quoted market prices in active markets, or the adjusted equity method, an explanation why the use of these methods was not possible or practical

This is not applicable to the Company.

Where intangible assets are valued at an amount greater than zero and the amount is material, at least the following information should be given the nature of the assets and information on the evidence and criteria they used to conclude that an active market exists for those assets

The Company does not have any intangible assets.

Information on material financial assets, disclosing where relevant the criteria used to assess whether markets are active, if they are inactive, a description of the valuation model used, significant changes to valuation models used and to model inputs, including the impact of and reasons for the change

The vast majority of the assets are unit-linked funds that are actively traded. Some of these funds are managed by related Fidelity companies, whereas others are managed by external providers. Prices are updated regularly on these funds, in most cases on a daily basis, which is indicative of an active market.

Information on deferred tax assets and liabilities, disclosing the origin of the recognition of deferred tax assets and liabilities, the amount and expiry date if applicable, of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset and liability is recognised in the balance sheet

Not applicable as the Company has no deferred tax assets.

D.2 Technical Provisions

Value of technical provisions (split by best-estimate and risk margin) for each material line of business as well as a description of the basis, methods and assumptions used for their valuation

There are three components of the technical provisions for a unit-linked company such as FIL Life Ireland. These are: the Unit Liability; the Best Estimate Liability ("BEL"); and the Risk Margin ("RM").

Where a liability can be replicated using financial instruments, for which a reliable market value is observable, then the value of the technical provisions for that liability is determined as the market value for those instruments. An example of this is the unit liability, where the value of the liability is set equal to the value of the units deemed allocated to policyholders.

Otherwise (where a market value is not observable for a liability), the value of technical provisions equals the sum of the BEL and the RM. The BEL is the expected present value of the probability-weighted average of future cash-flows, using relevant risk-free interest rate term structure. The RM is the cost of holding the SCR over the lifetime of the business. The cost of capital rate is set in the Solvency II Delegated Regulation to be 6% p.a.

Technical provisions are calculated gross of amounts recoverable from reinsurance contracts and special purpose vehicles.

The table below shows the components of the technical provisions for FIL Life Ireland.

Technical Provisions as at 30 June 2017, as per QRT S.02.01 & S.12.01 with 2016 comparable

Technical Provisions (€'000)	30 June 2017	30 June 2016 (Un-audited)
Unit Liability	643,242	576,345
Best Estimate Liability	8,750	5,064
Risk Margin	1,004	855
Gross Technical Provisions	**652,996**	**582,264**

Each of these items, including the basis, methods and assumptions, are discussed in more detail in the following subsections.

UNIT LIABILITY

The unit liabilities are equal to the value of units allocated to policyholders and are matched by corresponding unit-linked assets held on behalf of policyholders. The value of units is calculated as the price per unit multiplied by the number of units. These are calculated by the policyholder administration system.

The unit liability amounted to €643m at the financial year-end of 30th June 2017. The unit liability has increased by €67m over the year, from €576m at 30th June 2016 to €643m at 30th June 2017. This is driven by a change in assets under management at 30th June 2017 in comparison to the previous year-end as a result of net new business premium over claims and positive market movement.

BEST ESTIMATE LIABILITY ("BEL")

The BEL represents the present value of the expected future cash flows arising from the inforce book of business, discounted using risk-free interest rates. It does not include the unit liability as this has been unbundled and classified as technical provisions calculated as a whole, as outlined above. As the projected future outgoings are expected to exceed the expected future income from the inforce business, the BEL for this business is positive.

The BEL amounted to €8.7m at the financial year-end of 30th June 2017. The BEL has increased by €3.7m over the year from €5.1m at 30th June 2016. This is mainly driven by a change in best estimate expense assumptions. As the BEL for this business is positive, the increase is also partly due to the writing of new business and the increased amount of assets under management at 30th June 2017 in comparison to the previous year-end.

The cash flows projected include the following, where relevant:

- Fund management charges;
- Member record keeping fees;
- Maintenance Expenses; and
- Third-party administration fees, including investment management fees.

