SOLVENCY AND FINANCIAL CONDITION REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

ONE LIFE

THE ONELIFE COMPANY S.A.

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EXECUTIVE SUMMARY

The OneLife Group is composed of The OneLife Holding S.à r.l. and its subsidiaries (the Group). It is an insurance Group whose sole and only insurance entity as of 31 December 2016 is The OneLife Company S.A. (the Company), an insurance company licenced in Luxembourg.

This is the first Solvency and Financial Condition Report (SFCR) provided by the Company under the Delegated Regulation (UE) 2015/35 from the European Commission dated 10 October 2014, completing the European Parliament and Council Directive on the business of Insurance and Reinsurance (Solvency II). There is no summary of material changes as there is no previous report for comparison.

The purpose of the SFCR is to satisfy the reporting and disclosure requirement to be made public and published on the Company's public website under the EU wide regulatory regime for insurance companies, known as Solvency II, which came into force from 1 January 2016. This regime requires new reporting and disclosure arrangements to be put in place by insurers and some of that is required and issued to the Commissariat Aux Assurances (CAA or Regulator) (referring to a specific apart confidential report – Regular Supervisor Report - RSR). The elements of the disclosure relate to business performance, governance, risk profile, solvency and capital management. The ultimate Administrative Body that has the responsibility for all these matters is the Company's Board of Directors with the support of various governance and control functions that it has put in place to monitor and manage the business. The SFCR is a public document.

In June 2016, the Group completed a rebranding of all its business under one single name, OneLife. At the same time, NPG Wealth Management S. à r.l. was renamed The OneLife Holding S.à r.l. and Private Estate Life S.A. was renamed The OneLife Company S.A.

The Regulator has exempted the Group from Group reporting for Solvency purposes. Accordingly, the sole Group entity having to produce RSR and SFCR report is The OneLife Company S.A. and our SFCR is produced considering that entity on a stand-alone basis.

With regards to the business and performance, profits have been generated by the core insurance activities in conjunction with strict cost controls and with exceptional item limited in amounts. It resulted in a profit of 4.4 M EUR.

With regards to the system of governance, the Company assesses its system of governance as adequate taking into account the nature, scale and complexity of the risks inherent in its business. The different elements of the risk profile are assessed with a solid risk management methodology that requires intervention of all parties of the company in order to ensure a complete picture including under simulated stress scenarios.

The Company exclusively applies the Standard Formula to determine its Solvency Capital Requirements, without using simplified calculations and without using undertaking-specific parameters and has described the valuation methods used in section 5. As at 31 December 2016, the Group's sole reporting entity, The OneLife Company S.A. solvency II ratio was 164%.

The tiering of basic own funds allows for the following repartition: 90.4% in Tier 1 unrestricted, 8.7% in Tier 1 restricted and 0.9% in Tier 2. Solvency capital requirements of the Company are concentrated on Market risk (equity risk and spread risk) and on life underwriting risk (lapse risk and expense risk).

Finally, the Company complied with its Solvency Capital Requirement and Minimum Capital Requirement throughout the reporting period and the Company does not foresee a risk of non-compliance with its Solvency Capital Requirement or Minimum Capital Requirement during its business planning horizon.

Since 31 December 2016, there were no significant business or other events that occurred during the period until reporting that had a material impact on the Company or reported figures or comments.

Luxembourg, 19 May 2017

Marc Stevens

Managing Director
Member of the Board of Directors

1 INTRODUCTION

1.1 - List of abbreviations & used terms

ACA	Association des Compagnies d'Assurance
AML/CFT	Anti-Money Laundering / Combat against Financing Terrorism
ARCC	Audit, Risk and Compliance Committee
BEL	Best Estimate Liability
BRCC	Business Risk & Compliance Committee
BSCR	Basic Solvency Capital Requirement
Board or BoD	Refers to The OneLife Company S.A. Board of Directors unless specified otherwise
Company	The OneLife Company S.A.
CAA or Regulator	Commissariat aux Assurances
CAC	Client Acceptance Committee
CEO	Chief Executive Officer - Company's Managing Director
CF	Control Function
DF or Dedicated Funds	Unit-linked life insurance policies, capital redemption bonds and/or pension plans linked to an individual investment fund whose assets are managed according to the investment strategy selected by the Policyholder(s).
EIG	Economic Interest Group
ERM	Enterprise Risk Management
FinAdmin	FinAdmin E.I.G., a former subsidiary of the Group
GEC or Exco	Group Executive Committee
Group	Refers to The OneLife Group composed of The OneLife Holding S.à r.l. and its subsidiaries
HNWI	High Net Wealth Individuals
HR	Human Resource department
HRRC	Human Resources and Remuneration Committee
IC	Investment Committee
ICA	In Collective Bargaining Agreement
MCR	Minimum Capital Requirement
NGC	Nomination & Governance Committee
MLRO	Money Laundering Reporting Officer

OLC	The OneLife Company
OSN	Overall Solvency Needs
ORSA	Own Risk and Solvency Assessment
PSC	Product Steering Committee
PVFP	Present Value of Future Profits
QRT	Quantitative Reporting Template
RED	Risk Event Data
REM	Risk Exposure Monitoring
RM	Risk Margin
RMC	Risk Management Committee
RSR	Regular Supervisory Report (addressed to the Regulator and confidential)
RST	Reverse Stress Test
Saphir	Saphir II Holding S.à.r.l. , a subsidiary of the Group, in liquidation
SCR	Solvency Capital Requirement
SFCR	Solvency and Financial Condition Report (for publication on the Company's website)
SLA	Service Level Agreement
SMP	Senior Management Position
T&L	Tax & Legal Department
ToR	Terms of Reference
UK	United Kingdom

1.2 - Scope

This **Solvency and Financial Condition Report** is prepared in accordance with requirements derived from the Regulation (EU) No 1094/2010 of the European Parliament and of the Council (hereafter EIOPA Regulation) in connection with reporting on Solvency & Conditions Reports to the Commissariat Aux Assurances of Luxembourg (hereafter referred to as "the Regulator" or "CAA") for the regulated Company The OneLife Company S.A.

In accordance with the requirement of the Directive 2009/138/EC "Solvency II Directive", all the insurance and reinsurance undertakings should provide some information to the supervisory authorities in the **confidential** regular supervisory report (**RSR**) and should **publicly disclose** some information in the Solvency and Financial Condition Report (**SFCR**).

All undertakings have to disclose on an annual basis, a report on their solvency and financial condition in which qualitative and quantitative information on business, performance, system of governance, risk profile, valuation for solvency purposes and capital management should be provided or described.

The OneLife Company S.A. (formerly Private Estate Life S.A.) (the Company) is a life insurance company incorporated in the Grand Duchy of Luxembourg under Luxembourg law as a Société Anonyme on 26 June 1990 under Luxembourg Commerce Register Number: B 34 402. This report is based on the **Company's audited financial statements for the year ended 31 December 2016.**

The Company is authorised by the Commissariat aux Assurances to provide life insurances, annuities, pensions and retirement benefits, and reinsurance operations of business of similar nature, and to conduct investment and real estate activity relating to the principal objective. The Company sources and administers its business through its head office in Luxembourg and through distribution partnerships in Luxembourg and other EU countries.

The 100% shareholder and parent of the Company is The OneLife Holding S.à r.l. (formerly NPG Wealth Management S.à.r.l. - the Parent) which is incorporated in Luxembourg. For the purposes of this report, The OneLife Holding S.à.r.l. and all its subsidiaries are referred to as the "Group".

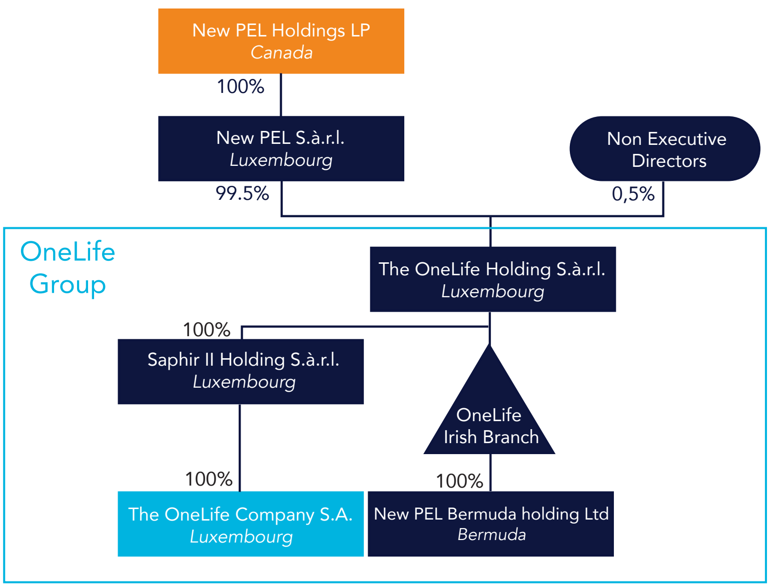
In June 2016, the Group completed a rebranding of all its business under one single name, OneLife. At the same time, NPG Wealth Management S.à r.l. was renamed The OneLife Holding S.à r.l. and Private Estate Life S.A. was renamed The OneLife Company S.A.

In terms of the **Group's structure**, The Group is a Luxembourg-based group active in the life insurance sector managed and controlled by The OneLife Holding S.à r.l.

J.C. Flowers & Co., a leading private equity investor in the global financial services industry has been assembling the Group since late 2006 through a series of acquisitions of companies with a much longer trading history. J.C. Flowers & Co manages several private equity funds.

As of 31 December 2016, the Group's structure was as shown below:

OneLife Group Structure as at 31.12.2016



Life Insurance companies

Regulated by the Commissariat Aux Assurances (CAA - Luxembourg)

Holding companies

Holding entity (not regulated)

OneLife Group

In 2016, a liquidation process was launched for two of the subsidiaries acting as intermediary holding entities previously owning regulated life insurance companies:

- Saphir II Holding S.à r.l., a Luxembourg holding company which owned the investment into The OneLife Company S.A.;
- New Pel Bermuda Holding Limited is a Bermuda-based company that owned the investment into Altraplan Bermuda Limited.

It was also resolved to close the Irish Branch of The OneLife Holding S.à r.l., which owned the investment in New Pel Bermuda Holding Limited.

The liquidation and closing processes of Saphir II Holding S.à r.l., New Pel Bermuda Holding Limited and the Irish Branch of The OneLife Holding S.à r.l. were all concluded respectively on 30 January 2017, 16 January 2017 and 1 March 2017.

In order to further focus on its Luxembourg base, two subsidiaries of the Group located abroad have been sold to a third party with effective date on 30 November 2016. Both sold entities were active regulated life insurance companies.

The sold entities are:

- Augura Life Ireland dac is an Irish life insurance company under the supervision of the Central Bank of Ireland;
- Altraplan Bermuda Limited is a Bermuda-based life insurance company regulated by the Bermuda Monetary Authority.

All the entities mentioned previously were directly or indirectly fully owned by The OneLife Holding S. à r.l. There were no minority shareholders.

In a letter dated 14 December 2016, considering the significant changes in the Group's structure and consolidation perimeter during the year ended 31 December 2016 or that were then in process, the Regulator has **exempted** the Group from Group reporting for Solvency purposes with effective date on 1 October 2016. Accordingly, the sole Group entity having to produce these reports is The OneLife Company S.A. and **our SFCR is produced considering that entity on a stand-alone basis.** Nevertheless, some references to the Group's bodies or processes or functions are made in the System of Governance part of this report as they were constituted when there were several active entities within the Group. They are still in existence but currently only apply to The OneLife Company S.A.

2 BUSINESS AND PERFORMANCE

2.1 - Business - Identification and appointments

This report relates to The OneLife Company S.A., an insurance company located and licenced in Luxembourg.

The Company is regulated by:

Commissariat aux Assurances
7, boulevard Joseph II,
L - 1840 Luxembourg
GD de Luxembourg

Telephone:	(+352) 22 69 11 - 1
Fax:	(+352) 22 69 10
Website:	www.caa.lu www.commassu.lu

The **Company's address** is at

OneLife
38 Parc d'Activités de Capellen
BP 110
L-8308 Capellen

+352 45 67 301
www.onelife.eu.com

The Company offers unit-linked life assurance policies whose benefits are linked to the value of an investment portfolio. The Company offers a wide range of asset classes and investment strategies and calibrates each solution precisely using an array of fund types, financial products and investment vehicles – providing the flexibility and diversification that allow its clients to optimise risk / return profiles. Upon condition, the client can change asset allocation, custodian bank and investment manager during the life of a contract.

More particularly, the Company proposes the following assets in its products

- External investment funds managed by experienced asset managers
- Internal collective funds offering mandated collective management in line with different policyholders' risk profiles
- Internal dedicated funds that allow discretionary management, in line with the policyholder's personal objectives
- Specialised funds that allow holding specific class of assets without discretionary management.

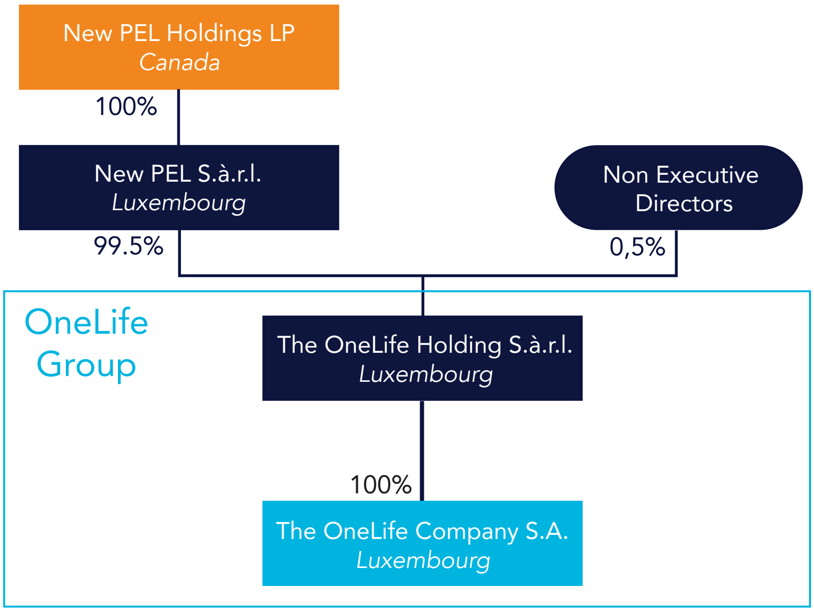
The **external auditors** of the Company are:

Deloitte Audit, Société à Responsabilité Limitée
560 Rue de Neudorf
L-2220 Luxembourg

+352 45 14 51
www.deloitte.lu

As at 31 December 2016, The Company's ultimate shareholder is New PEL S.à.r.l. (owned by JCF AIV PLP), a limited partnership established in the Province of Alberta (Canada)) which owns 99.5% of The OneLife Holding S.àr.l Two independent directors own the remaining 0.5%.

Considering the liquidation of New PEL Bermuda Holding Limited on 16 January 2017, the liquidation of Saphir II Holding S.à.r.l. on 30 January 2017 and the closure of the Irish Branch of The OneLife Holding S.àr.l on 1 March 2017, the Group's organisation chart is as follows, as of the date of this report:



As of 31 December 2016, the **Board of Directors** is composed of seven Directors:

Mr. Michel Wolter	Director (Independent) and Chairman of the Board
Mr. Paul Wolff	Director (Independent)
Mr. Thierry Porté	Director (Group Executive Chairman)
Mr. Marc Stevens	Director / Managing Director (Group Chief Executive Officer)
Mr. Christopher Baker	Director (Independent)
Mr. Jean-Luc Jancel	Director (Independent)
Mr. Peter Yordan	Director (Non-executive)

Whenever applicable, the figures presented in this report are derived from Audited Financial Statements for the year ended 31 December 2016 which have been prepared in accordance with the Luxembourg law on the accounts of insurance and reinsurance undertakings (the Law) of 8 December 1994, as amended, and in compliance with the generally accepted accounting policies for the insurance and reinsurance industry in the Grand-Duchy of Luxembourg. The accounting policies and the valuation rules are determined and applied by the Board of Directors.

The following significant general rules have been applied:

- the Company is on a going concern basis;
- the valuation methods are consistent from one financial year to the other, except where otherwise stated in the Annual Accounts;
- the prudence principle is followed;
- only realised profits are recognised, with the exception of life insurance business where the risk is borne by the policyholder;
- all foreseeable risks and potential losses which arise during the course of the financial year are taken into account;
- assets and liabilities are valued item by item.

The Annual Accounts cover yearly period from 1 January until 31 December.

All amounts in this report are labelled in Euro (EUR), if not otherwise stated.

2.2 - Business – Key figures

In terms of financial performance, the Company reported a profit of EUR 4.4 million in 2016 (compared to a loss of EUR 5.7 million in 2015, mainly due to exceptional items).

The earned premium net of reinsurance amounted to EUR 352.6 million for the year ended 31 December 2016 (2015: EUR 564.8 million) and Belgium is the Company's primary market with additional core markets being France, Luxembourg, UK, Finland and Sweden.

2016 Claims incurred, net of reinsurance amounted to EUR 548.5 million (charge) and are driven by surrenders for both the Dedicated Funds and the Unit-Linked business.

Change in Other technical provisions, net of reinsurance stands at EUR 130.2 million (income) versus a charge of EUR 46.5 million in 2015.

Unrealised gains on investments stands at EUR 513.4 million (2015: EUR 492.2 million) and unrealised losses on investments increased from EUR 348.1 million in 2015 to EUR 423.3 million in 2016. These developments reflect the volatility of markets and exchange rates, notably the USD and the GBP. The decrease in investment income to EUR 90.6 million in 2016 in comparison to EUR 162.8 million in 2015 is subject to the same driving factors.

Net operating expenses decreased to EUR 56 million from EUR 69.4 million in 2015 due to strict cost controls and the positive impact of restructuration starting in 2015 as well as an in depth review of the structure and processes across all entities and operations of the Group.

Representative assets backing up technical provisions account to 5.1bn EUR.

Key balance sheet figures for the year ended 31 December 2016 and 2015 are:

Assets

EUR	2016	2015
Intangible assets	7,966,861	1,756,659
Investments	117,979,181	129,746,948
Investments for the benefit of life insurance policyholders who bear the investment risk	5,014,782,744	5,133,822,176
Reinsurers' share of technical provisions	42,137	56,471
Debtors	23,429,906	56,171,470
Other assets	60,941,499	55,150,456
Prepayments and accrued income	25,540,594	31,902,163
Total assets	**5,250,682,922**	**5,408,606,343**

Liabilities

EUR	2016	2015
Capital and reserves	56,917,570	52,485,294
Subscribed capital	32,230,000	32,230,000
Share premium account	3,613,792	3,613,792
Reserves	8,188,350	8,188,350
Profit brought forward	8,453,152	14,132,524
Profit (Loss) for the financial year	4,432,276	-5,679,372
Subordinated liabilities	14,041,019	14,041,019
Technical provisions	111,249,997	124,172,440
Technical provisions for life insurance policies where the investment risk is borne by the policyholders	5,014,782,744	5,133,822,176
Provisions for other risks and charges	9,440,937	6,316,126
Creditors	43,102,910	76,960,387
Accruals and deferred income	1,147,745	808,901
Total liabilities	**5,250,682.922**	**5,408,606,343**

Key Profit & Loss figures for the year ended 31 December 2016 and 2015 are:

EUR	2016	2015
Earned premiums, net of reinsurance	352,547,572	564,847,071
Investment income	90,608,532	162,806,584
Unrealised gains on investments	513,362,924	492,233,988
Other technical income, net of reinsurance	782,820	1,084,687
Claims incurred, net of reinsurance	548,477,285	-701,151,660
Change in other technical provisions, net of reinsurance	130,191,609	-46,544,975
Bonuses and rebates, net of reinsurance	1,752,350	-917,375
Net operating expenses	-56,007,307	-69,372,183
Investment charges	-56,956,798	-60,081,772
Unrealised losses on investments	-423,307,552	-348,081,427
Other technical charges, net of reinsurance	-	-87,980
Balance on the technical account - life insurance business	4,496,865	-5,265,042
Other income	489,462	-
Tax on profit or loss on ordinary activities	-6,420	-
Other charges, including value adjustments	-286,846	-78,000
Profit (Loss) on ordinary activities after tax	4,693,061	-5,343,042
Other taxes not shown under the preceding items	-260,785	-336,330
Profit (Loss) for the financial year	**4,432,276**	**-5,679,372**

2.3 - Underwriting performance

Products, markets and distribution

As a life assurance specialist, the Company develops cross-border financial planning solutions for wealthy clients across Europe, more specifically in Belgium, Denmark, Finland, France, Luxembourg, Sweden and the UK.

OneLife's customised solutions are based on clients' financial, fiscal, legal and family circumstances. Its open architecture approach provides clients with unit-linked contracts that offer a large choice and great investment flexibility across a wide variety of funds: from external funds managed by prestigious asset managers to internal collective and dedicated funds.

A key feature of the service offering to business partners is the secure online portal **'Youroffice'**, accessed via the Company's website that provides partners a one-stop source to view clients' portfolios and a history of all interactions with the Company such as a detailed history of commission payments.

A related system, **'Yourassets'**, gives clients access to information specific to their own individual portfolio

Using these systems, intermediaries and clients can monitor their investments and download documents. The system includes a variety of charting tools that enable the broker or client to create performance comparisons.

System improvements are anticipated with the aspiration of delivering an improved and enriched digital customer experience as part of the overall organisational development and desire to be an actor in the FinTech revolution. On the functionality side, the Company is developing the product in order to provide its Partners with enhanced features like the on-line follow up of policy transactions. On the technical side, the Company works on providing several features on mobile devices. The Company is not involved in "direct" selling via the internet.

New business remains consistently targeted at two broad groups.

The majority of sales are achieved through brokers with affluent clients willing to invest a minimum of €10k into a unit-linked solution. The average size of a policy for this segment is around € 140k. Broker relationships are today concentrated in Belgium, France and the UK.

In addition, the Company provides policies based on dedicated funds for wealthier individuals. These structures are generally created for investors with a minimum of €250k (internal minimum premium for dedicated funds). The last types of partners are private banks, family offices and other specialised intermediaries.

Countries with a brokerage activity are served by local sales or local independent sales consultants.

Countries only with an institutional sales activity are served with sales located in Luxembourg.

A complete new suite of products has been developed in 2016 on some Core markets of the Group (Finland, Sweden, UK, France, and Luxembourg) as well as Portugal. This new suite of products complemented the existing offer on other core markets of the Group (Belgium, Denmark)

The main products currently marketed are listed in the table below:

Client segment	(Ultra) High Net Worth (1M-10M) and Affluent
Product type	Life assurance Capitalisation bond Individual pension
Underlying structure	External funds Internal collective funds Internal dedicated funds Specialised Investment Funds
Main Products names	Camelea/Serenity Adiameris Pension Belgium Wealth France / Capitalisation France Wealth Finland Wealth Sweden Wealth UK / Capitalisation UK Personal Pension Denmark Wealth Luxembourg / Capitalisation Luxembourg Wealth Portugal

During the year ended 31 December 2016, the gross premiums written are broken down as follows:

EUR	2016
Individual premiums	353,451,193
of which inwards reinsurance premium	67,434
Premiums under group policies	-
Total	**353,451,193**

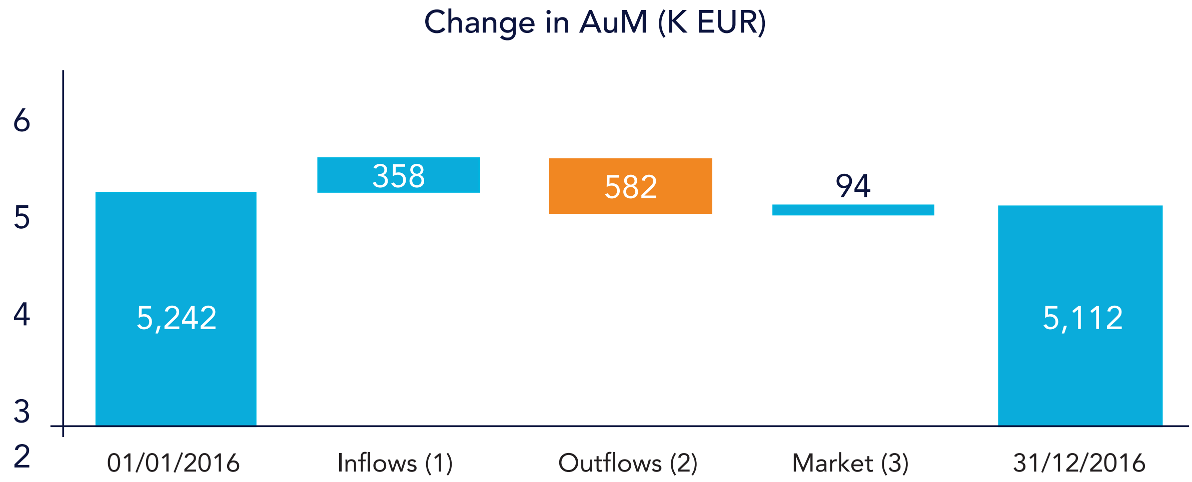
EUR	2016
Periodic premiums	3,073,044
Single premiums	350,378,149
of which inwards reinsurance premium	67,434
Total	**353,451,193**

EUR	2016
Premiums from non-bonus policies	25,225
Premiums from bonus policies	196,209
Premiums from policies where the investment risk is borne by policyholders	353,229,759
of which inwards reinsurance premium	67,434
Total	**353,451,193**

The geographical distribution of gross premiums written is as follows:

EUR	2016	2015
Luxembourg	12,507,391	23,687,174
Other EU countries	340,479,511	513,593,283
Non EU countries	464,291	28,340,530
Total	**353,451,193**	**565,620,987**

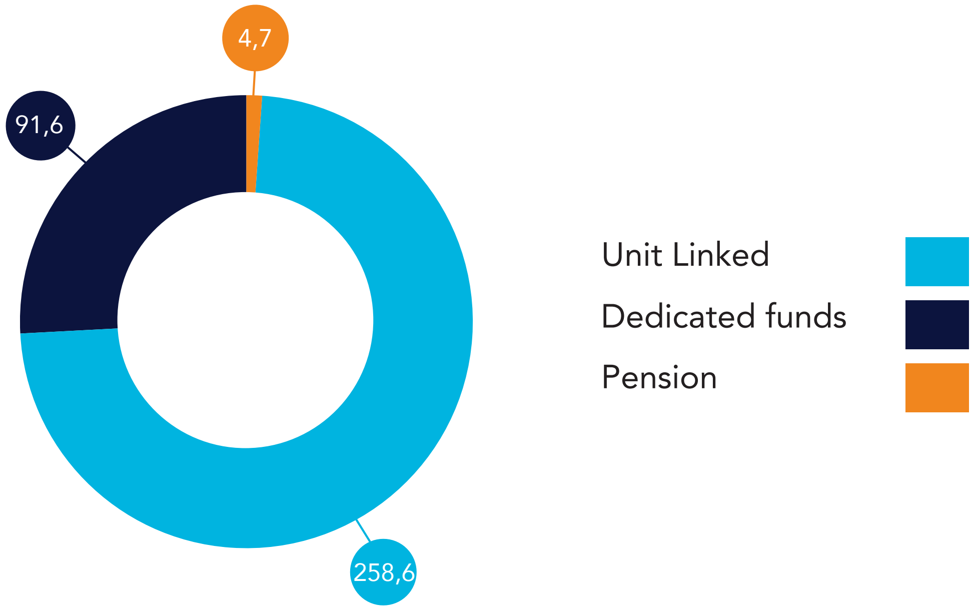
In terms of AuM, the evolution over 2016 has been as follows:



In more detail, the evolution and changes in client assets for the company over 2016 was as follows:

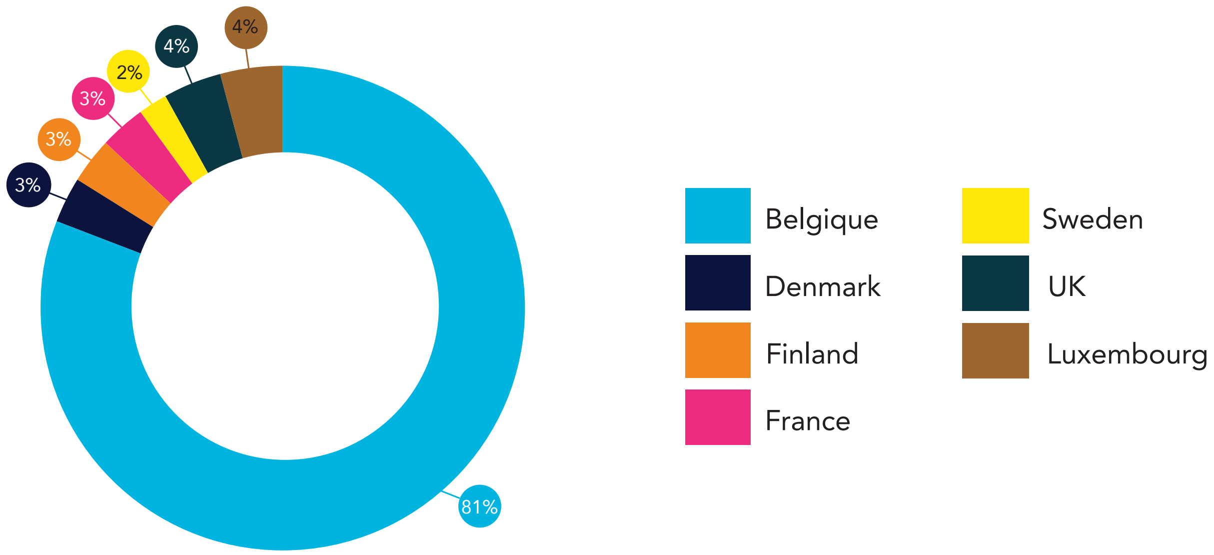
	Unit Linked	Dedicated Fund	Pension	Total
Opening balance	**2,909**	**2,162**	**171**	**5,242**
Premiums	259	92	5	355
Extra-allocation	3	0	0	3
Surrenders	(357)	(162)	(17)	(535)
Fees (taken frome the PH's contracts)	(34)	(12)	(1)	(47)
Market movements	39	35	20	94
Closing balance	**2,819**	**2,115**	**178**	**5,112**

Premium 2016 by product (mio EUR)



Premium 2016 by market (%)

In terms of geographical allocation



2.4 - Investment performance

As of 31 December 2016, the Financial Investments were as follows

Other financial investments	**117,979,181**
Shares and other variable yield transferable securities and units in unit trusts	3,865,431
Debt securities and other fixed income transferable securities	109,939,469
Other loans	174,280
Deposits with credit institutions	4,000,000

The Company had also the following cash at banks and in hand:

Cash at bank and in hand	**60,616,083**

These Financial Investments have generated a net income of EUR 521,175 over 2016.

2.5 - Performance of other activities

There have been no other significant activities undertaken by the Company other than its insurance and related activities.

2.6 - Any other information

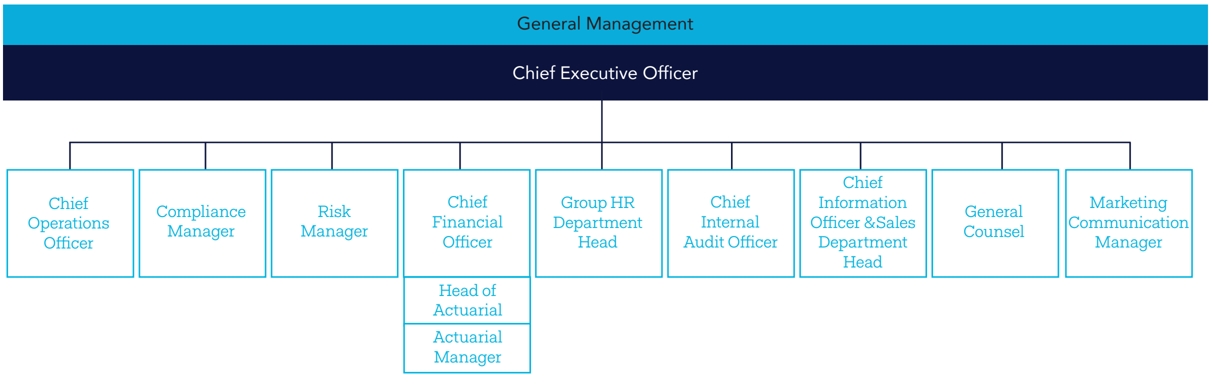
Reference is made to previous sections mentioning the significant changes in the Group's structure and organisation as well as the rebranding.

3 SYSTEM OF GOVERNANCE

3.1 - General information on the system of governance

3.1.1 - Organisation chart

The following graph illustrates the situation as of December 2016 including the department heads, and the key function owners:



Decisions engaging the Company may be taken at different levels: the **General Meeting of Shareholders**, the **Board of Directors**, the **Managing Director** and the different **Committees**.

3.1.2 - General Meeting of Shareholders

The General Meeting of Shareholders is not involved in the day-to-day operations of the Company. Its role is to review and approve the strategy proposed by the Board of Directors and to control its implementation. To do so, the General Meeting of Shareholders is principally given the authority to appoint the Directors and the Managing Director and to approve the Annual Accounts.

3.1.3 - Board of Directors

The Board of Directors of the Company and of the group is currently composed of the same seven Directors and is principally in charge of determining the Company's strategy. In this context, it reviews the means of achieving the objectives, establishes internal controls, and monitors and evaluates the performance against the strategic plans and budgets.

To do so, it is given all the powers not expressly reserved to the General Meeting of Shareholders by law or by the Articles of Association.

The Members of the Board have extensive knowledge and experience in the areas of life-insurance business, private banking, financial markets, securities, brokerage, finance, risk management, operating management, business development, strategic direction of the Companies and Group as a whole.

The Board meets at least four times a year on a quarterly basis. Additional Board Meetings may be convened with appropriate notice at any time to address specific needs of the business. Any Manager may call for a meeting of the Board of Managers. The convening notice includes an agenda of all the business to be discussed and resolved at the meeting. The agenda, proxy forms and related information must be provided to each Manager prior to the meeting, within the timeframe indicated in the Articles of Association (Article 10.3). Resolutions may also be adopted by the Board of Managers (in writing, or via electronic mail). Any Board Member may request the inclusion of a matter on the agenda.

The Board appoints and removes the Chief Executive Officer ("CEO"), or other party responsible for the day-to-day oversight of the Company's affairs. Any changes in the Board composition is recommended by the Nomination and Governance Committee and submitted to the Board for approval (appointment or removal).

The Board Secretary also assists and advises the Board, the Chairman, the CEO and all Board Members in exercising their duties. The Board Secretary ensures that the Board procedures are complied with and that the Board acts in accordance with its obligations under the law, the Articles of Association, the internal rules and regulations.

Access to information and management:
The Board of Managers can have access to all corporate and business information needed to fulfil their duties:

A pack of documents is prepared and provided to each Manager prior to each meeting. Members of the Executive Management are invited to attend meetings to expose the matters and answer questions. The Board of Managers may contact Members of the Executive Management, outside experts and advisors in order to be provided with relevant information and supporting material.

The Board proceeds to an annual self-assessment of its own performance and of its Group's Committees (Audit, Risk and Compliance Committee, Nomination and Governance Committee, Human Resources and Remuneration Committee).

The Board has adopted Terms of Reference to promote strong and effective governance.

3.1.4 - Managing Director

The Managing Director is in charge of day-to-day operations and has all the powers required to fulfil this role. The Managing Director is the preferred, if not exclusive, point of contact between the Company and the Commissariat aux Assurances.

3.1.5 - Committees

3.1.5.1 - Committees reporting to the Board of Managers

- Audit, Risk and Compliance Committee (ARCC);
- Nomination and Governance Committee (NGC);
- Human Resources and Remuneration Committee (HRRC).

These Committees have been put in place by the Board; they report regularly to it and assist it in fulfilling its duties.

The ARCC comprises three Members (at least) of the Board. Its current composition gathers competencies such as senior management experience, risk management, strategic and operating management, knowledge of financial markets, private banking. The Chairman of the ARCC is an independent Director. The ARCC meets separately, as needed, with the Group Chief Executive Officer, the Chief Financial Officer, the Head of Actuarial, the Risk Manager, the Chief Internal Audit Officer, the Compliance Manager, the Group General Counsel, the representatives of Independent Auditor or other persons and may require the same to attend any meeting(s) of the ARCC.

The ARCC meetings are held on a quarterly basis, any additional meetings may be convened.

The ARCC has the sole authority to select, evaluate, appoint, and replace the Independent Auditor and approves in advance all audit engagement fees and terms and all audit-related, tax compliance and other non-audit engagements with the Independent Auditor. The ARCC consults with Management, but shall not delegate these responsibilities.

The ARCC has the authority, to the extent it deems necessary or appropriate, to retain special legal, accounting, or other consultants to advise the ARCC. The Company provides funding, as determined by the ARCC, for payment of compensation to the Independent Auditor, any advisors employed by the ARCC and ordinary administrative expenses of the Committee.

The ARCC regularly reports to the Board on its activities.

These main activities cover the financial statements and disclosure matters, the internal controls over financial reporting, oversight of the Groups' relationship with the Independent Auditors, oversight of Risk Management, oversight of Internal Audit, oversight of Compliance Responsibilities, oversight of Legal/Regulatory Responsibilities, oversight of General Management Responsibilities.

The NGC is currently composed of four Members.

The NGG is a committee of the Board from which it derives its authority and to which it regularly reports.

The NGC takes a leadership role in shaping corporate governance policies and practices, including recommending to the Board of Managers; the Corporate Governance Guidelines applicable to the Company and monitoring the Company's compliance with said policies and Guidelines.

The NGC is responsible for identifying individuals qualified to become Board members and recommending to the Board the Managers nominees for the next annual shareholders' meeting. It leads the Board in its annual review of the Board's performance and recommends to the Board director candidates for each committee for appointment by the Board.

The NGC shall comprise at least three members of the Board, and the members shall meet the independence, experience, and expertise requirements of the Luxembourg Stock Exchange and other applicable laws and regulations.

The HRRC is currently composed of four members.

The HRRC is a committee of the Board.

It is responsible for

(i) determining the compensation for the CEO,
(ii) approving the compensation structure for members of senior management and certain highly compensated employees, in accordance with guidelines established by the HRCC from time to time, and
(iii) approving broad-based and special compensation and benefits policies across the OneLife Holding S.à.r.l. (the "Group"). Compensation decision of the committee includes fixed salary discretionary bonus, pensions schemes and when applicable any distinction of stock options

Additionally, the Committee will regularly review the Group's management resources, succession planning and development activities, as well as the performance of senior management. The Committee is charged with monitoring OneLife's performance toward meeting its goals on employee diversity.

A remuneration policy is adopted and there are two different status of employees in the company:

- Non-ICA Employees
- ICA Employees

Non-ICA employees are Experts, Managers, Department Manager, Department Head (including executive committee members) are not subject to the ICA, for the financial side of their compensation.

ICA employees are employees below the Manager level.

Emoluments granted to members of the Board of Directors by reason of their responsibilities with respect to the financial year 2016 amounted to EUR 150,000 (2015: EUR 100,000) and are included in Administrative expenses in the Profit and Loss Account. No commitments have been entered into with respect to retirement pensions for former members of the Board of the Company.

3.1.5.2 - Committee with Chairman reporting to the Board of Managers

The Group Executive Committee (GEC).

The GEC is in-charge of implementing the strategy as defined by the Board.

The Group CEO, who reports directly to the Board of Managers, directs it.

As of 31 December 2016, the GEC is composed as follows:

- Group CEO;
- Chief Financial Officer;
- Customer Services department Head;
- IT department Head;
- Tax & Legal department Head;
- Human Resources department Head.

Members of Executive Committee

Mr. Marc STEVENS	Director / Managing Director (Group Chief Executive Officer)
Ms Penelope-Ann COOPER	Chief Operations Officer
M. Antonio CORPAS	General Counsel
M. Eric LIPPERT	Chief Information Officer
M. Cedric LOOTVOET	Chief Financial Officer
Ms Laurence PARISON	Chief Human Resources Officer

In January 2017, a new Head of Sales & Marketing was recruited and joined the Group Executive Committee.

3.1.5.3 - Committees reporting to the GEC

- Business Risk and Compliance Committee (BRCC);
- Risk Management Committee (RMC);
- Investment Committee (IC).

3.1.5.4 - Committees implemented at the level of the life insurance company

A Client Acceptance Committee (CAC) has the authority to review and accept or refuse applications from prospective and existing clients relating to cases that qualify as atypical.

3.1.6 - Group structure and shareholders

As at 31 December 2016, New PEL S.à r.l. (owned by JCF AIV PLP, a limited partnership established in the Province of Alberta (Canada)) owned 99.5% of The OneLife Holding S.à r.l. Two independent directors own the remaining 0.5%.

3.2 - Fit and proper requirement

The Company has a policy to observe the obligations included in Solvency II Directive and detailed in the EIOPA Guidelines.

The Fit & Proper policy includes the minimum requirements pursuant to the Solvency II Directive requirements.