For the Company, the definition of contract boundaries determines what premiums and associated cash flows should be included in the calculation of the BEL. Any premiums and associated cash flows that lie beyond the contract boundary are excluded from the calculation of the technical provisions. For the Multinational Retirement Savings Plan business, the contract boundary occurs immediately, due to the fact that the product charges are fully reviewable, and hence no new premiums are included in the calculation of the BEL.

The key assumptions used in relation to the calculation of the best estimate liabilities are as follows:

- Surrender rates;
- Maintenance expenses;
- Maintenance expense inflation;
- Third Party Administration ("TPA") fees;
- TPA fee inflation; and
- Discount rates and investment growth.

Each of the demographic assumptions is derived at a homogeneous risk group level, which for the Company is at an overall book level.

Each key assumption is now described in further detail below:

- Surrender Rates

The best estimate lapse rate assumption allows for both full and partial surrenders in respect of scheme members. The actuarial function has carried out an experience investigation on the book of business and the lapse rate assumption is set in line with the results from this investigation. There is no material change in this assumption compared to the previous year.

- Maintenance and TPA Expense

The expense assumptions were set based on sales and expenses from the most recent business plan at the time of setting the technical provision assumptions for the valuation at 30 June 2017. The expense assumptions have been updated for 30 June 2017 to allow for the most recent business plan.

- Expense Inflation

Expense Inflation is modelled separately in respect of EUR and GBP denominated expenses.

The EUR denominated expense inflation is determined based on the European Central Bank target inflation rate. A margin for wage inflation has been added to this rate to allow for the proportion of the underlying cost base which is salary-related. The margin was derived using relevant data from the Economic and Social Research Institute (ESRI). In previous years a margin for wage inflation was not applied in the calculation of the technical provisions.

The GBP expense inflation rate is set in line with observed market yields on UK inflation linked securities of suitable duration. There is no material change in this assumption compared to the previous year.

- Discount Rate and Investment Growth

In calculating the technical provisions, the yield curve is based on the prescribed Solvency II methodology. There is no material change in this assumption compared to the previous year.

RISK MARGIN

The risk margin is calculated as the cost of holding the Solvency Capital Requirement ("SCR") over the lifetime of the obligations. So the projection of the SCR is the key input to this calculation.

This is calculated based on the cost of holding the SCR in respect of non-hedgeable risks over the projected future lifetime of the inforce contracts. The risk margin is calculated at a total portfolio level rather than at an individual policy level.

The risk margin is calculated using the cost of capital approach set out in the Solvency II Directive.

The risk margin was €1.0m at 30th June 2017. The risk margin has increased by €0.1m over the year, from €0.9m at 30th June 2016. This increase is driven by an increase in counterparty default risk and operational risk which is offset by a decrease in underwriting risk, an increase in the Euro risk-free yield curve, and a change in the pattern of the projected future BEL as a result of recalculating the BEL at 30th June 2017.

The Company uses a simplified approach in calculating the SCR for each future year whereby the future SCR is projected based on the projected future BEL of the inforce business. This corresponds to Method 2 in the hierarchy of methods for the calculation of the risk margin described in the "Guidelines on valuation of technical provisions" published by EIOPA.

The SCR that is projected into the future to calculate the risk margin reflects the existence of the intercompany agreement. The inclusion of this agreement results in a reduction in the projected SCR of the Company, as it acts to mitigate some of the Company's risk exposure under the various stresses of the SCR. This in turn results in a reduction in the risk margin.

As the Company only writes one line of business it does not need to allocate the risk margin by line of business.

Description of the level of uncertainty associated with the amount of the technical provisions

The sensitivity of the BEL to changes in the assumptions used in calculating the technical provisions is described below. The sensitivity of the technical provisions is represented here by the sensitivity of the BEL, although some second order impacts on the RM would also be expected.