The functions subject to Fit & Proper assessment are:

- Members of the Boards of Directors,
- Members of the Boards of the ExCo,
- Key functions, as defined by the Solvency II guidelines,

Specific senior management or key positions as identified by HR.

Persons proposed for Senior Management Positions (SMPs) must be honest, diligent and of good reputation and must act and have acted ethically and with integrity.

In determining a person's honesty, integrity and reputation, the Company will have regard to matters, which may have arisen in either Luxembourg or elsewhere.

3.2.1 - Documents to support Fitness Assessment Procedure

Persons proposed for Control Functions, or Senior Management Positions must be adequately trained, qualified and experienced regarding the nature of the functions and the required qualifications of the functions.

Accordingly, the SMP have to provide at least:

- A Curriculum Vitae (Resume), summarizing the person's past experiences, qualifications and certifications, and professional memberships if relevant;
- A cover letter from the candidates summarizing the experiences, their relevant degrees/ diplomas, certifications, qualifications and motivations.

Whenever deemed necessary, as supplementary information the Human Resource and the Tax & Legal departments will seek the following documents:

- Suitable Proofs of relevant diplomas/degrees, both undergraduate and postgraduate (preferably originals or certified copies);
- Any proof of professional membership/registration/statute. Any proof of past experience including work certificates, references of past employment;
- Depending on the function proposed to the person and in line with the requirement for this function, any proof of relevant qualifications such as certifications, suitable proofs of training, learning or attending to relevant conferences.

3.2.2 - Documents to support Probity Assessment

Persons proposed for Control Functions, or Senior Management Positions must be honest, diligent and must act ethically and with integrity.

In connection to the above criteria, for assessing one's honesty, integrity and good reputation, the Company shall seek for each applicant to a SMP at least the following documentation:

- An original extract of criminal records, which shall have been issued not less than 3 months ago; or any overseas equivalent;
- A self-certification or written confirmation that the individual complies with all laws and regulations, is of good reputation, has always acted with integrity and honesty shall be fulfilled.

Whenever deemed necessary, as supplementary information the Human Resource and the Tax & Legal departments will seek the following documents when available:

- A credit certificate through a public financial database (if available, for instance in Germany and the UK);
- A Solvency Certificate from a Bank / Credit institution;
- A certificate of good reputation issued by any company, regulator, public or governmental authority;
- A work certificate from any Company the person has worked for;
- A residence certificate confirming the person effectively lived at a given address.

3.3 - Risk management system including the own risk and solvency assessment

3.3.1 - Risk Governance

The Board assumes final responsibility for the implementation of an appropriate risk system within the Company and to satisfy itself that an appropriate level of governance is exercised to ensure that risk is integrated into decision-making and control within the Company. The Board also assumes the final responsibility for the Risk Strategy and Risk Appetite definition.

The Board in turn delegates to a sub-committee, i.e. the ARCC the responsibility to undertake review of the corporate risk system, and the risk exposures to ensure that management continue to manage the business within the Board's prescribed Risk Appetite, and that key risk exposures do not exceed Board approved limits.

Having established the risk exposure constraints for Management to operate within, the ARCC delegates to the Group Executive Committee the authority to continue operations such that the limits are not exceeded.

The Group Executive Committee in turn has established a dedicated oversight committee for managing the Group's risk exposures, namely the RMC.

In addition, as part of its internal control framework the ExCo has a further committee: the BRCC.

3.3.2 - Corporate Three lines of Defence Model

The Group Corporate Governance is structured following the "Three Lines of Defence" model:

- **First Line of Defence** – Day-to-day Risk Management, performed by the various departments under the supervision of department heads.

In each department, employees, managers and department heads have a deep understanding of their daily operations and the related risks, as such:

  - They own and manage risks (i.e. "risk owners");
  - They are responsible for identifying, assessing, controlling and mitigating risks;
  - They maintain effective internal controls and execute risk and control procedures;
  - They implement corrective actions to address process and control deficiencies;
  - They design and implement "internal rules" in coordination with other departments;
  - They guide the design of controls into systems and processes.

- **Second Line of Defence** – Risk Oversight, performed by the Actuarial function, Risk Management function, Compliance function;

The responsibilities of these functions include:

  - Supporting management policies
  - Providing risk management frameworks identifying known and emerging issues.
  - Identifying changes in the organisation's risk appetite.
  - Assisting management in developing processes and controls to manage risks and issues.
  - Providing guidance and training on risk management processes.
  - Monitoring implementation of effective risk management practices and adequacy and effectiveness of internal control
  - Alerting to emerging issues and changing regulatory and risk scenarios.

- **Third Line of Defence** – Independent Assurance, performed by Internal Audit department. Additional information on how Internal Audit provide the governing body and senior management with comprehensive assurance, based on the highest level of independence and objectivity within the organisation, is described in the Internal Audit section of this report.

3.3.3 - Group Risk Management Team - Compliance & Risk Department

The Risk Management team – Compliance & Risk Department is responsible for co-ordinating the risk management programme and providing advice and guidance, including the development of standard templates and tools to assist the Company in managing risk. This includes:

- Developing and conducting training;
- Conducting an annual Reverse Stress Test to identify exogenous risk events which may lead to the business model no longer remaining viable and maintaining a register of endogenous risks which can lead to a failure of Group Executive Committee to achieve the objectives of the strategic plan;
- Developing a comprehensive risk event reporting;
- Supporting Management in the effective operation of the risk management system,
- Monitoring the risk management system;
- Reporting on risk exposure and advise Management on risk in relation to strategic considerations and major initiatives and projects;
- Identifying and assessing emerging risk;
- Establishing policies and procedures to guide risk management activity.

The Risk Manager reviews the risk management process annually and reports this in an annual report on risk management to the ARCC.

3.3.4 - Risk Correspondents

Within Group operating departments there are a number of individuals identified to fulfil the role of Risk Correspondent.

Their objective is to support the Risk Owner (usually the Department Head) in the embedding of a strong risk culture in the Business Unit, assisting the Group Risk Management team in compiling the Business Unit's Risk Register and reporting Risk Events.

Formal Terms of Reference for the role are agreed by the RMC.

3.3.5 - Risk Map

OneLife uses a pre-defined risk map, which is structured as follows (high level):

OneLife Group Risk Map
High Level

Financial Risk	Operational Risk	Strategic Risk	Governance Risk
Life Insurance Risk	Internal Fraud Risk	Strategic Project Risk	Corporate Governance Risk
Market Risk	External Fraud Risk	Strategic Business Risk	
Credit Risk	Employment Practices and Workplace Safety Risk	Risk Exposure Aggregation	
Liquidity Risk	Clients, Products and Business Practices Risk	Reputational Damage Risk	
Concentration Risk	Damage to Physical Assets Risk	Human Resource Risk	
	Business Disruption and Systems Failures Risk		
	Execution, Delivery & Process Management Risk		

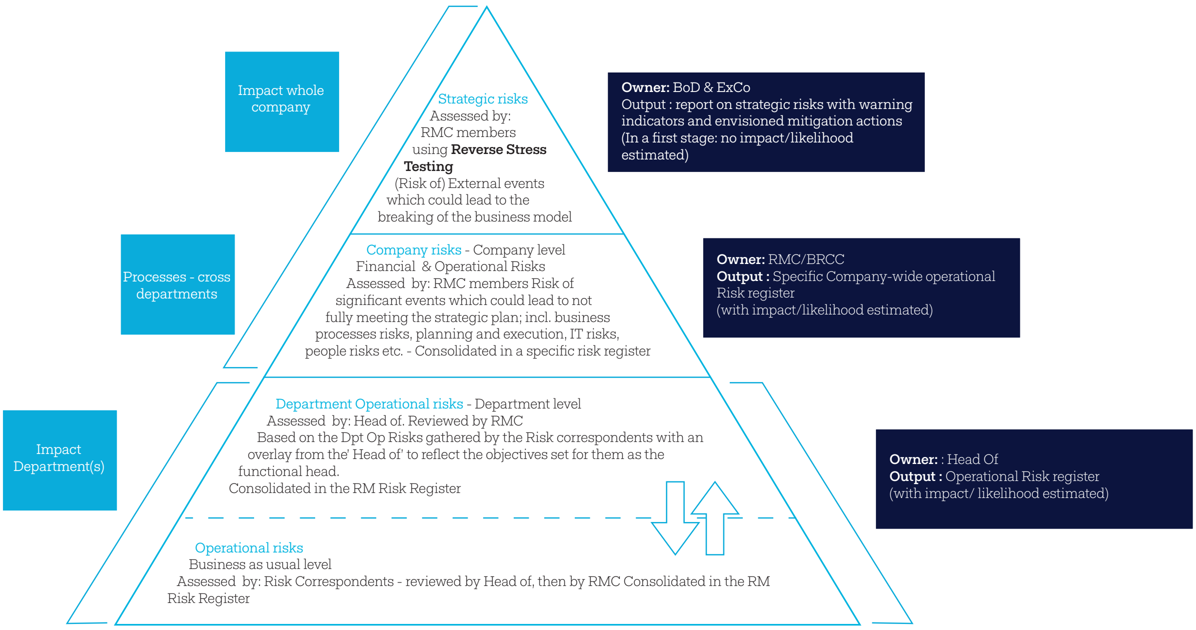
3.3.6 - The Business' Review of Risk

Risk Assessments are completed at a number of levels through the organisation. The GEC and Board will review – on an on-going basis - the organisation's Strategic Risks; those risks which are of external origin and would lead to the business model being unviable. The exogenous components of these risks are evaluated through the annual Reverse Stress Test and warning indicators and management action plans formulated to respond should these risks crystallise.

The GEC will also evaluate the endogenous components of Strategic Risks, i.e. all risks that could lead to a failure to execute the Strategic Plan or to achieve the budgeted financial performance. These risks will be assessed at least annually by the RMC and included in the Group Risk Register.

The Group has also implemented a bottom up risk assessment process with Risk Correspondents resident in each business area who undertake quarterly risk self-assessments with the teams within their area of responsibility. This assessment is completed within a framework of pre-populated risks to aid cross company aggregation and to embed a common risk language across the business.

These assessments are then reviewed with the 'Department Head' in case of major increase or decrease (e.g. risk entering in the category 'above tolerance'), or upon the Department Heads request, who may add another layer of review from a cross department perspective with knowledge of their departmental objectives. Risk cards are then aggregated for each risk and presented to the BRCC for review and discussion. This risk review structure implemented in the Group is represented in the diagram below:



3.3.7 - Risk Exposure Reporting Process

OneLife's Risk Exposure is estimated through risk assessments, the collection of operational incidents (Risk Event Data collection – or "RED") and the quarterly monitoring of key risks which are reported in the Risk Exposure Monitoring ("REM") report.

1. Risk Assessments are compiled in the Group Risk Registers:
- Strategic risks are assessed on an annual basis by the RMC. They are reported to the ARCC, as well as remediation strategy recommended and action plan when applicable;
- Financial risks are assessed on a quarterly basis by Finance Experts. They are reported to the RMC for sign-off and to the ARCC on a quarterly basis;
- Operational, Legal & Regulatory risks are assessed on a quarterly basis by Risk Correspondents within the Business Units. They are reported to the BRCC and the RMC for sign-off and to the ARCC together with the financial risks on a quarterly basis;

Those risks are assessed on their potential impact and likelihood by different department or Business Units. The overall rating of the risks takes into account the worst scenario of the ones identified by the departments and the Business Units.

2. The identification of potential exposure to operational risks is reinforced by the RED collection process, which consist of the systematic collection and recording of operational risk events across the Group.

   Risk Events are communicated to Risk Management by the Risk Correspondents within the Business Units and reported to the BRCC. Significant events may also be reported to the RMC at Risk Management discretion.

3. Deriving from the Risk Appetite Statement is a number of risk limits to ensure that the aggregate risk exposure is contained within limits set. Those limits are followed in the REM report which provides clear indicators and is based on metrics used in the day-to-day management of the Group.

   The REM is produced by the Risk Management team on a quarterly basis, with financial and non-financial data collected across various departments of the Group. It includes breaches where applicable, and an assessment of the exposures. The REM report is presented to the RMC.

Remediation strategy, risk treatment actions, action plan and action owner are set by the RMC. These are recorded in the REM report and the minutes of the RMC and a follow-up is presented to the RMC by Risk Management.

3.3.8 - ORSA process

The ORSA policy is adopted and states that the *"ORSA is a process that seeks to link the ERM framework to the Corporate Strategy and to the Solvency/Capital requirements of the enterprise. The business strategy will imply a number of risks that the business will face, but at the same time, a number of risk factors may change over time, such as the external economic environment, internal business practices and the competitive landscape. The ORSA needs to demonstrate that, over all reasonable expectations of such impacts, the business can continue to remain solvent.*

The Board needs to be assured that the ERM is robust with good governance, supports their expressed appetite for risk and of the business's ability to identify all of the types and levels of own risk (quantitative and qualitative) to which they are exposed as well as management actions through mitigation or adequate capital resources to survive the impact of such risks crystallising. Such analyses will have broader reach than just the risks specified for calculating the SCR, as well as having different calibrations of the impacts and likelihoods of the SCR risks, along with a different period.

There is a need using stress and scenario analysis to project over the horizon of the business plan – three years in OneLife's case - the outcomes in respect of capital positions arising from the impacts of own risks under range of scenarios.

The outcome of the ORSA is an ability to support the statements that, OneLife's plans are consistent with the Risk Appetite, that the Group is adequately capitalised on the basis chosen for the own risk assessment as well as on a regulatory basis, and that the Group will continue to be so over the planning horizon."

The ORSA is completed at a point in time during the year and provided to the regulators according to the requirements.

The ORSA exercise is undertaken on a yearly basis; OneLife aims to deliver an ORSA based on the latest available three-year budget. However, if a significant exceptional event affecting the structure of the Group occurs then the ORSA process would be triggered and an ad-hoc assessment (in part or in full as appropriate) would be conducted.

The Board, the ARCC, the RMC, the CEO are also entitled to request an ORSA to be produced at any point in time.

Concerning the ORSA report structure, which is not fixed and can evolve according to report needs, the information included must cover at least (not exhaustive):

- Information on the Structure of the Group
- Information on the Business, Markets and Performance
- Information on the System of Governance
- Information on the Risk Profile
- Assessment of the overall solvency needs
- Forward-looking perspective of the overall solvency needs assessment
- Valuation and recognition bases of the overall solvency needs
- Continuous Compliance with Regulatory Capital Requirements
- Continuous Compliance with Technical Provisions
- Assessment on the potential Deviations from assumptions underlying the SCR calculation

The conclusion will include at least:

- The qualitative and quantitative results of the forward looking assessment and the conclusions drawn by the undertaking from those results
- The summary of the methods and main assumptions used

During the year Risk Management will ensure a process of risk reporting (in agreement with the results of the annual ORSA report) and continuous monitoring of the ORSA results (actuals vs. projected). In practice, whenever the Actuarial Team will report Solvency II coverage (which under Solvency II is at least on a quarterly basis), Risk Management will be informed of report any breach of the Risk Appetite Solvency coverage limit and it will be reported to the relevant stakeholders.

The ORSA assumptions and results are reported to the RMC for comments, then to the ExCo for approval before presentation to the ARCC and the ORSA assumptions and results have to be approved by the Board.

ORSA results are interpreted into budget adhesion.

The ORSA process and modelisation takes also into account risk as assessed as high and identifies if they are covered in the SCR calculated by the standard formula and for in stressed scenarios.

3.4 - Internal control system

3.4.1 - Compliance Team - Compliance & Risk Department

Group Compliance team's role within OneLife is the support of the Group and its key stakeholders against business practices that would not be in line with legal, regulatory and in some aspects ethical requirements.

This includes also the protection against reputation risk which is one of the key assets for development success.

The Compliance function includes the following main activities:

Category	Tasks
AML / CTF – Anti-money laundering / Counter Terrorist Financing	Review of Know-You-Customer files and a-typical transactions. Perform regular controls on a "risk-based" approach. Name filtering of clients and brokers against official lists and exposed persons lists. Compliance performs the reporting of suspicious transactions to authorities and the Compliance Manager is the MLRO (Money Laundering Reporting Officer).
Compliance training	Following the compliance training plan, annual training is provided on AML / CTF, complaint handling, intermediary acceptance and other related topics to employees.
Complaints handling	Centralisation and analysis of complaints. Periodic reporting to Audit, Risk and Compliance Committee and to the Board of Directors.
Data protection and record retention	Set up data protection policies. Support other departments by performing reviews, setup of record retention schedules, etc.
Distribution network review	Review the distribution network of the different insurance companies of the Group in order to assess if the brokers are licensed and do not present reputation risk for the Group.
Fraud prevention / investigation	Promote a fraud awareness culture. Investigate potential cases of fraud. Propose procedures / controls / remediation actions based on findings.
Internal code of conduct / ethics	Develop policies and procedures that foster an ethical behaviour of all employees.
Internal procedures review	Review internal procedures in order to identify if those procedures take into consideration compliance risk.
Product review / product acceptance	Review new products and their development in order to raise and address on time potential compliance issues. Suggest modifications if needed.
Project support	Support ongoing project which may have a compliance impact.
Rules of conduct / Information to clients	Review proper mechanisms for information to clients (complete / accurate / timely).
Whistle Blowing	The Compliance manager is the contact person «GPM - Good Practice Manager» and is responsible for centralising and handling alerts of unethical behaviour raised by employees.

The function documents its controls and issues recommendation when appropriate.

It is an independent function and reports to the Group CEO and to the Audit, Risk and Compliance Committee where it has direct access to Board members.

Compliance related policies and procedures are reviewed at least in an annual basis.

In addition, the function disposes of own resources and budgets to seek external support in case of need.

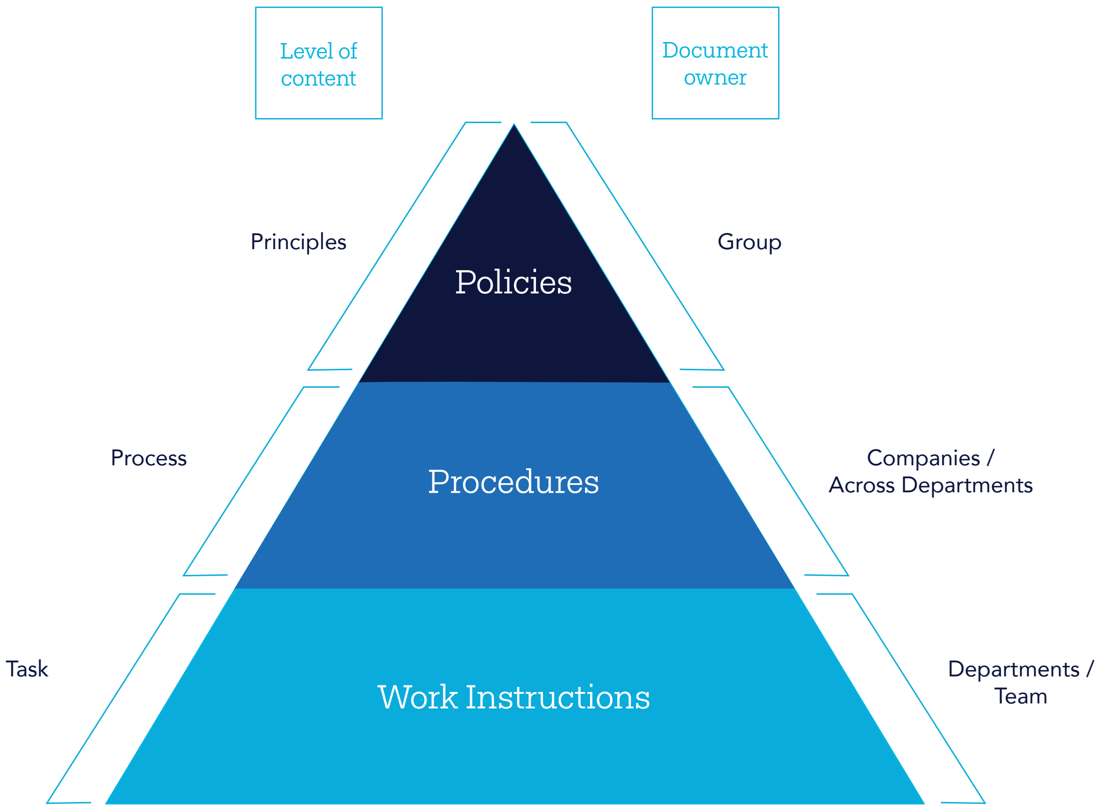
3.4.2 - Internal rules

The Group has implemented Internal Rules covering all its activities, including its life insurance activities meeting the Commissariat aux Assurances requirements. The Group's Internal Rules manual is updated on a yearly basis or when deemed necessary.

Internal Rules are centralised by Group Compliance and Risk department and made available for all employees on the Group Intranet. They are structured under Policies, Procedures and Work Instructions).

- Policies set overall principles for activities of OneLife;
- Procedures document one process within and across departments and are applicable to one or several companies;
- Work instructions provide more detailed guidance how to carry out a single task. Work instructions depend on the details requested to perform a specific task. In some cases, detailed work instructions may be optional if a detailed procedure is in place.

The graph below explains the level of details of each category of Internal Rules:



Trainings on some of these procedures are organised including but not limited to Compliance topics (AML, Professional Secrecy ...).

3.5 - Internal audit function

3.5.1 - Internal Audit Department

The Internal Audit department is responsible for:

- evaluating the internal controls system through reviews of the various activities of OneLife and all its affiliates (whether located in Luxembourg or abroad),
- ensuring that OneLife is adequately protected by the internal rules in place, and
- making recommendations for improvement.

Scope, responsibilities, organisation and reporting lines of the Group Internal Audit function are defined in the Audit Charter which has been approved by the ARCC.

The key principles and standards ruling the Group Internal Audit function have been made available to all staff members through the publication on the intranet of the Internal Audit Manual.

To ensure objectivity and in particular to avoid conflict of interest, a system of rotation of audit tasks is instituted within the limits of practicality, and arrangements made to avoid new recruits from within the organisation performing audit work on activities where they exercised their duties in the recent past.

3.5.2 - Reporting Line

To provide for the independence of the Internal Audit activity, the Head of Group Internal Audit reports functionally to the ARCC and administratively to the Group Chief Executive Officer.

3.5.3 - Risk Assessment and Internal Audit Plan

The internal audit activity of OneLife follows a risk-based approach, meaning that internal audit resources are deployed with efficiency to cover the audit universe, draw up the internal audit plan, plan audit engagements and communicate results. The risk assessment is aligned to the Risk Management's methodology.

Once per year, the Group Internal Audit department performs a risk identification and assessment, aiming at determining the key risks to which the OneLife is exposed to and their magnitude. Inherent business risks, mitigating controls and residual risks are evaluated.

For efficiency reasons, the Group Internal Audit department relies to some extent on the work of others (e.g. Risk Register compiled by Risk Management team), but expresses its opinion independently.

The Group Internal Audit department:

- conducts interviews with members of the Group Executive Committee, with Group Risk Management and reviews documents made available by all departments, and
- produces some high-level risk matrix representing the audit universe, a Heat Map summarising high levels risks and finally the risk based internal audit plan.

The internal audit plan is:

- foreseen as a dynamic tool to be adapted in function of the evolution of the business and of its related risk. Quarterly reviews of the internal audit plan are performed to take this into account;
- drawn up for at least 3 years so as to cover all activities and functions according to their risk exposure;
- approved by the Group Chief Executive Officer and the Group Audit, Risk and Compliance Committee.

Special investigations may be carried out by the Group Internal Audit department at the request of the Group Chief Executive Officer and / or the Group Executive Chairman and / or the Group Audit, Risk and Compliance Committee.

3.5.4 - Audit Reports

Standard reports include observation, risk and recommendation. Observations are classified between Extreme, High, Moderate or Low in function of their residual risk. The level of residual risk attached to each internal audit finding is determined as a result of the internal audit engagement, following the risk topology and the risk assessment methodology approved by the Group Risk Management Committee.

Management responses, with precise action plan and deadline for implementation, are included in the final report, which is graded according to the magnitude of the reported observations.

Management responses, with action plan and deadline for implementation are included in the final report, which is graded A, B, C or D, according to the magnitude of the reported findings.

3.5.5 - Follow-up Process and Reporting

Recommendations raised by the Group Internal Audit department for the purpose of improving the organisational and internal control quality are subject to regular follow-up whose frequency is depending on the "Recommendation Priority".as described in a procedure.

3.6 - Actuarial function

The duties of the Actuarial Function are carried out by the Company's Actuarial Team, which is part of the Company's Finance Department.

The Head of Actuarial reports to the CFO, with a dual reporting line to the CEO and access to the Board of Directors through regular attendance at ARCC meetings.

The Actuarial Function carries out the following tasks, which are summarised in an annual Actuarial Function Report to the Board of Directors:

- coordinates the calculation of technical provisions;
- ensures the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- assesses the sufficiency and quality of the data used in the calculation of technical provisions;
- compares best estimates against experience;

- informs the Board of the reliability and adequacy of the calculation of technical provisions;
- oversees the calculation of technical provisions where approximations have been used due to insufficient data of appropriate quality;
- expresses an opinion on the overall underwriting policy;
- expresses an opinion on the adequacy of reinsurance arrangements; and
- contributes to the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the SCR, MCR and to the ORSA.

In addition to fulfilling the role of the Actuarial Function, the Actuarial Team carries out the following additional tasks:

- carries out the calculation of some technical provisions and deferred acquisition costs;
- measures expected profitability of new products, business developments and special pricing requests;
- ensures technical notes submitted to the Regulator are kept up to date;
- manages reinsurance relationships;
- overseas the underwriting and claim approval processes.

3.7 - Outsourcing

An Outsourcing policy has been set and the owner is the Tax & Legal department.

The BRCC, on behalf of the Executive Committee, is managing the outsourcing arrangements.

In order to ensure that the outsourcing of critical or important functions or activities does not impair the ability of the supervisory authorities to monitor the compliance of the Company with its obligations, the BRCC on behalf of the Executive Committee ensures that:

- the service providers cooperate with the supervisory authorities of OneLife in connection with the outsourced functions or activities
- OneLife, its external and internal auditors have effective access to data related to the outsourced functions or activities.

The Tax & Legal department maintain the register of all outsourcing arrangements and review the SLA from a legal point of view.

3.8 - Adequacy of the system of governance

The Company assesses its system of governance as adequate taking into account the nature, scale and complexity of the risks inherent in its business.

3.9 - Any other information

Reference is made to previous sections mentioning the significant changes in the Group's structure and organisation.

4 RISK PROFILE

4.1 - Underwriting risk

Underwriting risk is the risk of loss arising from insurance contracts underwritten by the Company. It arises from the following sources:

Lapse Risk

Lapse Risk comprises the risk of loss arising through higher levels of policyholder lapses than expected on contracts underwritten by the Company. It may be concentrated where a large number of policyholders are serviced by a small number of distributors, and where the focus on HNWI leads to fewer but larger premium receipts and corresponding surrenders. The Company accepts that in the short to medium term it will be significantly exposed to lapse risk and in particular as it implements its strategy to build relationships with a wider range of product distributors. In designing its products and processes the Company will take steps to limit direct exposure to lapses. The Company has a low appetite for lapse risk.

Mortality Risk

Mortality Risk is the risk of loss arising through higher levels of policyholder deaths than expected on contracts underwritten by the Company.

The scale of life cover in the Group's policies is relatively low, and is mitigated with reinsurance to achieve low levels of risk retention, in line with the Group's low appetite for mortality risk.

Longevity Risk

Longevity Risk is the risk of loss arising to the Company through policyholders surviving for longer periods than expected. It is a risk most typically associated with annuity business, but can be present in other types of business. The Company currently has no appetite for writing further longevity risk beyond that represented in its closed books.

Expense Risk

Expense risk is the risk of loss arising through increases in the Company's expense levels, or inflation over time. Expense risk is a significant risk for the Company, and one which it must accept in order to write business. The Company will monitor expense experience on an on-going basis and has set limits for actual expenses relative to budgeted expenses The Company has a low appetite for expense risk.

Life Catastrophe Risk

This relates to the risk of losses arising due to mortality risk exposure from extreme or irregular events whose effects are not sufficiently captured by the Mortality Risk Limits. The Company has a low tolerance for exposure to Life Catastrophe Risk and through product design and reinsurance will ensure that any exposure remains within the limits identified.

4.2 - Market risk

Market Risk is the risk of loss resulting from fluctuations in the level of market prices of assets, liabilities and financial instruments.

OneLife's appetite for Market Risk has two key elements – a policyholders' fund element and a shareholders' fund element:

In respect of policyholder funds, the Company has no appetite for direct Market Risk, and future products will be designed such that no guarantees will be provided which will directly expose the Company to Market Risk. There are no development plans for products with investment guarantees. The existing guaranteed portfolios have some inherent risk that is managed with a robust asset liability matching overseen by the Investment Committee, the appetite for this residual risk is low.

In respect of the shareholder portfolio, the Company has a low appetite for Market Risk. The Company will invest primarily in lower risk assets, such as cash and fixed interest securities. However, the Company is willing to take on some risk, through allowing fund managers to invest in non-government fixed interest securities with a view to generating additional returns, subject to specific limits contained in the Investment Policy set by the Company's Investment Committee. These limits are designed to keep the Company's direct market risk within the risk tolerances set out in this document, and will be reviewed as appropriate in light of any changes to this document.

Market risk can take the form of:

Interest Rate Risk

Interest Rate Risk is the risk of loss resulting from adverse changes in interest rates. The Company is exposed to Interest Rate risk through direct holdings of fixed interest securities, through the second order impact of changes in interest rates on policyholder funds and on the Shareholder investment in bonds. The Company has a low tolerance for direct interest rate risk and has determined an investment policy for shareholder funds on that basis.

This risk is included in the Market risk defined in the Risk Limits. It is only monitored for the guaranteed interest portfolios currently only managed in one activity of the Company

Control on Shareholder investment in bond funds is done at Investment Committee level.

Capital Market Risk

Capital Market Risk primarily for OneLife relates to the risk of loss resulting from fluctuations in the market prices of equities and other market priced assets. The Company has no tolerance for direct equity or asset exposure other than where an exposure is required for operational reasons through a temporary shareholder holding in unit funds, either as a box position or for seeding funds, for which the appetite is low.

The Company has low tolerance for Capital Market Risk through the second order exposure to policyholder unit funds (through fee income).

Risk Limits for Capital Market Risk are set out in the Risk Appetite.

Foreign Exchange Risk

Foreign Exchange Risk is the risk of loss resulting from adverse movements in currency exchange rates.

The Company has a low tolerance for Foreign Exchange Risk. The Company has a strategic objective to develop portfolio bond product opportunities in a number of European markets. The risk appetite of the Company is compatible with writing business in territories where the Euro is not the local currency. However, it is likely that policyholder requirements will mean that the Company will earn fee income in non-Euro currencies whilst typically incurring at least some expenses in Euro.

The Company has a tolerance for some level of Foreign Exchange Risk, primarily for operational purposes, but has determined overall limits for aggregate currency exposures within which it must operate.

These Risk Limits are set out in the Risk Appetite.

4.3 - Credit risk

Credit Risk describes the risk of loss resulting from fluctuations in the credit standing of issuers of securities, counterparties and debtors to which the Company is exposed. It can take the form of:

- Investment Counterparty Risk
- Reinsurer Counterparty Risk
- Policyholder Counterparty Risk

Investment Counterparty Risk

Investment Counterparty risk reflects the risk of loss arising from a counterparty defaulting and being unable to fully discharge an obligation to the Company, and/or spread risk. It will typically include counterparties to fixed interest securities, and other parties that the Company is exposed to, consideration is also given to inter-Company exposures.

The Company has a medium-low appetite for investment counterparty risk and has set specific limits in the Investment Guidelines Policy, which must be adhered to in relation to investments held directly in shareholder funds.

The Company will monitor exposures to relevant third parties. The Company has determined Risk Limits for Investment Counterparty Risk exposures, and will actively monitor these exposures to ensure that they remain within these limits.

Spread risk is treated as a sub-risk of Investment Counterparty Default Risk and relates to the risk of loss arising from changes in the value of market securities driven by changes in the credit standing of counterparties. For OneLife, the risk manifests itself primarily through the shareholder portfolio of fixed interest investments and the guaranteed portfolio. Changes in the credit spreads of fixed interest counterparties (whether corporate or sovereign) will affect the value of those assets.

The Company has a low tolerance for spread risk and has set out a defined Investment Policy to limit exposure by credit rating and concentration limits of counterparties.

Risk limits for the Company's exposure to spread risk are set out in the Company's Investment Policy reviewed at least annually in the context of these risk limits.

Reinsurance Counterparty Risk

Exposures to re-insurers will be monitored as appropriate, and the Company will apply defined limits reporting to the Board. The Boards tolerance to Reinsurance Counterparty Risk is low.

The majority of reinsurance is placed with one counterparty (over 90%). This does not generate a significant concentration of reinsurer credit risk due to the risk premium structure of the reinsurance, which does not cause significant reserves to build up on the reinsurer's balance sheet. Credit risk is therefore limited to claims incurred but not yet reimbursed by the reinsurer, and to accrued profit share not yet received.

Policyholder Counterparty Risk

On occasions, some policyholder funds have issues to liquidate part of the holding to meet fees due, and this creates an exposure for OneLife. The Board expects these exposures to be minimised and action for recovery taken at the earliest opportunity, hence their tolerance for this risk is low.

4.4 - Liquidity risk

Liquidity Risk is the risk of losses in the event that insufficient liquid assets are available to meet the cash flow requirements of the obligations to any counterparties, such as employees, service providers and policyholders in respect of surrenders when they fall due.

The Company has a low tolerance for liquidity risk. Robust modelling of medium term liquidity needs is completed as part of the annual planning exercise and a safety margin is maintained for short-term liquidity based on recent experience of cash demands. The investment of shareholder funds backing the guarantee funds must be in line with the Asset and Liability Matching Policy which takes account of the Company's projected liability profile, including the projected duration of liabilities, with assets backing policyholder liabilities suitably matched by duration.

The Company's Investment Policy Guidelines for shareholder funds requires investment in liquid assets which are listed on recognised markets. Where unlisted assets, or other assets which may have less liquidity than typical listed assets, are held within unit funds, the Company will clearly set out the basis for transferring those assets back to policyholders if claims are made on a policy at a time when the assets cannot readily be realised.

The Company's Investment Committee will determine the eligibility of assets or types of asset into unit funds on a case-by-case basis, where the automatic criteria for inclusion in the fund, determined by the Investment Committee, have not been met.

OneLife also monitors the ratio of shareholders' cash at bank, in hand, unused facilities and cash deposits divided by Expenses (monthly average).

The Company writes only a small amount of regular premium business and those future recurring premiums have been considered outside the contract boundaries for the valuation of technical provisions. The Company does not take credit for any material expected profit included in future premiums.

4.5 - Operational risk

Operational Risk is the risk of loss resulting from inadequate or failed processes, people and systems or from external events.

The Company has a medium-low appetite for Operational Risk, but sees it as an inevitable corollary of writing insurance business. The Company will seek to minimise operational risk through a robust operational risk management process.

The Company has an operational risk policy and uses a three-level categorisation of Operational Risk Events:

- **Level I**: Seven different event types are defined, in line with the Basel II definitions.
- **Level II**: For each Level I event type, Level II event types are developed to provide more detail on the type of the event to answer the question “what has happened?”. The Level II event types are closely related to the Basel event types, but some adjustments were made for the application to the insurance industry.
- **Level III:** Facilitates the categorisation by giving more concrete examples that add to level II and I. Supports the analysis of reported losses by various stakeholders.

The operating model is described in the Operational Risk policy and the events types on the three levels are listed in Appendix I of the same policy.

The collection of Risk Event Data (RED) enables the Company to supplement the risk information provided by the risk assessment process undertaken by business areas.

4.6 - Stress Testing

In its 2016 ORSA, the Company modelled stress testing based on 6 stresses and 2 scenarios:

Stresses were applied against the main risks OneLife is exposed to, namely:

1. Sales risk

A sales volume stress of 40% across all portfolios and entities is applied on budget figures in 2017, 2018 and 2019.

2. Lapse risk

A lapse rate stress of 30% across portfolios and entities is applied on budget figures in 2017 (with one exception of a specific portfolio with a higher lapse rate).

For reference, in the standard formula, in the SCR calculation the mass lapse assumption rate is set to 40% which is much higher that the historical laspse rate encountered in 2013 on the Belgian market.

3. Market and Credit risk (inclusive of currency risk)

A market falls of 25% on assets under management is applied across all portfolios' and entities' on 2017 opening values.

Market and credit risk is projected as an immediate single shock representing the combined effect of market price falls, credit defaults, adverse movements in exchange rates and increases in bond yields.

4. Expense risk

This stress assumes an increase of 10% in 2017, and 5% in both 2018 and in 2019 of expenses compared to those allowed in the Business Plan.

The budget assumed an indexation of 2.5% (in January) and a conventional increase of 0.7% in 2017 and 0.5% in 2018 for staff costs.

5. Operational risk

Operational risk was estimated as an additional expense arising from crystallising risk events of €4.0M in 2017, and €2M in 2018 and 2019.

6. Erosion Fees

This stress reflects an erosion of our fee rates of 10% in 2017, 2018 and 2019.

Fees margin in the budget are experienced fee rates. Our fee grids are decreasing based on premium size; this stress reflects our strategy to move to UHNWI and hence we expect larger premiums than in the past. This trend was also observed and is sometimes due to commercial gesture.

Stress	2017	2018	2019
Sales	-40%	-40%	-40%
Lapses	30%	0%	0%
Market risk	-25%	0%	0%
Expenses	10%	5%	5%
Operational risk	4M	2M	2M
Erosion Fees	-10%	-10%	-10%

In addition, two opposite scenarios were proposed, one anticipates deeper recession and the other an improving economy. Scenarios have been built as an aggregated set of stresses. While stresses proposed above are meant to be extreme limits, for the two scenarios mentioned below values have been set at more reasonable levels.

When modelling the value of the in-force portfolio in the stressed conditions, we anticipated that management would be able to take some corrective action to reduce future expense levels following a fall in assets under management.

4.7 - Other material risks

Product Design and Pricing

New business pricing risk is the risk of losses arising from accepting new business premiums at unprofitable rates. It is an important risk for the Company to monitor. Whilst it may be important for the Company to write business on competitive terms, and there may be occasions where it is appropriate to apply special terms, the Company has no appetite for writing unprofitable business more generally.

The process for minimising new business pricing risk requires the profitability of new product developments to be assessed by the Head of Actuarial Department. Exception requests in respect of individual cases or sub-products are coordinated by Sales & Marketing and must be approved by the Actuarial Team. Periodic reviews of the current pricing of existing products are undertaken at a portfolio level.

The New Business Product Approval process is not strictly a risk in its own right, but is a key control. A robust product approval process is central to ensuring that the Company does not inadvertently accept new risks or otherwise increase its risk profile.

Risk Concentration

Within OneLife, risk concentration is monitored and controlled at Shareholders cash balance level: any excessive exposure due to high concentration of shareholder investments in a single entity or Company of related entities, or in a single geographic location or industry are all prescribed with Investment Policy Limits and reported monthly to the Investment Committee.

Consolidated shareholders cash balance per Bank on a Company level is reported by Treasury. Concentration limits for exposures to individual banking companies, are set to minimise the outcome of counterparty defaults.

In addition, the Risk concentration is monitored and controlled at partner level: OneLife developed Key Risk Indicator in order to monitor Broker, Sales person and Custodian concentration.

Sales Risk

Sales risk, is the risk of not reaching the budgeted sales figures or having a surrender rate higher than expected.

Risk Management monitors the actual premiums against budget every quarter (by market and by product) as well as monitoring actual surrenders against budget.

Legal, Regulatory & Compliance Risk

Legal/regulatory (compliance) risk is the impact arising from failure to comply with statutory or regulatory obligations. OneLife considers legal risk as the outcome of other risks crystallising, in particular operational risk. The Company has no appetite for material legal / regulatory risk and will invest in people, systems and governance controls to minimise the possibility of failing to meet legal and regulatory obligations.

Strategic Risk (including Reputational Risk)

The Company is subject to Strategic Risks which are beyond its control, the impact of which may be to render the Business Model unviable. An annual exercise of Reverse Stress Testing has been undertaken by the Executive Committee and presented to the Board for their consideration of events which could have such an impact. A key output from the process is to ensure appropriate early warning measures are in place and that Management actions have been considered and documented should such events arise.

The Company has a low appetite for unprofitable classes of business arising from strategic positioning, or resulting from adverse pricing experience.

Reputational risk is the current and prospective impact on earnings and solvency capital arising from negative opinions exhibited by the public, regulators or tax authorities. Reputational risk can be seen as arising from other risks, in particular operational risk (“cascading effect”). It is considered one of the effects of operational risk events.

The Company has no appetite for reputational risk. OneLife continues to invest heavily in building in its chosen markets and in developing the necessary systems and controls to minimise reputation risk.

One area where Reputation Risk can arise relates to policyholder expectations which can be driven in part by product literature and the sales process. The Board is responsible for ensuring that the reasonable expectations of policyholders are met.