BEL SENSITIVITY ANALYSIS (€'000)	30 JUNE 2017
Change due to 50% decrease in unit prices (per SCR equity shock)	+ 3,363
Change due to 10% increase in expenses and 1% increase in expense inflation	+ 2,928
Change due to 50% decrease in surrender rates	+ 6,286
Change due to 15% decrease in mortality rates	+ 15
Change due to decrease in interest rates (per the SCR interest rate shock)	+ 381

The sensitivity analysis above shows that the BEL is reasonably sensitive to an adverse movement in equity values, with the BEL increasing by €3.4m in response to a 50% decline in unit values. This is the result of lower margins arising from the funds under management (due to the drop in the value of these funds), partially offset by a reduction in fund related expenses.

The BEL is also quite sensitive to the expense assumptions used. A 10% increase in expense assumptions, combined with a 1% increase in expense inflation rates results in an increase in BEL of €2.9m. Note that the expense assumptions referred to in this scenario include maintenance expenses and TPA expenses.

The BEL is very sensitive to changes in the surrender rates. Since the projected future level of expenses is greater than the projected future income from the inforce business, a decrease in surrender rates results in an increase to the BEL. This decrease in lapse rates has the effect of increasing the liability on the business by €6.3m.

The BEL is not particularly sensitive to changes in mortality rates. The Company is not exposed to significant mortality risk due to the absence of any death benefits in excess of the unit fund on contracts. A decrease in mortality rates results in an increase in BEL of less than 0.2%, and so this is not considered a material risk for the Company.

The BEL is also not very sensitive to changes in interest rates. It can be seen in the table above that a decrease in the yield curve (as per the SCR shock) results in an increase in BEL of €0.4m. The impact of this is quite minor, as the same yield curve is used for investment return and discounting. As most of the cash flows are directly related to the value of the underlying unit-linked liabilities, changes to the yield curve do not have a significant impact on the BEL.

For each material line of business, a quantitative and qualitative explanation of any material differences with the valuation basis, method and assumptions used for the financial statements

For financial statements reporting, the Company classifies all contracts as "Investment Contracts" for the purpose of calculating the Life Assurance Provision under the International Financial Reporting Standard ("IFRS"). Thus, the total liability held in respect of the book of business for financial statement is the unit linked liability. As per Solvency II methodology, the unit liabilities under IFRS are equal to the value of units allocated to members and are matched by corresponding unit-linked assets held on behalf of members. The value of units is calculated as the price per unit multiplied by the number of units. There is no BEL or RM in the financial statements, therefore these items are zero.

Where the matching adjustment is applied, a description of the matching adjustment and of the portfolio of obligations and assigned assets to which it is applied, as well as a quantification of the impact of a change to zero of the matching adjustment on that undertaking's financial position

The matching adjustment is not used within the technical provisions.

A statement on whether the volatility adjustment is used and quantification of the impact of a change to zero of the volatility adjustment on that undertaking's financial position

The volatility adjustment is not used within the Company's technical provisions.

Information on use of the transitional provisions on the risk-free interest rate term structure and, if used, the quantitative impact on the valuation of technical provisions

Transitional provisions are not used within the Company's technical provisions.

A statement on whether the transitional deduction is applied and a quantification of the impact of not applying the deduction measure on the undertaking's financial position

Transitional deduction is not applied to the Company's technical provisions.

A description of recoverables from reinsurance contracts and SPVs and material changes in assumptions made in the calculation of technical provisions compared to the previous year

The Company currently does not have any reinsurance arrangements in place. It does, however, have an alternative risk transfer arrangement in place, this agreement acts in a similar fashion to reinsurance.

This is the second year-end that technical provisions are reported for FIL Life Insurance Ireland (DAC). Comparisons of results and assumptions against last year are documented above.

D.3 Other liabilities

Value of other liabilities for each material class as well as a description of the basis, methods and assumptions used for their valuation

The value of other liabilities is as follows:

Other Liabilities as at 30 June 2017 with 2016 comparable as per QRT S.02.01

Other Liabilities (€'000)	30 June 2017	30 June 2016 (Un-audited)
Derivatives	-	7
Insurance & intermediaries payables	7,254	5,447
Payables (trade, not insurance)	406	338
Any other liabilities, not elsewhere shown	87	29
Total Other Liabilities	**7,747**	**5,821**

These amounts are based on a market consistent valuation and are consistent with the values included in the financial statements.