In addition, the Company will carefully select the distributor companies with which it will enter into distribution agreements and will verify the regulatory status of all agents, and where appropriate, implement a programme of on-going sales monitoring in all jurisdictions, and field visits / audits to ensure proactive monitoring of the activities of agents.

4.8 - Prudent Person Principle

The prudent person principle for investment purposes is covered through the regular monitoring of the Investment Committee that applies for the own portfolio and portfolios with guarantee return.

OneLife believes that prudent management of risk is a central element of the investment function and that diversification among asset classes will maximise the probability of achieving investment goals while minimizing the risk of loss associated with any single security, asset class, industry sector, or geographical region.

The Investment Committee oversees and guides the investment process and its policies subject to the following principles:

- To act solely in the interest of OneLife, its clients, and its shareholders
- To act with care, skill, prudence and diligence under any circumstances
- To prudently manage the costs of implementing this Investment Policy.

This is fully documented in the Company Investment Policy Guidelines

For portfolios where policyholders bear the investment risk, the decision about the asset classes are determined by the policyholders and/or their advisors. The Company ensures that those decisions comply with their investment strategies and with regulatory-determined investment limits.

4.9 - Any other information

As at 31 December 2016, the Company has commitments amounting to EUR 2,846,449 (2015: EUR 2,914,972) in relation to IT hardware, software and IT contractors, commitments amounting to EUR 357,940 (2015: EUR 430,788) in relation to car leasing contractors and commitments amounting to EUR 4,450,789 (VAT included) in relation to building lease (2015: EUR 5,058,123).

As a consequence of the liquidation of a related entity in 2016, FinAdmin E.I.G., the Company has taken over off balance commitments of that entity as of 1 July 2016, for which the Company was previously a joint guarantor as a member of this Economic Interest Grouping.

No transfer of risk to special purpose vehicles was made.

5 VALUATION FOR SOLVENCY PURPOSES

5.1 - Assets

As at 31 December 2016, The OneLife Company held the following assets:

Balance sheet: Assets (mio EUR)	Notes	Statutory accounts valuation	Solvency II valuation
Intangible assets	**a.**	**7.97**	**0.00**
Investments		**117.80**	**122.61**
Shares, other variable yield transferable securities and units in unit trusts	b.	3.87	4.05
Debt securities and other fixed income transferable securities	c.	109.94	114.57
Deposits with credit institutions	d.	4.00	4.00
Investments for the benefit of life insurance	**e.**	**5,014.78**	**5,014.78**
Other loans	**d.**	**0.17**	**0.17**
Reinsurer's share of technical provisions		**0.04**	**0.04**
Debtors	**f.**	**23.43**	**23.43**
Debtors arising out of direct insurance operations		1.51	1.51
Other debtors		21.92	21.92
Other assets		**60.92**	**60.92**
Cash at bank and in hand	g.	60.60	60.60
Tngible assets and stocks		0.33	0.33
Any other assets, not elsewhere shown	**h.**	**9.32**	**7.89**
Deferred acquisition costs	**l.**	**16.24**	**0.00**
Total assets		**5,250.68**	**5,229.85**

The valuation principles applied to the assets are as follows:

a. For the Statutory Accounts, intangible assets are valued at purchase price including the incidental expenses, less cumulated depreciation amounts. They are composed of goodwill and technical policy management software which are respectively amortized over an eight-year period and over a seven-year period. For Solvency II, intangible assets are taken at nil value.

b. For the Statutory Accounts, shares and other variable yield transferable securities and units in unit trusts are valued at the lower of historical acquisition cost or market value. For Solvency II, they are valued at market value.

c. For the Statutory Accounts, debt securities and other fixed income transferable securities are valued at amortised cost. For Solvency II they are valued at market value.

d. Deposits with credit institutions and other loans are valued at nominal value.

e. Investments for the benefit of life insurance policyholders who bear the investment risk are valued at market value. The market value of the investments has been determined according to the following methods:
   - Transferable securities admitted to an official stock exchange listing or traded on another regulated market are valued on the basis of the last available market price. If such securities are listed on several markets, the last known price on the principal market is applied;
   - Transferable securities not admitted to an official stock exchange listing or not traded on another regulated market, and transferable securities admitted to an official stock exchange listing or traded on another regulated market, but for which the last available price is not representative, are valued on the basis of their reasonably foreseeable price determined with prudence and good faith by the Board of Directors of the Company, based on available information provided by the custodian banks, other price providers or in the financial statements of these investments.

f. Debtors are valued at the lower of their nominal and their probable realisation value. Value adjustments are made when recoverability is questionable, either in part or entirely. These value adjustments shall no longer be carried when the reasons for which they were made cease to apply;

g. Cash at bank and in hand is valued at nominal value;

h. Any other assets include other expenditure incurred during the financial year which relates to a subsequent financial year and income relating to the current financial year, but which is not receivable until a subsequent financial year;

i. For Statutory Accounts, some acquisition costs relating to life insurance policies are deferred and recognised as an asset. The deferred acquisition costs are amortised over the acquisition charge earning period, on a straight line basis. Additional amortisation is recorded on fully surrendered policies. For Solvency II, deferred acquisition costs are not recognised as an asset and are taken at nil value.

5.2 - Technical provisions

The amounts of technical provisions for the purposes of financial statements and Solvency II are as follows:

Balance sheet: Liabilities (mio EUR)	Notes	Statutory accounts valuation	Solvency II valuation
Unit Linked Technical Provisions		**5,014.78**	**5,014.78**
Unit Linked provisions	a.	2,737.53	2,737.53
Dedicated Funds Provisions	a.	2,276.45	2,276.45
Additional provisions	b.	0.80	0.80
Present Value of Future Profits	**g.**		**(117.94)**
Risk Margin	**h.**		**23.62**
Technical provisions excluding unit linked		**111.25**	**111.25**
TMG - TRG	c.	88.67	88.67
Product 53A		6.71	6.71
Product G82		2.91	2.91
Former-ATP portfolio		0.07	0.07
Bonus provisions	d.	8.15	8.15
Annuities provisions	e.	2.06	2.06
Additional provisions	f.	2.68	2.68
Present Value of Future Profits	**g.**		**(2.97)**
Risk Margin	**h.**		**0.52**
Total Liabilities		**5,126.03**	**5,029.26**

a. **Unit Linked Technical Provisions**
The portfolio mainly comprises single premium (with possible additional premiums) and regular premium unit-linked policies allowing investment into a range of internal or external collective funds which the Company makes available, or to one or more dedicated funds where the policy value is linked to an individual investment fund whose assets are managed according to the investment strategy selected by the policyholder.

Unit Linked Technical Provisions correspond to liabilities for those policies, for which the benefits are determined by reference to the value of the investments and where the investment risk is borne by the policyholders. They were evaluated as the net asset value of units allocated to policies on the valuation date, with assets taken at their market value.

b. **Additional provisions (UL portfolio)**
An additional technical provision related to unit-linked polices has been included in this line of business.

The main part (EUR 0.70m) is in respect of loyalty bonus funded from annual management charges.

The remainder of the additional provisions relate to death and disability covers on unit-linked contracts.

c. **Guaranteed Funds provisions**

The Company has a number of guaranteed fund portfolios in run-off, namely Taux Minimum Garanti (TMG) and Taux Regulier Garanti (TRG) funds and guaranteed portfolios mainly written on the Danish market (53A & G82 portfolios).

Guaranteed funds provisions correspond to technical provisions for these products with guaranteed interest rates.

The TMG/TRG technical provisions was calculated as the number of reference points allocated to policies, multiplied by the price at the valuation date.

The 53A and G82 products consist of single and regular premium policies originally issued by Danica Liv and Pension (53A product) and Nordea Life & Pensions S.A (G82 product) for the Danish market.

The policies include endowments, whole of life policies, deferred and in-payment annuities, term assurances and waiver of premium and disability benefits. Guaranteed returns are administered by allocating a number of units to policies, the price of which is increased at the relevant guaranteed rate on a weekly basis.

The technical provisions were calculated as the number of units allocated to policies, multiplied by the price at the valuation date.

The liabilities were also revalued on a market-consistent basis; the resulting strengthening reserves are included in item (f) below.

The annuities in the 53A and G82 portfolios are included in item (e) below.

d. **Bonus provisions**

The provision for bonus includes all amounts which are allocated to the revaluation of policyholders' policies for the financial year, or which are set aside, to order to absorb adverse market evolutions and which represent the allocation of a surplus arising from the financial transactions relating to the segregated funds linked to these policies, after deduction of the policy costs.

e. **Annuity provisions**

The portfolio contains a very small number of traditional annuities in force. The annuity provisions are computed using annuitant mortality tables. The annuity provisions are not material, representing less than 0.04% of the portfolio.

f. **Additional provisions**

Additional provisions include strengthening reserves for the guaranteed portfolios, together with a number of small reserves for mortality, disability, longevity risk, administrative expenses and interest rate risk on a guaranteed benefit.

g. **Present Value of Future Profits (PVFP)**

The value of technical provisions under Solvency II requirements equals the sum of the Best Estimate Liability (BEL) and the Risk Margin (RM). The BEL is the expected present value of the probability-weighted average of future cash-flows, using the relevant risk-free interest rate term structure.

For ease of comparison to the Company's Annual Report & Accounts, the BEL has been presented as the sum of technical provisions described above and evaluated under the Solvency I requirements using methodologies communicated to the CAA, and the Present Value of Future Profits (PVFP) calculated by projecting forward the cashflows expected to arise from policies in-force at the valuation date on a best-estimate basis and discounting these cashflows using the risk-free rates provided by EIOPA.

Two positive PVFP of the portfolios are shown as negative amounts in the table above as they reduce the amount of overall technical provisions.

Cashflows were modelled on a policy-by-policy basis for the majority of the portfolio, with the remainder being modelled using a model point approach for groups of contracts possessing similar technical characteristics.

Cash flows included in the projections were:
- regular premiums;
- management fees, rebates and other fees and charges;
- claims (mortality, surrender and maturity);
- maintenance expenses;
- trail and renewal commission.

Items not included in the projections were:
- taxation;
- DAC amortisation (since the DAC asset are not recognised in the Solvency II balance sheet);
- top-up premiums;
- switches to other funds.

The Company did not apply the matching adjustment, volatility adjustment, transitional risk-free interest term structure or transitional deduction referred to in, respectively, Articles 77b, 77d, 308c and 308d of the Solvency II Directive.

The PVFP was calculated net of reinsurance with adjustment for the expected net profit from reinsurance profit share arrangements.

At the valuation date, amounts recoverable from reinsurance contracts were limited to recoveries due in respect of claims paid and reimbursements due under reinsurance profit share arrangements.

The assumptions about incomes and expenses were determined on the basis of internal observations and analysis, made separately for each part of the modelled portfolio. The probabilities of lapse were determined based on the observations made over the previous three years.

The principal assumptions were as follows:

Economic assumptions

Risk free rate	EUR Risk free zero coupon curve as at 31/12/2016 provided by EIOPA
Risk discount rate	Equal to the risk free rate
Fund growth rates	Equal to the risk free rate
Currency rates	All cash flows were converted to EUR using rates published by ECB as at 31/12/2016

Demographic assumptions

Surrender Rates	Surrender rates are based on an average of the last 3 years' experience, derived on an amounts basis. Rates are derived considering total surrender outgo as a proportion of assets under management. The average rate is computed by product grouping. Depending on the portfolio, the partial and the full surrender rates are defined separately. Rates are kept constant over the projection years, resulting in an average annual lapse rate of approximately 12% during the projection period.
Mortality	As there is insufficient Company experience to derive the mortality assumptions on a standalone basis, a Belgian mortality table is used in the valuation for all products.

Expense Assumptions

Maintenance Expenses	Expenses were modelled on a per-policy basis, which implicitly assumes a going concern approach. Per-policy costs were derived from a regular analysis of Group expenditure in order to allocate them by type (acquisition, maintenance and custody) and by type of business.
Expense Inflation	is set at 1.9% p.a.

Fund Management Assumptions

External Fund Management Charges	Based on technical accounting information for the 2016 financial year
Trail Commissions	Based on technical accounting information for the 2016 financial year
Investment Fund Rebates	Based on technical accounting information for the 2016 financial year

Product Specific Assumptions

Charges	Management charge rates were taken from policy data extracts from the administration systems

Assumptions used for recoverable from reinsurance contracts

Surrenders rate	The average annual surrender rate on the entire portfolio, kept constant over the projection years, based on an average of the last 3 years' experience is used in the valuation of the recoverable for the reinsurance contracts.
Commission rate	Commission rate defined in the reinsurance treaty applied on the reinsured premiums
Reinsured Premiums	Belgian mortality assumption as used for the valuation of the BEL and the average age progressing of 1 on a yearly basis
Profit sharing rate	50% (Reinsured premiums *(1-ReinsComm) - Claims)

h. Risk Margin

The Risk Margin (RM) represents the cost of holding the Solvency Capital Requirement (SCR) over the lifetime of the insurance obligations. It is calculated with a "cost of capital" approach by applying the cost of capital rate to the discounted value of the projected SCR.

The market risk component of the SCR was excluded from the calculation, by assuming that the assets are selected in such a way that they minimise the SCR for market risk, in accordance with Article 38 (1) (h) of the Delegated Regulation.

Guideline 62 of the EIOPA guidelines on the valuation of technical provisions sets out a hierarchy of simplifications for the risk margin. The Company uses method 2 (the second most precise method) where the SCR for each future year is proportional to the ratio of the best estimate for the relevant year to the best estimate at the valuation date. For that purpose, the best-estimate was assumed to evolve in proportion to the projected assets under management of the in-force portfolio.

The projected SCR at each future time period was then discounted back to the valuation date using risk free rates.

The result of the calculation was then multiplied by the cost of capital rate of 6% to give the Risk Margin.

Uncertainty associated with the value of the technical provisions

The value of the technical provisions at the valuation date is highly sensitive to the assumptions underlying the calculation of the Present Value of Future Profits (PVFP) and, in particular, to the assumptions of future lapse experience, maintenance expenses, investment fund rebates, trail commissions and investment performance and discount rates.

The evolution of technical provisions is also highly sensitive to the development of assets under management, which is itself sensitive to market performance, levels of new business written and lapse experience.

Differences from the Statutory Account valuation & Other Information

A comparison of the technical provisions for the purposes of the financial statements and Solvency II has been shown in the table above.

The differences arise from the inclusion of the PVFP and the Risk Margin in the Solvency II technical provisions.

No securitisation arrangements were in place.

5.3 - Other Liabilities

The amounts of other liabilities for the purposes of the financial statements and Solvency II are as follows:

Balance sheet: Other Liabilities (mio EUR)	Notes	Statutory accounts valuation	Solvency II valuation
Subordinated Liabilities	a.	**14.04**	**14.04**
Provisions for other risks and charges	b.	**9.44**	**9.44**
Provisions for taxation		1.38	1.38
Other provisions		8.06	8.06
Creditors	c.	**43.10**	**43.10**
Creditors arising out of direct insurance operations		39.85	39.85
Creditors arising out of direct reinsurance operations		0.21	0.21
Other creditors		3.04	3.04
Accrual and deffered income	d.	**1.15**	**1.15**
Total of other liabilities		**67.73**	**67.73**

The bases of valuation for Solvency II are as follows:

a. Subordinated loans are valued at nominal value.

b. Provisions for other risks and charges include the provisions for taxation and the other provisions.

The provisions for taxation include the Company's best estimate of income tax liabilities for financial years for which a definitive taxation assessment has not yet been received from the fiscal authorities and final unpaid tax liabilities. Advance tax payments are recognised under the category "Any other assets".

The other provisions are intended to cover losses or liabilities the nature of which is clearly defined and which, at the balance sheet date, are either likely to be incurred or certain to be incurred, but uncertain as to the amount or as to the date on which they will arise.

For the purposes of Solvency II, an amount of nil was shown for the value of Deferred Tax Liabilities as the liability was shown net of relief from carried forward tax losses. The amount was calculated by applying the relevant tax rate for the company (30.83%) to the result of:

	(i)	Capital & Reserves on the Solvency II basis
less	(ii)	Capital & Reserves on the Financial Statements Basis
less	(iii)	Amount of tax losses carried forward

subject to a floor of zero.

c. Creditors are valued at settlement value for both the Statutory Accounts and Solvency II.

d. Accruals and deferred income consist of both income received before the balance sheet date, but relating to a subsequent financial year, and charges relating to the current financial year, but payable in a subsequent financial year. They are valued at settlement value for both the Statutory Accounts and Solvency II.

5.4 - Alternative methods for valuation

The Company has not used alternative methods of valuation under Article 10(5) of the Delegated Regulations.

5.5 - Any other information

5.5.1 - Future management actions

When modelling the value of the in-force portfolio in the stressed conditions (ORSA), we anticipated that management would be able to take some corrective action to reduce future expense levels following a fall in assets under management. For this purpose, we assumed that 50% of the expenses could be varied in proportion to the AUM.

5.5.2 - Policyholder behaviour

The policyholder behaviour is taken into account in the lapse rates used for the modelization of the technical provisions under Solvency II and the Solvency Capital Requirements computations as described in section 5.2.(g).

6 CAPITAL MANAGEMENT

6.1 - Own Funds

6.1.1 - Capital Management Process

The objective of the capital management process is to ensure that the nature and amount of Own Funds are sufficient to meet regulatory capital requirements (i.e. the Solvency Capital Requirement "SCR" and Minimum Capital Requirement "MCR") at all times.

The capital management process is summarised in the Capital Management Policy and includes the following key items:

- An annual Budget and Medium Term Capital Management Plan, carried out annually in the 4th quarter with a three-year time horizon and which takes into account different scenario hypotheses and any planned dividends or capital restructuring. A reforecast exercise is also run annually in the 2nd quarter, taking into account expected year-to-date performance.
- Stress and scenario analysis conducted within the ORSA process and summarised in the ORSA Report, which is used as an input to the Medium Term Capital Management Plan.
- The process for approval of any dividends or distributions of capital.
- Processes for simulating the solvency impact of planned new activities.
- Roles and responsibilities of the Actuarial Function, Group Executive Committee, ARCC and Board of Directors in the monitoring of capital adequacy on at least a quarterly basis.
- Processes to allow the Company to effectively manage a crisis situation that might lead to a capital shortfall against regulatory requirements or risk appetite.
- The roles of the CFO and the Investment Committee in managing and monitoring the investment of Own Funds.

6.1.2 - Tiering and Quality of Own Funds

The following table shows the eligible amount of own funds to cover the SCR and the MCR classified by tiers and the corresponding solvency ratios:

Own Funds (mio EUR)	Solvency II value	Tier 1 - Unrestricted	Tier 1 - Restricted	Tier 2	Tier 3
01 January 2016					
Subscribed capital	32.23	32.23			
Share premium account	3.61	3.61			
Reconciliation reserve	90.07	90.07			
Subordination Liabilities	14.04		12.74	1.30	
Basic Own Funds	**139.95**	**125.91**	**12.74**	**1.30**	**n.a.**

Own Funds (mio EUR)	Solvency II value	Tier 1 - Unrestricted	Tier 1 - Restricted	Tier 2	Tier 3
31 December 2016					
Subscribed capital	32.23	32.23			
Share premium account	3.61	3.61			
Reconciliation reserve	97.02	97.02			
Subordination Liabilities	14.04		12.74	1.30	
Basic Own Funds	**146.90**	**132.86**	**12.74**	**1.30**	**n.a.**
SCR	**89.84**				
MCR	**37.65**				
Ratio of Eligible own funds to SCR	**163.51%**				
Ratio of Eligible own funds to MCR	**390.21%**				

All Own Funds items have been categorised as Tier 1, with the exception of one tranche of subordinated liabilities, which have been categorised as Tier 2.

a. Subscribed Capital and Share Premium Account

The subscribed capital amounts to EUR 32.23m and is represented by 1,300,000 fully paid and called-up ordinary shares. The share premium account corresponds to an amount of EUR 3.61m.

b. Reconciliation Reserve

The reconciliation reserve, classified as Unrestricted Tier 1, comprises the following items:

	EURm
Reserves	8.19
Variation in the valuation of assets	(20.83)
Variation in the valuation of liabilities	96.78
Reconciliation reserve	97.02

The reconciliation reserve does not take into account the dividend paid in 2017 for the exercise 2016.

The reserves amounting to EUR 8.19m are composed of the legal reserve of EUR 3.22m and a free reserve of EUR 4.97m. In accordance with Luxembourg law, the Company allocates 5% of its net profit for each financial year until the legal reserve balance reaches 10% of the issued share capital. This level being reached since 2008, no allocation was made to the legal reserve.

c. Subordinated Liabilities

The Company's Own Funds include EUR 14.04m of subordinated loans, which comprise the following:

- Loan 1: Subordinated loan issued by the Company to Dekania Europe CDO III Plc on 20/03/2008 for an amount of EUR 4.80m. The loan is fixed rate until the reset date (15/03/2018) and floating rate thereafter. The Company has an option to redeem some or all of the loan on the reset date
- Loan 2: Subordinated loan issued by the Company to Dekania Europe CDO III Plc on 19/08/2008 for an amount of EUR 1.00m. The loan is fixed rate until the reset date (15/09/2018) and floating rate thereafter. The Company has an option to redeem some or all of the loan on the reset date
- Loan 3: Subordinated floating rate loan originally issued on 01/03/1995 with unlimited term, now owed to The OneLife Holding S.à.r.l. for an amount of EUR 6.94m.
- Loan 4: Subordinated and unsecured bearer notes originally issued by Altraplan Luxembourg S.A. to Altraplan Bermuda Limited on 18/12/2014 with unlimited term, now owed to The OneLife Holding S.à.r.l. for an amount of EUR 1.30m.

The loans are subject to the transitional measures set out in Articles 308b(9) and 308b(10) of the Solvency II Directive (consolidated version), which can be applied for a 10-year period for subordinated loans issued before 1st of January 2016. Loans 1, 2 and 3 are classified as "Tier 1 – Restricted" and Loan 4 classified as "Tier 2".

The Company has sufficient "Tier 1 – Unrestricted" Own Funds to fully cover its SCR and MCR, without recourse to subordinated liabilities.

d. Ancillary Own Funds, Deductions and Restrictions
The Company has no Ancillary Own Funds, applies no deductions to Own Funds and there are no material restrictions affecting their availability and transferability.

6.1.3 - Comparison of Own Funds to Financial Statements

The following table reconciles the Capital & Reserves in the Company's financial statements at 31 December 2016 to the excess of the assets over liabilities as calculated for Solvency II purposes. The excess of the assets over liabilities corresponds to the Own Funds amount of EUR 146.90m.

Basic Own Funds: Reconciliation of Net Equity with Own Funds (mio EUR)	
Total Equity in financial statement	**56.92**
Subscribed capital	32.23
Share premium account	3.61
Reserves	8.19
Profit / (loss) brought forward	8.45
Profit / (loss) for the financial year	4.43
Reconciliation reserve excluded reserve and retained earning	**75.95**
Assets items	
Intangible assets	(6.46)
Goodwill	(1.51)
Deferred acquisition costs	(16.24)
Difference of valuation on the assets	3.38

Liabilities items	
Difference of valuation on the technical provisions	120.92
Risk Margin	(24.14)
Subordinated liabilities	**14.04**
Basic Own Funds	**146.90**

The difference between the Own Funds and the financial statements net equity arises from the differences between the valuations of assets, liabilities and technical provisions described in the sections above.

For the purposes of Solvency II, an amount of nil was shown for the value of Deferred Tax Liabilities as the liability was shown net of relief from carried forward tax losses.

6.1.4 - Expected Development of Own Funds

During 2017, the Company will pay a dividend of EUR 3.00m to the OneLife Holding out of its results brought forward as at 31st December 2016. The equivalent post-dividend Solvency ratios will be an SCR coverage of 160% (164% pre-dividend) and an MCR coverage ratio of 381% (390% pre-dividend).

The Company is considering redeeming two tranches of subordinated loans (labelled Loans 1 and 2 in section above) on their interest reset dates in 2018. This would lead to a reduction in Own Funds in the short term, but would lead to a longer term strengthening of solvency coverage due to improved profitability as a result of lower financing costs.

Prior to the end of the transitional period, the Company will consider either reimbursing the subordinated loans to The OneLife Holding S.A. (labelled Loans 3 and 4 in section 6.1.2 above) as part of its strategy to reduce inter-company balances, or will seek to redraft the terms of the loan agreements so that they meet Tier 1 criteria without recourse to the transitional measures.

The Company's 2016 ORSA Report, considered a central scenario for the projection of Own Funds in line with the 2017-2019 business plan. The projection indicated an underlying stable level of Own Funds and solvency coverage before allowing for the potential impact of subordinated debt redemption.

The ORSA Report also considered the impact on solvency coverage of a number of stresses against the main risks that the Company is exposed to, namely:

- sales risk;
- lapse risk;
- market and credit risk (inclusive of currency risk);
- expense risk;
- operational risk;
- erosion of fees.

In addition, two opposite scenarios were proposed, one anticipating a deep recession and the other an improving economy.

The stress and scenario tests indicated an adequate level of capitalisation, other than in an extreme scenario, which indicated need for the Company to reinforce its solvency base in 2018 and/or take corrective action to realign the expense base to the significantly reduced assets under management.

6.2 - Solvency Capital Requirement and Minimum Capital Requirement

The table below shows the amounts of the Company's Solvency Capital Requirement as at 31 December 2016 split by risk modules.

Solvency Capital Requirement et Minimum Capital Requirement (mio EUR)	
Market Risk	
Interest Risk	0.70
Equity Risk	39.15
Property Risk	0.00
Spread Risk	11.72
Currency Risk	8.75
Concentration Risk	0.58
Diversification effect	(8.96)
Life Underwriting Risk	
Mortality Risk	2.10
Longevity Risk	0.00
Disability - Morbidity Risk	0.00
Lapse Risk	45.00
Expense Risk	14.87
Revision Risk	0.00
Catastrophe Risk	0.59
Diversification effect	(8.20)
Market Risk	**51.93**
Life Underwriting Risk	**54.35**
Counterparty Default Risk	**5.13**
Diversification effect	(25.61)
BSCR	**85.79**
Operational Risk	**4.05**
Adjustment factor	**0.00**
SCR	**89.84**
MCR	**37.65**

The Company exclusively applies the Standard Formula to determine its Solvency Capital Requirements, without using simplified calculations and without using undertaking-specific parameters.

In accordance with Chapter VII of the Delegated Regulation, the MCR calculation is based on the net value of the technical provisions and the total capital at risk on death, evaluated at the reporting date. The result of the calculation is subject to a floor of 25% of the SCR and to a cap of 45% of the SCR.

The main drivers of the anticipated SCR and MCR over the time horizon of the Company business plan are the evolution of the assets under management, the lapse rates and the administrative expenses. The Company expects from 2018 an increase of the assets under management linked to the new products launched in 2016, and to the reorganisation of the distribution network and the implementation of resources to sustain this one. According to the trend of the surrender rates over the last years, the Company anticipate a slight decrease of the lapse rate during the 3-year period. Finally, the Company expects a positive impact in 2019 on the PVFP due to the current expenses management programme. The SCR is expected to decline before growing at the end of the period considered.

6.3 - Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The Company is not using the duration-based equity risk sub-module (set out in Article 304 of the Solvency II Directive) in the calculation of the Solvency Capital Requirement.

6.4 - Differences between the standard formula and any internal model used

The Company is not using an internal or partial internal model to determine the Solvency Capital Requirement.

6.5 - Non-compliance with the MCR and non-compliance with the SCR

The Company complied with its Solvency Capital Requirement and Minimum Capital Requirement throughout the reporting period.

The Company does not foresee a risk of non-compliance with its Solvency Capital Requirement or Minimum Capital Requirement during its business planning horizon.

The Company plans to ensure compliance with the SCR and MCR by the measures set out in its Capital Management Policy, which include:

- maintaining a sufficient buffer within its Own Funds above the SCR and MCR;
- reviewing the three-year business and Medium Term Capital Management Plan in the 4th quarter of each year, with a reforecast exercise in the 2nd quarter;
- performing a stress and scenario analysis at least annually within the ORSA process;
- reviewing the impact on solvency coverage of any potential dividend, capital reduction or redemption of Own Funds;
- simulating the solvency impact of planned new activities;
- monitoring solvency coverage on at least a quarterly basis, or on occurrence of a significant event.

6.6 - Any other information

None

APPENDICES

A. Audited Annual Accounts of The OneLife Company S.A. for year ended 31 December 2016

B. QRT S.02.01 - Balance Sheet

C. QRT S.05.01 – Premiums, Claims & Expenses By Line Of Business

D. QRT S.05.02 – Premiums, Claims & Expenses By Country

E. QRT S.12.01 – Life & Health Slt Technical Provisions

F. QRT S.23.01 – Own Funds

G. QRT S.23.02 – Detailed Information By Tiers On Own Funds

H. QRT S.25.01 – Solvency Capital Requirement – For Undertakings On Standard Formula

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A AUDITED ANNUAL ACCOUNTS OF THE ONELIFE COMPANY S.A. FOR YEAR ENDED 31 DECEMBER 2016

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A1 BOARD OF DIRECTORS, MANAGING DIRECTOR, RÉVISEUR D'ENTREPRISES AGRÉÉ

Board of Directors

Michel Wolter	Chairman of the Board of Directors
Paul Wolff	
Thierry Porté	
Marc Stevens	
Christophe Baker	
Jean-Luc Jancel	
Peter Yordan	

Managing Director

Marc Stevens

Secretary of the Board

Antonio Corpas

Réviseur d'entreprises agréé

Deloitte Audit, Société à Responsabilité Limitée

A2 INTRODUCTION BY THE MANAGING DIRECTOR ON THE COMPANY'S ACTIVITIES AND RESULTS IN 2016

The OneLife Company S.A. (the Company – formerly Private Estate Life S.A.) and The OneLife Group (the Group) have been on an active and exciting journey throughout 2016 to develop market-oriented solutions in order to prepare for the years to come.

Rebranding

In terms of market or business positioning and development, the Company delivered a key component of its market-oriented strategy by developing products for all its core markets and by re-deploying in June a new unified brand under the "OneLife" banner.

Belgium remains the Company's primary market with sales principally focused on Camelea, a unit-linked product in the form of an "all inclusive" life insurance policy that offers mass affluent policyholders a variety of investment options and high investment flexibility. It is also worth mentioning that Adiameris, the company's Belgian Dedicated Fund product, performed even better in 2016 than in 2015. In 2016, the Belgium market represented 81% of total premiums. OneLife clearly remains the Luxembourg market leader for this country through its unique experience and proposition. In order to further enhance this leadership position, the Company also successfully launched a dedicated pension product for Belgium during the year.

Customer and product development

At the same time, the Company continues developing its products and services to forge new partnerships in all its core markets. Depending on the market situation of each country, a specific sales strategy is defined in terms of distribution partners and targeted end clients. For some countries only the growing (ultra) high net worth ((U)HNW) segment is the target while in others this covers Mass Affluent and (U)HNW client segments as well. Distribution partners are either the broker/IFA type or institutional partners like Family Offices and Private Banks. The serving capabilities for bespoke client solutions, including advanced Wealth Planning and diverse assets acceptance are now available for all core markets.

During 2016, the Company benefited from the development of a new complete set of products ("Wealth products") in all its core markets outside of Belgium: France, Luxembourg, UK, Finland and Sweden. This massive product development campaign continues with the next to launch in 2017 of Wealth Portugal that includes Latin America serving capabilities.

Restructuring the Group

In terms of the Group's structure, the following actions were completed.

In order to further focus on its Luxembourg base, the Group sold its two operational entities located in Ireland and in The Bermuda Islands. The Company is now the sole Group's entity active in the Insurance business enabling a focus on its activities, its markets, its products and its business.

Since 2010, the OneLife Group was receiving services from its affiliate, FinAdmin E.I.G. (FinAdmin), a Grouping of Economic Interest and a regulated Professional of the Financial Sector supervised by the CSSF. FinAdmin was liquidated in the course of 2016, resulting in the transfer of the employees and the assets of FinAdmin to the Company. This move further streamlined the Group's and the Company's operations.

IT and digital

A number of key achievements in the area of IT were realised internally and towards our partners and clients with the launch of a major digitalisation process. They include a state of the art IT infrastructure as well as powerful workflow management systems interconnected with our new App available on different mobile devices to partners. These improvements will continue over 2017 with the end of the migration project of our diverse platforms into a single integrated policy management system.

Results and the future

In terms of financial performance, the Company delivered significantly better financial results than initially budgeted with a focus on its core activities. In continuity of the initiative that started in 2015, the Company implemented different actions in order to increase profitability through a combination of revenue growth, improved use of capital and strict cost control.

The Company reported a profit of EUR 4.4 million in 2016 (compared to a loss of EUR 5.7 million in 2015, mainly due to exceptional items). Last year's report on the Company's activities and results mentioned that without these exceptional and non-recurring charges, the Company would have ended 2015 with a positive result on ordinary activities after tax in excess of EUR 2 million. This is now confirmed and enhanced by our 2016 results.

The Company cashed EUR 353 million in new premiums which brought the overall Company Assets Under Management to EUR 5.1 billon.

Finally, it is noteworthy that the Company is adequately capitalised for the risks inherent to the business written. The Company successfully implemented the new era of Solvency II reporting and maintained its capital level throughout 2016 in accordance with the capital management policy and regulatory requirements. As at 31 December 2016, the Company's solvency ratio was 232% under Solvency I regime and 164% under Solvency II regime.

These focuses will remain over 2017 as the Company further implements Capital Management processes and profitable business initiatives and developments to strengthen its own funds and compliance with Solvency II regime.

Luxembourg, 10 April 2017

Marc Stevens
Managing Director

A3 DIRECTORS' REPORT

The Directors present their Annual Report together with the audited Annual Accounts for the year ended 31 December 2016.

Principal activity and changes in 2016

The OneLife Company S.A. (formerly Private Estate Life S.A. - the Company) is a life insurance company incorporated in Luxembourg on 26 June 1990.

The 100% shareholder and parent of the Company is The OneLife Holding S.à r.l. (formerly NPG Wealth Management S.à.r.l. - the Parent) which is incorporated in Luxembourg. For the purposes of these Annual Accounts, The OneLife Holding S.à.r.l. and all its subsidiaries are referred to as the "Group".

The Company is authorised by the *Commissariat aux Assurances* to provide:

– life insurances, annuities, pensions and retirement benefits, and reinsurance operations on business of a similar nature;
– and to conduct investment and real estate activity relating to the principal objective.

The OneLife Company S.A. sources and administers its business through its head office in Luxembourg and through distribution partnerships in Luxembourg and other EU countries. The Company does not have and has not had any branches during the year under review.

The Company offers cross-border financial solutions through unit-linked products for financial planning and wealth structuring purposes. These are life insurance products where the premium paid is invested in collective external funds, collective internal funds and dedicated funds and the benefit payable under the policy is linked to the value of these funds at the time of payment.

In July 2016, the assets and liabilities of FinAdmin E.I.G. (FinAdmin) – including its employee contracts were allocated to the Company upon voluntarily dissolution and liquidation of FinAdmin that occurred on 30 June 2016. FinAdmin was a Grouping of Economic Interest and a regulated Professional of the Financial Sector supervised by the CSSF. The Company was a significant Member of FinAdmin.

FinAdmin's purpose was to provide its Members with services directly necessary to the performance of their business activities, providing, amongst others, employees or equipment, recruitment, management and remuneration of employees, legal assistance, control functions, management and maintenance of professional premises and installations, accounting, finance, marketing and information technology services but excluding any activity which could give the Grouping access to information of Members covered by any applicable professional secrecy rules..

In June 2016, the Group completed a rebranding of all its business under one single name, "OneLife".

In 2016, the Company entered into a new process for its Solvency II reporting to the Regulator (*Commissariat aux Assurances*). As at 31 December 2016, the Company's solvency ratio was 232% under Solvency I regime and 164% under Solvency II regime.

Financial year 2016

In terms of financial performance, the Company delivered significantly better financial results than initially budgeted with a focus on core activities. In continuity of the initiative that started in 2015, the Company implemented different actions in order to increase profitability through a combination of revenue growth, improved use of capital and strict cost control.

The Company reported a profit of EUR 4.4 million in 2016 (compared to a loss of EUR 5.7 million in 2015, mainly due to exceptional items).

The earned premium net of reinsurance amounted to EUR 352.6 million (2015: EUR 564.8 million). Belgium remains the Company's primary market with additional core markets being France, Luxembourg, UK, Finland and Sweden.

2016 Claims incurred, net of reinsurance, amounted to EUR 548.5 million (charge) and are driven by surrenders for both the Dedicated Funds and the Unit-Linked business. This is a significant decrease compared to 2015 when Claims incurred, net of reinsurance amounted to EUR 701.2 million (charge).

Caption 'Change in other technical provisions, net of reinsurance' stands at EUR 130.2 million (income) versus a charge of EUR 46.5 million in 2015. The company is exposed to financial impacts from variations in the value of the underlying investments caused by changes in interest rates, liquidity, foreign exchange rates and equity exposure.

Unrealised gains on investments increased to EUR 513.4 million (2015: EUR 492.2 million) and unrealised losses on investments increased from EUR 348.1 million in 2015 to EUR 423.3 million in 2016. These developments reflect the volatility of markets and exchange rates, notably the USD and the GBP. The decrease in investment income to EUR 90.6 million in 2016 in comparison to EUR 162.8 million in 2015 is subject to the same driving factors.

Net operating expenses decreased to EUR 56 million from EUR 69.4 million in 2015 due to strict cost controls and the positive impact of restructuration starting in 2015 as well as an in depth review of the structure and processes across all entities and operations of the Group.

The Company did not conduct any activities in the field of research and development or repurchase of own shares in 2016.

Assets under management

The Assets under Management decreased by 2.5% from EUR 5.2 billion on 1 January 2016 to EUR 5.1 billion as at the end of December 2016.

Outlook and strategy

The Company's objectives and ambitions are to continue to deliver high-quality products and services that meet its clients' needs, whilst exploring new ideas, concepts and solutions. In support of its "excellence" philosophy, the Company will continue to improve the quality of its offer and services, in the way it manages its relationships as well as in the security and confidentiality of its operations.

The Company continues developing its products and services to forge new partnerships in all its core markets adapting its sales strategy and distribution partners' organisation with the support of advanced Wealth Planning and diverse assets acceptance capabilities.

The delivery towards core markets will be the key objective and ambition for 2017 alongside the finalisation of an IT migration to a unique platform and the implementation for our partners and clients of a complete digitalisation process. This includes state of the art IT infrastructure as well as powerful workflow management systems interconnected with our new App available on different mobile devices to partners.

Finally, the Company will continue to consolidate its financial position in terms of profitability and solvency.

Risk management

Risk Management is the process of identifying, assessing, responding, monitoring, controlling and reporting risks.

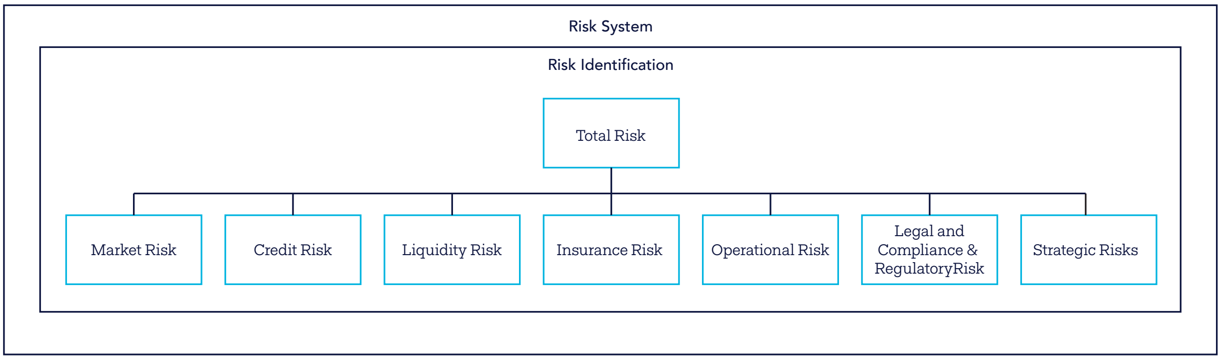
The risk system in all entities belonging to the Group forms an integral part of the management and Board processes and the decision- making framework applied across the Group

The key elements are:

- Risk strategy;
- Risk appetite;
- Risk governance, including risk policies and complete set of business internal rules;
- Risk map;
- Monitoring of the risk exposure;
- Risk oversight committees and defined roles and responsibilities;
- Processes used to identify, assess, report and treat risks.

OneLife Risk Map

For the purposes of risk identification and assessment and as aligned with the Risk Policy, risks are grouped by risk type.



Risk Map (High Level)

Financial Risk

- Life Insurance Risk
- Market Risk
- Credit Risk
- Liquidity Risk
- Concentration Risk

Operational Risk

- Internal Fraud Risk
- External Fraud Risk
- Employment Practices and Workplace Safety Risk
- Clients, Products and Business Practices Risk
- Damage to Physical Assets Risk
- Business Disruption and Systems Failures Risk
- Execution, Delivery & Process Management Risk

Strategic Risk

- Strategic Project Risk
- Strategic Business Risk
- Risk Exposure Aggregation
- Reputational Damage Risk
- Human Resource Risk

Governance Risk

- Corporate Governance Risk

These risks may affect key metrics of Solvency, Earnings and Liquidity and Risk appetite is set relative to the previously mentioned metrics and to operational and reputational criteria.