A quantitative and qualitative explanation of any material differences with the valuation basis, method and assumptions used for financial statements purposes

The same valuation basis, methods and assumptions (where relevant) are used for the Company's business in its financial statements as are used for solvency reporting purposes.

When aggregating other liabilities than technical provisions into classes, in order to describe the valuation basis that has been applied to them, aggregate these liabilities based on their nature, function, risk and materiality for solvency purposes

Aggregation is not used in the calculation of other liabilities.

Description of material liabilities arising from leasing arrangements, separately disclosing information for financial leases and operating leases

FIL Life Ireland has no lease arrangements.

Disclosure of information regarding material contingent liabilities and provisions other than technical provisions separately, at least including the nature of the obligation and, if known, expected timing of any outflows of economic benefits and an indication of uncertainties surrounding the amount of timing of the outflows of economic benefits and how deviation risk was taken into account in the valuation

There are no contingent liabilities or material provisions in the Financial Statements.

Disclosure of at least the following information regarding employee benefits:

The nature of the obligations with employee benefits and a breakdown of the amounts by nature of obligations

The nature of the defined benefit plan asset, the amount of each class of assets, the percentage of each class of assets of the total defined benefit plan assets, including reimbursement rights

As at June 30, 2017 all employees engaged in the management and administration of the Company are employed by other FIL Group Companies. Their services are provided under a secondment agreement or Insurance Administration Services Agreement in place between these companies and FIL Life Insurance (Ireland) DAC. The expenses in relation to these employees are recharged under these agreements on the basis of cost plus 5% basis and are included in Administrative expenses.

With the exception of Independent Non-Executive Directors, the Company does not remunerate any member of the Board for their service. The Independent Non-Executive Directors were paid remuneration of €38,757 in the year to 30 June 2017 (2016: €32,814).

The Company has no defined benefit pension plan.

D.4 Alternative methods for valuation

There is no alternative valuation method used.

D.5 Any other information

There is no other material information regarding the valuation of assets and liabilities.

CAPITAL MANAGEMENT

E.1 Own funds

Information on the objectives, policies and processes for managing own funds including the planning horizon used and any material changes

The objectives of the Company's capital management policy are twofold: firstly, it aims to ensure that capital is, and will continue to be adequate to maintain the safety and stability of the Company, assuring a high level of confidence in the Company, and secondly it aims to ensure that capital is reasonable and not so high that a reasonable rate of return is difficult to achieve.

It is the policy of the Company to maintain sufficient capital to readily absorb its material risks, based on current volumes of business and any new business expected to be written over the next year. Under normal circumstances, the Company will maintain a capital buffer in excess of its calculated SCR, the amount of which is determined in accordance with the Company's Risk Appetite. Current levels of solvency coverage are monitored closely against both 'hard' or set limits and 'soft' or trigger levels which have been determined by the Board. Once these limits are breached a set of agreed actions will be undertaken to address the breach.

Quality of own funds is continuously monitored to ensure that sufficient eligible own funds are maintained at all times.

The Company has determined a list of actions which it could undertake in order to address any concerns which may arise in respect of the quantity or quality of own funds.

For each tier, information on the structure, amount and quality of own funds, and analysis of significant movements over the year

All the own funds are considered as Tier 1 capital in accordance with the guidelines on loss absorption and repayment of capital and dividends

The own funds are managed such that they have low liquidity and market risk. The Company manages this objective by keeping its own funds that are not used on a day to day basis in the Fidelity Institutional Liquidity Fund (ILF), which is an AAA rated credit rated fund. Funds maintained outside of the ILF are placed with investment grade entities, Barclays Bank PLC and Bank of America Merrill Lynch.

Breakdown of Solvency II Own Funds as at 30 June 2017 with 2016 comparisons *as per QRT S.23.01*

Solvency II Own Funds (€'000)	June 2017	June 2016 (Un-audited)
Allocated, called up and fully paid up ordinary shares of €1 each	8,700	8,700
Reconciliation Reserve	482	580
Total Own Funds	**9,182**	**9,280**

Quantitative and qualitative analysis of differences between equity in financial statements and basic own funds

Reconciliation to financial statements

The financial statements are prepared under accounting standards IFRS, whilst the Solvency II balance sheet is prepared in accordance with SII directive and associated regulations & guidance.