Roles and responsibilities for risk management in the Group are based around the 'three lines of defence' model:

- **First Line of Defence** – Day-to-day Risk Management, performed by the various departments under the supervision of department heads.
- **Second Line of Defence** – Risk Oversight, performed by the Actuarial function, the Risk Management function, the Compliance function;
- **Third Line of Defence** – Independent Assurance, performed by the Internal Audit department.

The Risk function is accountable for quantitative and qualitative oversight and challenge of the risk management processes and for developing the risk management system Compliance is responsible for ensuring that business practices stay within legal and regulatory requirements. Internal Audit provides an independent assessment of the risk system and internal control processes.

Within the Group's operating departments there are a number of individuals identified to fulfil the role of the risk correspondent. They are the point of contact for the Group Risk Management Team to coordinate risk event reporting and to participate in the conducting of the department's risk assessment process.

The Group Board has overall responsibility for determining risk appetite, which is an expression of the risk the business is willing to take. The oversight of risk and risk management at the Group level is supported by the Risk Management Committee which focuses on financial, strategic and governance risks. In addition, the Business Risk Compliance Committee focuses on Operational and Reputational risks.

Further information on the types and management of specific risks is given below:

Financial risks

Insurance risk

Insurance risk is the risk of loss arising from insurance contracts underwritten by the Group.

It can take the form of:

Product Design and Pricing

Product Design and Pricing is the risk of losses arising from accepting new business premiums at unprofitable rates.

Underwriting Risk

Underwriting Risk arises where either the Group has excessive exposure due to concentration of sum assured on a single client or geographic location or inappropriate selection and approval of life risk due to poor underwriting policies and/or inadequate or misleading information. The scale of life cover in the Group's policies is relatively low, and is mitigated with reinsurance to achieve low levels of risk retention, in line with the Group's low appetite for Underwriting Risk.

Policy Liabilities Risk

a) *Lapse Risk* comprises the risk of loss arising through higher levels of policyholder lapses than expected on contracts underwritten by the Group which has a low appetite for lapse risk.

b) *Mortality Risk* is the risk of loss arising through higher levels of policyholder deaths than expected on contracts underwritten by the Group. The Group has low tolerance for Mortality Risk, but will utilise reinsurance to mitigate the mortality risk and reported net sum at risk.

c) *Longevity Risk* is the risk of loss arising to the Group through policyholders surviving for longer periods than expected. The Group currently has no appetite for writing further longevity risk beyond that represented in its closed books.

d) *Expense Risk* is the risk of loss arising through increases in the Group's expense levels, or inflation over time. The Group has no appetite for expense risk and control is ensured through rigorous expense monitoring.

e) *Claims risk* could arise for the Group as Life Catastrophy risk which relates to the risk of losses arising due to mortality risk exposure from extreme or irregular events whose effects are not sufficiently captured by the Mortality Risk Limits. The Group has a low tolerance for exposure to Life Catastrophy Risk and through product design and reinsurance will ensure that any exposure remains within the limits identified.

Market risk

Market risk is the risk of loss resulting from fluctuations in the level of market prices of assets, liabilities and financial instruments. Market risk is primarily held by policyholders for their investment products. For own funds and guaranteed portfolios, control is exercised through the Investment Committee. In respect of shareholder portfolio, specific limits, contained in the Investment Policy set by the Group's Investment Committee, are designed to keep the Group's direct market risk within the risk tolerances. The appetite for this risk is low.

Credit risk

Credit risk describes the risk of loss resulting from fluctuations in the credit standing of issuers of securities, counterparties and debtors to which the Group is exposed.

Control is exercised through the due diligence on counterparties and diversification in reputable parties. The Investment Committee ensures also an oversight role. The risk appetite is low.

Liquidity risk

Liquidity risk is the risk of losses in the event that insufficient liquid assets are available to meet the cash flow requirements of the obligations to any counterparties.

The Group has low tolerance for liquidity risk and the Group's Investment Policy Guidelines for shareholder funds requires investment in liquid assets which are listed on recognised markets.

Concentration risk

Concentration risk is seen as high concentration of shareholder investments in a single entity or group of related entities, or in a single geographic location or industry. It is also seen as high concentration on a single Broker, Sales person or Custodian bank.

Any excessive exposure regarding the shareholder investment is prescribed within the Investment Policy limits and reported to the Investment Committee. With regards to high concentration on a single Broker, Sales person or Custodian bank, control is exercised through the Risk Exposure Monitoring tool.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed processes, people and systems or from external events.

The Group has a medium-low appetite for Operational Risk, but sees it as an inevitable corollary of writing insurance business. The Group seeks to minimise operational risk through a robust operational risk management process and also by collecting and analysing Risk Events.

The Group uses a three-level categorisation of Operational Risk Events:

- **Level I:** Seven different event types are defined, in line with the Basel II definitions.
- **Level II:** For each Level I event type, Level II event types are developed to provide more detail on the type of the event to answer the question "what has happened?". The Level II event types are closely correlated to the Basel event types, but some adjustments were made for the application to the insurance industry.
- **Level III:** Facilitates the categorisation by giving more concrete examples that add to level I and II. Supports the analysis of reported losses by various stakeholders.

Legal, regulatory and compliance risk

Legal and regulatory (compliance) risk is the impact arising from failure to comply with statutory or regulatory obligations. The Group has no appetite for material legal and regulatory risk and invests in people, systems and governance controls to minimise the possibility of failing to meet legal and regulatory obligations.

Strategic (and reputation) risk

The Group is subject to Strategic risks which are beyond its control, the impact of which may be to render the Business Model unviable. This dimension is at the core review of Audit Compliance and Risk Committee which reports to the Group Board of Directors.

Reputation risk is the current and prospective impact on earnings and solvency capital arising from negative opinions exhibited by the public, regulators or tax authorities. Reputation risk can be seen as arising from other risks, in particular operational risk ("cascading effect"). The Group has no appetite for any reputation risk.

Governance risk

Governance risk is seen as the risk of having an inadequate Company Governance structure due to missing/inadequate governance Committees, inadequate Committee members, the lack of Key Functions, presence of conflicts of interest, leading to inadequate strategic decisions.

Capital management

In the reports on the financial strength of the Company, capital and solvency are measured according to the regulations prescribed by the *Commissariat aux Assurances*. These regulatory capital tests are based on required levels of solvency capital and a series of prudent assumptions with respect to the type of business written by the Company.

The Company's objectives in managing its capital are:
- to match its assets and liabilities profiles, taking into account the risks inherent to the business;
- to satisfy its regulatory requirements.

The Company's capital management policy is designed to ensure that the nature and the amount of capital are sufficient to meet regulatory capital requirements.

In addition, to ensure that the Company is adequately capitalised for the risks inherent to the business written. Throughout 2016, the Company's capital level was maintained in accordance with the capital management policy. As at 31 December 2016, the Company's solvency ratio was 232% (2015: 230%) under Solvency I regime and 164% under Solvency II regime that entered into force on 1 January 2016 (2015: N/A).

In 2016, the Company did conduct successfully for the third time ORSA (Own Risk Solvency Assessment) that analyses the solvency impact of various stresses and scenarios.

Corporate governance

Decisions engaging the Company may be taken at different levels: the General Meeting of Shareholders, the Board of Directors and the Managing Director.

General Meeting of Shareholders

The General Meeting of Shareholders is not involved in the day-to-day operations of the Company. Its role is to review and approve the strategy proposed by the Board of Directors and to control its implementation. To do so, the General Meeting of Shareholders is principally given the authority to appoint the Directors and the Managing Director and to approve the Annual Accounts.

Board of Directors

The Board of Directors of the Company is currently composed of seven Directors and is principally in charge of determining the Company's strategy. In this context, it reviews the means of achieving the objectives, establishes internal controls, and monitors and evaluates the performance against the strategic plans and budgets.

To do so, it is given all the powers not expressly reserved to the General Meeting of Shareholders by law or by the Articles of Association.

Managing Director

The Managing Director is in charge of day-to-day operations and has all the powers required to fulfil this role. The Managing Director is the preferred, if not exclusive, point of contact between the Company and the *Commissariat aux Assurances*.

Directors, appointments and resignations

Situation as at year-end

As of 31 December 2016, the Board of Directors is composed of seven Directors:

Mr. Michel Wolter	Director (Independent) and Chairman of the Board
Mr. Paul Wolff	Director (Independent)
Mr. Thierry Porté	Director (Group Executive Chairman)
Mr. Marc Stevens	Director / Managing Director (Group Chief Executive Officer)
Mr. Christopher Baker	Director (Independent)
Mr. Jean-Luc Jancel	Director (Independent)
Mr. Peter Yordan	Director (Non-executive)

On 1 July 2016, an extraordinary general meeting was held to appoint Mr. Baker, Mr. Jancel, Mr. Yordan (1 July 2016 effective date).

Resignations during the year

None

Subsequent events

On 30 January 2017, Saphir II Holding S.à r.l., the direct shareholder of the Company was liquidated and its assets and liabilities were transferred to the Parent company, The OneLife Holding Sàrl, becoming de facto the sole and direct shareholder of the Company.

Luxembourg, 10 April 2017

Marc Stevens

Managing Director
Member of the Board of Directors

Deloitte.

Deloitte Audit
Société à responsabilité limitée

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To the Sole Shareholder of

The OneLife Company S.A. (formerly Private Estate Life S.A.)

38, Parc d'Activités de Capellen

L-8308 Capellen

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the annual accounts

Following our appointment by the General Meeting of the Shareholders dated April 14, 2016, we have audited the accompanying annual accounts of The OneLife Company S.A. (formerly Private Estate Life S.A.), which comprise the balance sheet as at December 31, 2016 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of Directors for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

Société à responsabilité limitée au capital de 35 000 €
RCS Luxembourg B 67.895
Autorisation d'établissement : 10022179

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend of the *réviseur d'entreprises agréé*'s judgement, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of The OneLife Company S.A. (formerly Private Estate Life S.A.) as of December 31, 2016, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report but does not include the annual accounts and our report of *réviseur d'entreprises agréé* thereon.
Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Deloitte.

Report on other legal and regulatory requirements

The management report is consistent with the annual accounts and has been prepared in accordance with the applicable legal requirements.

For Deloitte Audit, *Cabinet de révision agréé*

Jérôme Lecoq, *Réviseur d'entreprises agréé*
Partner

April 13, 2017

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BALANCE SHEET AS AT 31 DECEMBER 2016

Assets

EUR	Note	2016	2015
Intangible assets	**4**	**7,966,861**	**1,756,659**
Investments	**5**	**117,979,181**	**129,746,948**
Other financial investments		117,979,181	129,746,948
Shares and other variable yield transferable securities and units in unit trusts		3,865,431	649,303
Debt securities and other fixed income transferable securities		109,939,470	123,118,970
Other loans		174,280	205,043
Deposits with credit institutions		4,000,000	5,367,950
Other		-	405,682
Investments for the benefit of life insurance policyholders who bear the investment risk	**6**	**5,014,782,744**	**5,133,822,176**
Reinsurers' share of technical provisions		**42,137**	**56,471**
Claims outstanding		42,137	56,471
Debtors		**23,429,906**	**56,171,470**
Debtors arising out of direct insurance operations		1,512,208	785,471
Debtors arising out of reinsurance operations	7	-	217,203
Other debtors	7	21,917,698	55,168,796
Other assets		**60,941,499**	**55,150,456**
Tangible assets and stocks	8	325,417	-
Cash at bank and in hand		60,616,082	55,150,456
Prepayments and accrued income		**25,540,594**	**31,902,163**
Accrued interest and rent		1,430,192	1,667,055
Deferred acquisition costs		16,240,959	19,705,663
Other prepayments and accrued income		7,869,443	10,529,445
Total assets		**5,250,682,922**	**5,408,606,343**

The accompanying Notes form an integral part of the Annual Accounts.

Liabilities

EUR	Note	2016	2015
Capital and reserves	**9,10**	**56,917,570**	**52,485,294**
Subscribed capital		32,230,000	32,230,000
Share premium account		3,613,792	3,613,792
Reserves		8,188,350	8,188,350
Profit brought forward		8,453,152	14,132,524
Profit (Loss) for the financial year		4,432,276	(5,679,372)
Subordinated liabilities	**7, 12**	**14,041,019**	**14,041,019**
Technical provisions		**111,249,997**	**124,172,440**
Life insurance provision		103,049,209	114,201,386
Claims outstanding		52,672	70,588
Provision for bonuses and rebates		8,148,116	9,900,466
Technical provisions for life insurance policies where the investment risk is borne by the policyholders		**5,014,782,744**	**5,133,822,176**
Provisions for other risks and charges		**9,440,937**	**6,316,126**
Provisions for taxation		1,383,000	1,691,645
Other provisions	11	8,057,937	4,624,481
Creditors		**43,102,910**	**76,960,387**
Creditors arising out of direct insurance operations	12	39,851,662	63,050,352
Creditors arising out of reinsurance operations	12	210,133	349,326
Other creditors, including tax and social security	7, 13	3,041,115	13,560,709
Accruals and deferred income	**7**	**1,147,745**	**808,901**
Total liabilities		**5,250,682,922**	**5,408,606,343**

The accompanying Notes form an integral part of the Annual Accounts.

A6 PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

Technical account - life insurance business

EUR	Note	2016	2015
Earned premiums, net of reinsurance	**14**	**352,547,572**	**564,847,071**
Gross premiums written		353,451,193	565,620,987
Outward reinsurance premiums	15	(903,621)	(773,916)
Investment income		**90,608,532**	**162,806,584**
Income from other investments		53,920,958	74,164,574
Gains on realisation of investments		36,687,574	88,642,010
Unrealised gains on investments		**513,362,924**	**492,233,988**
Other technical income, net of reinsurance		**782,820**	**1,084,687**
Claims incurred, net of reinsurance		**(548,477,285)**	**(701,151,660)**
Claims paid		(548,480,867)	(701,156,572)
Claims paid, gross		(548,615,094)	(701,162,011)
Claims paid, reinsurer's share	15	134,227	5,439
Change in the provisions for claims		3,582	4,912
Change in the provisions for claims, gross		17,916	24,560
Change in the provisions for claims, reinsurer's share	15	(14,334)	(19,648)
Change in other technical provisions, net of reinsurance		**130,191,609**	**(46,544,975)**
Change in life insurance provision, net of reinsurance		130,191,609	(46,626,600)
Change in life insurance provision, gross amount		130,191,609	(46,626,600)
Change in other technical provision, net of reinsurance		-	81,625
Bonuses and rebates, net of reinsurance		**1,752,350**	**(917,375)**
Net operating expenses		**(56,007,307)**	**(69,372,183)**
Acquisition costs		(15,173,868)	(22,563,499)
Change in deferred acquisition costs		(3,464,704)	(1,663,339)
Administrative expenses	16, 17	(37,781,389)	(45,475,390)
Reinsurance commissions and profit participation	15	412,654	330,045
Investment charges		**(56,956,798)**	**(60,081,772)**
Investment management charges, including interest		(21,085,676)	(15,335,647)
Losses on realisation of investments		(35,871,122)	(44,746,125)
Unrealised losses on investments		**(423,307,552)**	**(348,081,427)**
Other technical charges, net of reinsurance		**-**	**(87,980)**
Balance on the technical account - life insurance business		**4,496,865**	**(5,265,042)**

The accompanying Notes form an integral part of the Annual Accounts.

Non-technical account

EUR	Note	2016	2015
Balance on the technical account – life insurance business		4,496,865	(5,265,042)
Other Income		489,462	-
Tax on profit or loss on ordinary activities	20	(6,420)	-
Other charges, including value adjustments		(286,846)	(78,000)
Profit (Loss) on ordinary activities after tax		4,693,061	(5,343,042)
Other taxes not shown under the preceding items	20	(260,785)	(336,330)
Profit (Loss) for the financial year		4,432,276	(5,679,372)

The accompanying Notes form an integral part of the Annual Accounts.

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NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

Note 1 – General

The OneLife Company S.A. (formerly Private Estate Life S.A.) ("the Company") is a life insurance company incorporated in the Grand Duchy of Luxembourg under Luxembourg law as a Société Anonyme on 26 June 1990 under Luxembourg Commerce Register Number: B 34 402.

The Company is authorised by the *Commissariat aux Assurances* to provide life insurances, annuities, pensions and retirement benefits, and reinsurance operations of business of similar nature, and to conduct investment and real estate activity relating to the principal objective. The Company sources and administers its business through its head office in Luxembourg and through distribution partnerships in Luxembourg and other EU countries.

The parent company of The OneLife Company S.A. is The OneLife Holding S.à r.l. (formerly NPG Wealth Management S.à r.l.) ("the parent company") which is incorporated in Luxembourg. For the purposes of these Annual Accounts, The OneLife Holding S.à.r.l. (formerly NPG Wealth Management S.à r.l.) and all its subsidiaries are referred to as the "Group".

On 15 December 2015, the Company acquired from its parent company an affiliated life insurance undertaking, Altraplan Luxembourg S.A. ("Altraplan") which was incorporated in Luxembourg on 10 June 1996, and merged with it by absorption on 22 December 2015 with effective accounting date as of 1 January 2015. The merger was ratified by the Extraordinary General Meeting on 22 December 2015.

In June 2016, the Group completed a rebranding of all its business under one single name, OneLife. At the same time, Private Estate Life S.A. was renamed The OneLife Company S.A., by a decision of the Extraordinary General Meeting dated 7 June 2016.

As from 1 July 2016, all the activities carried out by FinAdmin E.I.G. ("FinAdmin") and its employees have been transferred to The OneLife Company S.A.

FinAdmin, an Economic Interest Grouping, was a Professional of the Financial Sector supervised by the Commission de Surveillance du Secteur Financier, providing services in support of the activities of Group undertakings, of which the Company was a member.

On 19 February 2016, the Board of Managers of FinAdmin resolved to proceed with the voluntary liquidation of FinAdmin.

On 30 June 2016, the Extraordinary General Meeting of FinAdmin resolved to dissolve FinAdmin with immediate effect and to transfer all remaining assets and liabilities to The OneLife Company S.A.

The main accounting effects of the transfer of assets and liabilities of FinAdmin to the Company are described in Notes 4, 8 and 11.

Note 2 – Presentation of Annual Accounts

The Annual Accounts have been prepared in accordance with Luxembourg law on the accounts of insurance and reinsurance undertakings (the Law) of 8 December 1994 as amended; and in compliance with the generally accepted accounting policies for the insurance and reinsurance industry in the Grand-Duchy of Luxembourg. The accounting policies and the valuation rules are determined and applied by the Board of Directors.

The following significant general rules have been applied:

- the Company is on a going concern basis;
- the valuation methods are consistent from one financial year to the other, except where otherwise stated in the Annual Accounts;
- the prudence principle is followed;
- only realised profits are recognised, with the exception of life insurance business where the risk is borne by the policyholder;
- all foreseeable risks and potential losses which arise during the course of the financial year are taken into account;
- assets and liabilities are valued item by item.

All amounts in these Annual Accounts are presented in Euro (EUR).

Note 3 – Accounting policies

3.1 Translation of items expressed in foreign currencies

Assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates in effect at the balance sheet date.

Income and charges denominated in foreign currencies are converted into EUR at the exchange rate prevailing at the transaction date. Gains and losses arising from foreign exchange translations are recognised in the Profit and Loss Account.

3.2 Intangible assets

Intangible assets are valued at purchase price including the expenses incidental thereto or at production cost, less cumulated depreciation amounts.

In case of durable depreciation in value, value adjustments are made in respect of intangible assets. The value adjustments are not maintained if the reasons for which the value adjustments were made have ceased to apply.

Intangible assets are composed of goodwill and technical policy management software.

The amortisation of the goodwill is recognised over an eight-year period, corresponding to the estimated lapse period of the in-force insurance portfolio of the absorbed entity at the date of the merger.

The Custy Policy Administration Software module is amortised over a 7-year period which corresponds to its estimated useful life. The Company has built its strategy on the integration of business operations around this tailor-made software.

Intangible assets are amortised over their estimated useful economic life, using the straight-line method at the following rate:

- Goodwill: 12.5%
- Software (Policy Administration module): 14.3%
- Software (other): 33%

3.3 Investments

Other financial investments

Shares and other variable yield transferable securities and units in unit trusts are valued at the lower of historical acquisition cost or realisable value (lower of cost or market).