Reconciliation of Own Funds as at 30 June 2017 with 2016 comparables, as per QRT S.02.01, S.12.01 and S.23.01

Reconciliation Of Own Funds (€'000)	30 June 2017	30 June 2016 (Un-audited)
Total of reserves and retained earnings from financial statements	9,398	9,143
Less: Best Estimate Liability	(8,750)	(5,064)
Less: Risk Margin	(1,004)	(855)
Add: Rebate Asset	9,539	6,057
Excess of assets over Liabilities (Solvency II Own Funds)	**9,182**	**9,280**

There are no material differences between the basis, methods and assumptions regarding the valuation of own funds used for the valuation for solvency purposes and those used in the financial statements.

For each basic own fund item that is subject to transitional arrangements, a description of the nature and amount of the item

There are no basic own fund items subject to transitional arrangements.

For each material item of ancillary own funds, a description of the item, the amount and calculation methodology, nature and name of the counterparties

There are no ancillary own funds items.

Description of any item deducted from own funds and information on any significant restriction affecting the availability of own funds

There are currently no deductions from own funds.

Analysis of significant changes to own funds, including the value of own fund items during the year, the value of instruments redeemed during the year, and the extent to which the issuance has been used to fund the redemption

There were no significant changes to own funds during the year.

In relation to subordinate debt, an explanation of the changes arising from movements in the risk free rate and, if relevant, from fluctuations between the currency in which the subordinated debt is issued and the reporting currency

There is no subordinate debt included in the Company's own funds.

When disclosing information on the amount of own funds eligible to cover the Solvency Capital Requirement and the Minimum Capital Requirement classified by tier, an explanation of any restrictions to available own funds and the impact of limits on eligible Tier 2 and 3 capital, and on restricted Tier 1 capital

There are no restrictions to the available own funds.

Details of the principal loss absorbency mechanism used to comply with Article 71 (1)(e) of the Implementing Measures, including the trigger point, and its effects so that all providers of own funds items are aware of the potential impact

There is no loss absorbency mechanism in relation to own funds.

Explanation of the key elements of the reconciliation reserve

The reconciliation reserve is made up of the following components:

Reconciliation Reserve as at 30 June 2017, as per QRT S.02.01, S.12.01 and S.23.01 with 2016 comparables

Reconciliation Reserve (€'000)	30 June 2017	30 June 2016 (Un-audited)
Total retained earnings from the Financial Statements	698	443
Less: Best Estimate Liability	(8,750)	(5,064)
Less: Risk Margin	(1,004)	(855)
Add: Rebate Asset	9,539	6,057
Reconciliation Reserve	**482**	**580**

For each basic own fund item subject to the transitional arrangements, and explanation of the tier into which each item has been classified and why, and the date of the next call and the regularity of any subsequent call dates, or the fact that o call dates fall until after the end of the transitional period

There are no transitional arrangements.

Regarding items deducted from own funds, information on the total excess of assets over liabilities within ring-fenced funds, identifying the amount for which an adjustment is made in determining available own funds, and the extent of the reasons for significant restrictions on, deductions from or encumbrances of own funds

There are no restrictions or ring-fenced funds.

Expected developments in own funds

The Company currently has no plans to issue, repay or otherwise change its own funds position. Under both the current solvency position and forward looking projection the Company has sufficient capital to cover all identified risks.

Under the ORSA process, projections take into account the ways in which own funds may develop and change over time under stress tests and scenarios. The primary purpose of the ORSA is to ensure that the Company engages in the process of assessing all of the material risks inherent in its business and has determined its related capital needs.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Amount of SCR and MCR at year-end

The SCR and MCR figures at year-end 2017 are as follows: ***as per QRT S.23.01 with 2016 comparables***

Capital Requirements (€'000)	30 June 2017	30 June 2016 (Un-audited)
Solvency Capital Requirement	2,540	1,770
Minimum Capital Requirement	1,143	797
Absolute Minimum Capital Requirement	3,700	3,700
Capital requirements	**3,700**	**3,700**

Amount of SCR split by risk modules if standard formula used and by risk categories if internal model used

Solvency Capital Requirement (SCR)

The SCR has been calculated in accordance with the methodology specified under the Standard Formula, which involves applying a series of prescribed stress tests. FIL Life Ireland does not use any simplified calculations for the SCR.

Solvency Capital requirements by SCR components as at 30 June 2017 as per QRT 25.01 with 2016 comparables

SCR Module (€'000)	30 June 2017	30 June 2016 (Un-audited)
Market Risk	686	157
Counterparty Default Risk	1,116	925
Life Underwriting Risk	126	299
Operational Risk	1,047	673
Diversification	(435)	(284)
Solvency Capital Requirement	**2,540**	**1,770**

Information on whether, and for which modules, the company is using simplified calculations and/or company specific parameters

The Company is not currently using simplified calculations or undertaking-specific parameters for the SCR components.

The impact of any undertaking specific parameters and/or the amount of any capital add-on with the justification by the supervisor

There is no regulatory capital add-ons applied and the Solvency Capital Requirement is still subject to Central Bank of Ireland supervisory assessment.

Information on the inputs used to calculate the MCR

Minimum Capital Requirement (MCR)

The MCR as at June 30 2017 is € 3.7m (2016: € 3.7m). The calculation of the MCR is purely formula based as dictated by EIOPA Solvency II requirements.

The MCR is calculated based on factors applied to sums assured and technical provisions. It is then subject to an upper and lower band based on the SCR. It shall however not go below 25% nor exceed 45% of the Company's SCR. There is an absolute floor of €3.7 million.

FIL Life Ireland's MCR requirement is the defined floor of €3.7 million as detailed in below table:

Minimum Capital requirements as at 30 June 2017 as per QRT S.23.01 with 2016 comparables

Minimum Capital Requirement (€'000)	30 June 2017	30 June 2016 (Un-audited)
SCR	2,540	1,770
MCR Cap (45% SCR)	1,143	797
MCR Floor (25% SCR)	635	443
Combined MCR	1,143	797
Absolute Floor of the MCR	3,700	3,700
Minimum Capital Requirement	**3,700**	**3,700**

Material movements in MCR or SCR over the year and the reasons for such changes

The increase in the SCR from €1.7m to €2.5m as at June 2017 was a result of a change in administration expenses and the underlying expense assumption. The Minimum capital requirement remains at €3.7m representing the absolute floor of the MCR.

E.3 Use of the duration-based equity risk submodule in the calculation of the Solvency Capital Requirement

FIL Life Ireland does not use the duration-based equity sub-module, and therefore this section is not relevant.

E.4 Difference between the standard formula and any internal model used

FIL Life Ireland does not use an internal model and therefore this section is not relevant.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

FIL Life Ireland monitors the compliance with the MCR and SCR on a monthly basis. There have been no periods of non-compliance with either the MCR or SCR and there is no reasonable foreseeable risk of non-compliance with the MCR or SCR in the future.

Ratio of Eligible own funds to SCR /MCR as at 30 June 2017, as per QRT S.23.01 with 2016 comparisons.

SCR & MCR Capital Compliance (€'000)	30 June 2017	30 June 2016 (Un-audited)
SCR	2,540	1,770
MCR	3,700	3,700
Eligible Own Funds	9,182	9,280
Ratio of Eligible Own Funds to SCR	362%	524%
Ratio of Eligible Own Funds to MCR	248%	251%

E.6 Any other information

There was no breach of the Solvency Capital Requirements over the reporting period.

There is no other material information regarding the capital management of the insurance and reinsurance undertaking.

Certain regulatory reporting templates are attached to this report as supplementary information.

QRT - S.02.01.02 - Balance Sheet Information

Balance sheet

		Solvency II value
Assets		**C0010**
Intangible assets	**R0030**	
Deferred tax assets	**R0040**	
Pension benefit surplus	**R0050**	
Property, plant & equipment held for own use	**R0060**	
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	13,153
Property (other than for own use)	**R0080**	
Holdings in related undertakings, including participations	**R0090**	
Equities	**R0100**	
Equities - listed	**R0110**	
Equities - unlisted	**R0120**	
Bonds	**R0130**	
Government Bonds	**R0140**	
Corporate Bonds	**R0150**	
Structured notes	**R0160**	
Collateralised securities	**R0170**	
Collective Investments Undertakings	**R0180**	13,153
Derivatives	**R0190**	
Deposits other than cash equivalents	**R0200**	
Other investments	**R0210**	
Assets held for index-linked and unit-linked contracts	**R0220**	643,878
Loans and mortgages	**R0230**	
Loans on policies	**R0240**	
Loans and mortgages to individuals	**R0250**	
Other loans and mortgages	**R0260**	
Reinsurance recoverables from:	**R0270**	
Non-life and health similar to non-life	**R0280**	
Non-life excluding health	**R0290**	
Health similar to non-life	**R0300**	
Life and health similar to life, excluding health and index-linked and unit-linked	**R0310**	
Health similar to life	**R0320**	
Life excluding health and index-linked and unit-linked	**R0330**	
Life index-linked and unit-linked	**R0340**	
Deposits to cedants	**R0350**	
Insurance and intermediaries receivables	**R0360**	1,809
Reinsurance receivables	**R0370**	
Receivables (trade, not insurance)	**R0380**	415
Own shares (held directly)	**R0390**	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	
Cash and cash equivalents	**R0410**	1,131
Any other assets, not elsewhere shown	**R0420**	9,539
Total assets	**R0500**	669,926

QRT - S.02.01.02 - Balance Sheet Information (continued)

Liabilities		**C0010**
Technical provisions – non-life	**R0510**	
Technical provisions – non-life (excluding health)	**R0520**	
TP calculated as a whole	**R0530**	
Best Estimate	**R0540**	
Risk margin	**R0550**	
Technical provisions - health (similar to non-life)	**R0560**	
TP calculated as a whole	**R0570**	
Best Estimate	**R0580**	
Risk margin	**R0590**	
Technical provisions - life (excluding index-linked and unit-linked)	**R0600**	
Technical provisions - health (similar to life)	**R0610**	
TP calculated as a whole	**R0620**	
Best Estimate	**R0630**	
Risk margin	**R0640**	
Technical provisions – life (excluding health and index-linked and unit-linked)	**R0650**	
TP calculated as a whole	**R0660**	
Best Estimate	**R0670**	
Risk margin	**R0680**	
Technical provisions – index-linked and unit-linked	**R0690**	652,996
TP calculated as a whole	**R0700**	643,242
Best Estimate	**R0710**	8,750
Risk margin	**R0720**	1,004
Contingent liabilities	**R0740**	
Provisions other than technical provisions	**R0750**	
Pension benefit obligations	**R0760**	
Deposits from reinsurers	**R0770**	
Deferred tax liabilities	**R0780**	
Derivatives	**R0790**	
Debts owed to credit institutions	**R0800**	
Financial liabilities other than debts owed to credit institutions	**R0810**	
Insurance & intermediaries payables	**R0820**	7,254
Reinsurance payables	**R0830**	
Payables (trade, not insurance)	**R0840**	406
Subordinated liabilities	**R0850**	
Subordinated liabilities not in BOF	**R0860**	
Subordinated liabilities in BOF	**R0870**	
Any other liabilities, not elsewhere shown	**R0880**	87
Total liabilities	**R0900**	660,744
Excess of assets over liabilities	**R1000**	9,182

Appendix II - Annual Quantitative Reporting Templates (QRTs)

QRT - S.05.01.02 - Premiums, claims and expense by line of business

		Line of Business for: **life insurance obligations**						**Life reinsurance obligations**		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**	**C0270**	**C0280**	**C0300**
Premiums written										
Gross	**R1410**			127,878						127,878
Reinsurers' share	**R1420**									
Net	**R1500**			127,878						127,878
Premiums earned										
Gross	**R1510**			127,878						127,878
Reinsurers' share	**R1520**									
Net	**R1600**			127,878						127,878
Claims incurred										
Gross	**R1610**			108,191						108,191
Reinsurers' share	**R1620**									
Net	**R1700**			108,191						108,191
Changes in other technical provisions										
Gross	**R1710**			70,732						70,732
Reinsurers' share	**R1720**									
Net	**R1800**			70,732						70,732
Expenses incurred	**R1900**			4,658						4,658
Other expenses	**R2500**									
Total expenses	**R2600**									4,658

QRT - S.05.02.01 - Premiums, claims and expense by country

		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country
		C0150	C0160	C0170	C0180	C0190	C0200	C0210
	R1400							
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
Premiums written								
Gross	R1410	127,878						127,878
Reinsurers' share	R1420							
Net	R1500	127,878						127,878
Premiums earned								
Gross	R1510	127,878						127,878
Reinsurers' share	R1520							
Net	R1600	127,878						127,878
Claims incurred								
Gross	R1610	108,191						108,191
Reinsurers' share	R1620							
Net	R1700	108,191						108,191
Changes in other technical provisions								
Gross	R1710	70,732						70,732
Reinsurers' share	R1720							
Net	R1800	70,732						70,732
Expenses incurred	R1900	4,658						4,658
Other expenses	R2500							
Total expenses	R2600							4,658

Appendix II - Annual Quantitative Reporting Templates (QRTs)

QRT - S.12.01.02 - Information on Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance		Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	**Total (Life other than health insurance, incl. Unit-Linked)**
				Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**	**C0150**
Technical provisions calculated as a whole	**R0010**		643,242								643,242
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	**R0020**										
Technical provisions calculated as a sum of BE and RM											
Best Estimate											
Gross Best Estimate	**R0030**			8,750							8,750
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0080**										
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	**R0090**			8,750							8,750
Risk Margin	**R0100**		1,004								1,004
Amount of the transitional on Technical Provisions											
Technical Provisions calculated as a whole	**R0110**										
Best estimate	**R0120**										
Risk margin	**R0130**										
Technical provisions - total	**R0200**		652,996								652,996

Appendix II - Annual Quantitative Reporting Templates (QRTs)

QRT - S.23.01.01 - Own Funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	8,700	8,700			
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	482	482			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
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						
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	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	9,182	9,182			
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	9,182	9,182			
Total available own funds to meet the MCR	R0510	9,182	9,182			
Total eligible own funds to meet the SCR	R0540	9,182	9,182			
Total eligible own funds to meet the MCR	R0550	9,182	9,182			
SCR	R0580	2,540				
MCR	R0600	3,700				
Ratio of Eligible own funds to SCR	R0620	362%				
Ratio of Eligible own funds to MCR	R0640	248%				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	9,182
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	8,700
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	482
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	
Total Expected profits included in future premiums (EPIFP)	R0790	

QRT - S.25.01.21 - Solvency Capital Requirement (Standard Formula)

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0100
Market risk	R0010	686	-	
Counterparty default risk	R0020	1,116	-	
Life underwriting risk	R0030	126		
Health underwriting risk	R0040			
Non-life underwriting risk	R0050			
Diversification	R0060	-435	-	-
Intangible asset risk	R0070		-	-
Basic Solvency Capital Requirement	R0100	1,492	-	-

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	1,047
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement excluding capital add-on	R0200	2,540
Capital add-on already set	R0210	
Solvency capital requirement	R0220	2,540
Other information on SCR		-
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirement for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

QRT - S.28.01.01 - Minimum Capital Requirement

Linear formula component for life insurance and reinsurance obligations

		C0040
MCR_L Result	R0200	4,564

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230	651,992	
Other life (re)insurance and health (re)insurance obligations	R0240		
Total capital at risk for all life (re)insurance obligations	R0250		

Overall MCR calculation

		C0070
Linear MCR	R0300	4,564
SCR	R0310	2,540
MCR cap	R0320	1,143
MCR floor	R0330	635
Combined MCR	R0340	1,143
Absolute floor of the MCR	R0350	3,700
-	-	C0070
Minimum Capital Requirement	R0400	3,700