Debt securities and other fixed income transferable securities are valued at amortised cost. Premiums paid over the redemption value and discounts received in consideration of the redemption value are amortised through the Profit and Loss Account over the period to maturity.

Deposits with credit institutions and other loans are valued at nominal value.

3.4 Investments for the benefit of life insurance policyholders who bear the investment risk

Investments for the benefit of life insurance policyholders who bear the investment risk are valued at market value. Changes in the value of these investments are recognised in the Profit and Loss Account under Unrealised gains on investments and Unrealised losses on investments.

The market value of the investments has been determined according to the following methods:

- Transferable securities admitted to an official stock exchange listing or traded on another regulated market are valued on the basis of the last available market price. If such securities are listed on several markets, the last known price on the principal market is applied;
- Transferable securities not admitted to an official stock exchange listing or not traded on another regulated market, and transferable securities admitted to an official stock exchange listing or traded on another regulated market, but for which the last available price is not representative, are valued on the basis of their reasonably foreseeable price determined based on available information provided by the custodian banks, other price providers or in the financial statements of these investments.

The value of Technical provisions for life insurance policies where the investment risk is borne by policyholders is set by reference to these investments.

3.5 Debtors

Debtors are valued at the lower of their nominal and their probable realisation value. Value adjustments are made when recoverability is questionable, either in part or entirely. These value adjustments are no longer carried when the reasons for which they were made cease to apply.

3.6 Other assets

3.6.1 Tangible assets and stocks

Tangible assets are valued at purchase price including the expenses incidental thereto or at production cost.

Tangible assets are amortised over their estimated useful economic lives, using the straight-line method at the following rates:

- Furniture: 20%
- Fixture and fittings: over the remaining period of the lease or 20%

Where the Company considers that a tangible asset has suffered a durable depreciation in value, an additional write-off is recorded in order to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

3.6.2 Cash at bank and in hand

Cash at bank and in hand is valued at nominal value.

3.7 Prepayments and accrued income

3.7.1 Deferred acquisition costs

Acquisition costs relating to the life insurance policies are deferred and recognised as an asset. The deferred acquisition costs are amortised over the acquisition charge earning period, on a straight-line basis. Additional amortisation is recorded on fully surrendered policies and on policy with significant partial surrenders.

3.7.2 Other prepayments and accrued income

Other prepayments and accrued income include other expenditure incurred during the financial year which relates to a subsequent financial year and income relating to the current financial year, but which is not receivable until a subsequent financial year.

3.8 Subordinated liabilities

Subordinated loans are valued at nominal value. The interest expense on the loans is included in the Profit and Loss Account under “Investment management charges, including interest”.

3.9 Technical provisions

3.9.1 Life insurance provision

The Life insurance provision consists of the estimated actuarial value of the Company’s insurance liabilities, less the estimated actuarial value of the policyholders’ commitments. It is calculated individually for each policy.

3.9.2 Claims outstanding

The provision for claims outstanding corresponds to the total estimated cost, including claim settlement costs, for settling all the claims arising from events, which have occurred up to the end of the financial year, less amounts already paid in respect of such claims. The provision for claims outstanding is calculated separately for each claim and does not include any discounts or deductions.

Reinsurers’ share in claims outstanding represents the part of the gross technical provisions that the Company is entitled to recover from reinsurers under contractual reinsurance arrangements.

3.9.3 Provision for bonuses and rebates

The Provision for bonuses and rebates includes all amounts which are allocated to the revaluation of policyholders’ policies for the financial year, or which are set aside in their favour and which represent the allocation of a surplus arising from all financial transactions relating to the segregated funds linked to these policies, after deduction of costs stipulated in the policy.

3.10 Technical provisions for life insurance policies where the investment risk is borne by the policyholders

Technical provisions cover liabilities relating to investments in the context of life insurance policies for which the value or the return is determined by reference to the investments for which the policyholder bears the risk.

The change in technical provisions for life insurance policies where the investment risk is borne by the policyholders is reported in the Profit and Loss Account under the caption "Change in other technical provisions, net of reinsurance".

3.11 Provisions for other risks and charges

3.11.1 Provisions for taxation

Provisions for taxation include the Company's best estimate of income tax liabilities for financial years for which a definitive taxation assessment has not yet been received from the fiscal authorities and final unpaid tax liabilities. Advance tax payments are recognised under Prepayments and accrued income.

3.11.2 Other provisions

Other provisions are intended to cover losses or liabilities the nature of which is clearly defined and which, at the balance sheet date, are either likely to be incurred or certain to be incurred, but uncertain as to the amount or as to the date on which they will arise.

3.12 Creditors

Creditors are valued at settlement value.

3.13 Accruals and deferred income

Accruals and deferred income consist of both income received before the balance sheet date, but relating to a subsequent financial year, and charges relating to the current financial year, but payable in a subsequent financial year.

3.14 Earned premiums, net of reinsurance

Earned premiums include business issued during the year.

Net earned premiums comprise outward reinsurance premiums consisting of premiums paid or payable with respect to outward reinsurance contracts entered into by the Company.

3.15 Claims incurred, net of reinsurance

Claims incurred comprise all payments made in respect of the financial year and the movement in the provision for claims outstanding.

3.16 Investment income and charges

Investment income comprises all investment income and realised investment gains. Investment charges include investment expenses, charges and interest expenses as well as realised losses on the disposal of investments.

3.17 Other technical income

Other technical income comprises mainly trailer fees and income related to structured products purchases.

3.18 Acquisition costs

Acquisition costs comprise direct costs arising from the conclusion of insurance policies and indirect costs relating to the sales structure, advertising and administrative costs connected with the issuance of policies.

3.19 Administrative expenses

Administrative expenses include overheads which cannot be allocated to the recording of premiums, the management of claims or the management of investments and commissions relating to the on-going management of policies.

3.20 Allocated investment return transferred to the non-technical account

This income represents the total net investment return relating to assets that are transferred from the life insurance technical account to the non-technical account in order to better reflect the balance of the technical account relating to life business. Allocated investment return consists of dividends, realised gains and losses and unrealised gains and losses arising from shareholder's investments.

Note 4 – Intangible assets

As at 31 December 2016 and 2015, intangible assets include a goodwill which has been recognised as a result of the acquisition in 2015 of 100% of the shares of Altraplan by the Company and the subsequent merger by absorption of Altraplan by the Company as described in Note 1.

This goodwill amounts to EUR 2,007,610 and corresponds to the difference between the acquisition price of 100% of the shares of Altraplan and the value of its net asset value at the date of the merger. The acquisition price of Altraplan has been determined on the basis of its estimated embedded value.

In accordance with Note 3.2, an amortisation charge of EUR 250,951 has been recognised in the Profit and Loss Account for the year ended 31 December 2016 and 2015, in the caption "administrative expenses".

As at 31 December 2016, the Board of Directors believes that there is no permanent impairment on the net book value of the goodwill amounting to EUR 1,505,708.

Other intangible assets are composed of technical software and developments transferred from FinAdmin when being absorbed by the Company as described in Note 1 or additional investments made after the transfer. As at 31 December 2016, the gross book value of intangible assets related to software amount to EUR 16,946,082 with cumulated depreciation amounting to EUR 10,484,929.

The movements in intangible assets during the financial year are summarised as follows:

EUR	Goodwill	Other	Total
Gross book value as at 31 December 2015	2,007,610	-	2,007,610
Additions and acquisitions of the year	-	1,231,957	1,231,957
Gross book value transferred from FinAdmin	-	15,714,125	15,714,125
Gross book value as at 31 December 2016	**2,007,610**	**16,946,082**	**18,953,692**
Accumulated amortisation as at 31 December 2015	(250,951)	-	(250,951)
Accumulated amortisation transferred from FinAdmin	-	(8,847,442)	(8,847,442)
Amortisation of the year	(250,951)	(1,637,487)	(1,888,438)
Accumulated amortisation as at 31 December 2016	**(501,902)**	**(10,484,929)**	**(10,986,831)**
Net book value as at 31 December 2015	1,756,659	-	1,756,659
Net book value as at 31 December 2016	**1,505,708**	**6,461,153**	**7,966,861**

Note 5 – Other financial investments

As at 31 December 2016, the book and market values of other financial investments are as follows:

EUR	Book value at 31.12.2016	Market value at 31.12.2016
Shares and other variable yield transferable securities and units in unit trusts	3,865,431	3,893,108
Debt securities and other fixed income transferable securities	109,939,470	113,106,951
Other loans	174,280	174,280
Deposits with credit institutions	4,000,000	4,000,000
Total	**117,979,181**	**121,174,339**

The amortisation of discounts and premiums on fixed income securities is as follows:

EUR	2016	2015
Amortisation of discounts	29,010	44,984
Amortisation of premiums	2,254,551	2,614,662

The amortisation of discount on fixed income securities is shown under caption "Income from other investments". Discounts represent the negative difference between the purchase prices of these securities compared to the amount repayable at maturity and are written up in instalments over the period remaining until maturity. The amortisation of premium on fixed income securities is shown under caption "Investment management charges, including interest". Premiums represent the positive difference between the purchase prices of securities compared to the amount repayable to maturity and are written down in instalments over the remaining period to maturity.

The remaining unamortised discounts and premiums on fixed income securities are as follows:

EUR	2016	2015
Unamortised discounts	88,286	100,098
Unamortised premiums	5,486,261	4,412,947

Note 6 – Investments for the benefit of life insurance policyholders who bear the investment risk

As at 31 December 2016, investments for the benefit of life insurance policyholders who bear the investment risk amounted to EUR 5,014,782,744 (2015: EUR 5,133,822,176). As at 31 December 2015, investments for the benefit of life insurance policyholders who bear the investment risk included structured products which were considered illiquid and no secondary market was available for these products. As at December 31, 2015, these investments were valued based on the prices provided by the valuation agents and amounted to EUR 5,490,126 (31 December 2016: nil).

Note 7 – Amounts owed by and to affiliated undertakings

Amounts owed by and to affiliated undertakings are as follows:

EUR	2016	2015
Assets		
Other debtors	21,496,501	47,480,115
Debtors arising out of reinsurance operations	-	217,203
Liabilities		
Other creditors, including tax and social security	-	8,884,919
Accruals and deferred income	135,842	138,658
Subordinated liabilities	8,241,019	8,241,019

The subordinated liabilities are composed of a loan with The OneLife Holding S.à r.l. (formerly NPG Wealth Management S.à r.l.).

Note 8 – Tangible assets

The tangible assets are the results of the transfer of assets and liabilities of FinAdmin to the Company during the year ended 31 December 2016 as described in Note 1 and are composed of furniture, fixtures and IT hardware.

The movements in tangible assets during the financial year are summarised as follows:

EUR	Furniture	Fixture	Hardware	Total
Gross book value as at 31 December 2015	-	-	-	-
Additions and acquisitions of the year	8,529	108,564	-	117,093
Gross book value transferred from FinAdmin	303,866	1,181,577	22,087	1,507,530
Gross book value as at 31 December 2016	**312,395**	**1,290,141**	**22,087**	**1,624,623**
Accumulated amortisation as at 31 December 2015	-	-	-	-
Accumulated amortisation transferred from FinAdmin	(265,993)	(896,378)	(20,405)	(1,182,776)
Amortisation of the year	(13,760)	(101,294)	(1,376)	(116,430)
Accumulated amortisation as at 31 December 2016	**(279,753)**	**(997,672)**	**(21,781)**	**(1,299,206)**
Net book value as at 31 December 2015	-	-	-	-
Net book value as at 31 December 2016	**32,642**	**292,469**	**306**	**325,417**

Note 9 – Capital and reserves

The movements in capital and reserves during the financial year are broken down as follows:

EUR	Subscribed capital	Share premium account	Reserves	Profit & loss brought forward	Profit/(loss) for the year
As at 31 December 2015	32,230,000	3,613,792	8,188,350	14,132,524	(5,679,372)
Allocation of result 2015	-	-	-	(5,679,372)	5,679,372
Profit for the financial year 2016	-	-	-	-	4,432,276
As at 31 December 2016	**32,230,000**	**3,613,792**	**8,188,350**	**8,453,152**	**4,432,276**

The subscribed capital amounts to EUR 32,230,000 and is represented by 1,300,000 shares.

Note 10 – Reserves

The reserves amounting to EUR 8,188,350 (2015: EUR 8,188,350) are composed of the legal reserve of EUR 3,223,000 (2015: EUR 3,223,000) and a free reserve of EUR 4,965,350 (2015: EUR 4,965,350).

In accordance with Luxembourg company law, the Company allocates 5% of its net profit for each financial year until the legal reserve balance reaches 10% of the issued share capital. The legal reserve is not available for distribution to shareholders, except upon dissolution of the Company. During 2016, no allocation was made to the legal reserve. The total balance reached 10% of the issued share capital on 27 May 2008.

Note 11 – Other provisions

During the year ended 31 December 2016, the transfer of assets and liabilities of FinAdmin resulted in the transfer of other provisions to the Company. As of 31 December 2015, FinAdmin had other provisions for EUR 3,534,050 and the Company had other provisions for EUR 4,624,481.

Note 12 – Classification of creditors according to duration

As of 31 December 2016, the classification of creditors on the basis of their duration is as follows:

EUR	More than 5 years	Less than 5 years
Creditors arising out of direct insurance operations	-	39,851,662
Creditors arising out of reinsurance operations	-	210,133
Other creditors, including tax and social security	-	3,041,115
Subordinated liabilities	14,041,019	-

As of 31 December 2015, the classification of creditors on the basis of their duration was as follows:

EUR	More than 5 years	Less than 5 years
Creditors arising out of direct insurance operations	-	63,050,352
Creditors arising out of reinsurance operations	-	349,326
Other creditors, including tax and social security	-	13,560,709
Subordinated liabilities	14,041,019	-

Note 13 – Other creditors, including tax and social security

Other creditors, including tax and social security amount to EUR 3,041,115 as at 31 December 2016 (2015: EUR 13,560,709), and mainly include general expenses payable of EUR 1,409,625 (2015: EUR 3,018,322) and related taxes amounting to EUR 906,174 (2015: EUR 866,511). As at 31 December, 2016, amounts owed to affiliated undertakings are nil (2015: EUR 8,884,919).

Note 14 – Breakdown of gross premiums written

Gross premiums include an amount of EUR 353,383,759 related to life insurance business and an amount of inward reinsurance premiums of EUR 67,434 related to the reinsurance agreement as disclosed in Note 23.

Gross premiums written are broken down as follows:

EUR	2016	2015
Individual premiums	353,451,193	565,620,987
of which inwards reinsurance premium	67,434	1,186,495
Premiums under group policies	-	-
Total	**353,451,193**	**565,620,987**

EUR	2016	2015
Periodic premiums	3,073,044	3,077,490
Single premiums	350,378,149	562,543,497
of which inwards reinsurance premium	67,434	1,186,495
Total	**353,451,193**	**565,620,987**

EUR	2016	2015
Premiums from non-bonus policies	25,225	19,143
Premiums from bonus policies	196,209	195,503
Premiums from policies where the investment risk is borne by policyholders	353,229,759	565,406,341
of which inwards reinsurance premium	67,434	1,186,495
Total	**353,451,193**	**565,620,987**

The geographical distribution of gross premiums written is as follows:

EUR	2016	2015
Luxembourg	12,507,391	23,687,174
Other EU countries	340,479,511	513,593,283
Non EU countries	464,291	28,340,530
Total	**353,451,193**	**565,620,987**

Note 15 – Reinsurance balance

For the year ended 31 December 2016, the net reinsurance balance of the technical account amounts to a charge of EUR 371,074 (2015: charge of EUR 458,080).

Note 16 – Acquisition costs and commissions

Acquisition costs include direct commissions and other acquisition expenses, including an allocation of staff costs which represent the cost of business acquisition activity.

The breakdown of the different commissions is as follows:

EUR	2016	2015
Acquisition commissions	4,510,809	7,680,715
Other commissions	22,484,830	24,156,807
of which “Trail / Renewal”	21,957,017	23,076,081
and “Switching commissions”	527,813	1,080,726

Other commissions are included in the Administrative expenses in the Profit & Loss Account.

Note 17 – Personnel employed during the year

As mentioned in Note 1, the Company has taken over assets, liabilities and employees of FinAdmin during the year ended 31 December 2016. As of 1 July 2016, 92 employees were transferred from FinAdmin to the Company.

As a result of that transfer, the average number of persons employed by the Company during 2016 amounted to 160 and is broken down into the following categories:

Number of persons	2016	2015
Management	66	21
Employees	94	45
Total	**160**	**66**

Employee related costs are included in administrative expenses and are broken down as follows:

EUR	2016	2015
Wages and salaries	11,997,003	4,309,784
Non periodical remuneration	249,603	1,299,329
Social security costs	1,776,206	744,780
of which pensions	923,123	334,336
Other costs	1,251,893	447,412

During 2015, FinAdmin did provide services to its members, and charged the relevant costs to the Company. The average number of persons employed for the Company by FinAdmin during 2015 was as follows:

Number of persons	2015
Management	20
Employees	39
Total	59

Employee related costs of FinAdmin recharged to the Company during the year ended 31 December 2015 are broken down as follows:

EUR	2015
Wages and salaries	9,792,072
Non periodical remuneration	3,417,283
Social security costs	1,331,795
of which pensions	766,888
Other costs	1,056,384

Note 18 – Remuneration to members of the Board of Directors

Emoluments granted to the members of the Board of Directors by reason of their responsibilities with respect to the financial year 2016 amounted to EUR 150,000 (2015: EUR 100,000) and are included in Administrative expenses in the Profit and Loss Account.

No commitments have been entered into with respect to retirement pensions for former members of the Board of the Company.

Note 19 – Commitments and advances granted to members of supervisory staff

The Company has no commitments with respect to retirement pension for former senior management. No advances or credits have been granted to senior management during 2016 and 2015. The Company has no commitments with respect to guarantees of any kind entered into on account of senior management.

Note 20 – Taxes

The Company is subject to the general tax regulations applicable to all companies in Luxembourg. The Company entered into a tax consolidation arrangement, together with other Group entities domiciled in Luxembourg.

Note 21 – Fees to the Réviseur d'entreprises agréé

The fees to the Réviseur d'entreprises agréé accounted for during the year ended 31 December 2016 amount to EUR 218,135 inclusive of VAT (2015: EUR 310,752), of which EUR 204,750 (2015: EUR 292,500) relate to the audit of the statutory annual accounts and the related regulatory report ("rapport distinct" in accordance with the circular letter 09/1 as amended issued by the *Commissariat aux Assurances*), and EUR 13,385 (2015: EUR 18,252) fees for non-audit related services. The fees to the Réviseur d'entreprises agréé are included in the Administrative expenses in the Profit and Loss Account.

Note 22 – Information relating to consolidation

The annual accounts of the Company are included in the consolidated financial statements of its parent company, The OneLife Holding S.à.r.l. (formerly NPG Wealth Management S.à r.l.), that represents the smallest and the largest undertaking that draws up consolidated accounts. The consolidated financial statements are available at the registered office, located at 38, Parc d'Activités de Capellen, L-8308 Capellen, Luxembourg.

Note 23 – Related party transactions

Until June 2016, the Company was a member of FinAdmin, the purpose of which was to provide, among others, all services directly attributable to the accomplishment of commercial activities of its members, all of which are the members of the Group.

As described in the Note 1, FinAdmin has been liquidated in the course of 2016 and its assets and liabilities have been transferred to the Company.

In virtue of a reinsurance agreement signed between Altraplan and PEL Altraplan Gibraltar PCC Limited on 27 June 2014, for which the rights and obligations were subsequently transferred to the Company and to Augura Life Ireland dac, a reinsurance premium of EUR 67,434 has been accounted for during the year ended 31 December 2016 (2015: EUR 1,186,495).

Reference is made to Note 7 regarding the amounts owed by and to affiliated undertakings.

Note 24 – Off-balance sheet commitments and contingencies

As at 31 December 2016, the Company has commitments amounting to EUR 2,846,449 (2015: EUR 2,914,972) in relation to IT hardware, software and IT contractors, commitments amounting to EUR 357,940 (2015: EUR 430,788) in relation to car leasing contractors and commitments amounting to EUR 4,450,789 (VAT included) in relation to building lease (2015: EUR 5,058,123).

As a consequence of the liquidation of FinAdmin as described in Note 1, the Company has taken over off balance commitments of FinAdmin as of 1 July 2016, for which the Company was previously a joint guarantor as a member of the Economic Interest Grouping.

Note 25 – Subsequent event

On 30 January 2017, Saphir Holding S.à r.l., the direct shareholder of the Company was liquidated and its assets and liabilities were transferred to the parent company, The OneLife Holding S.àr.l. (formerly NPG Wealth Management S.à r.l.), the later becoming de facto the sole and direct shareholder of the Company.

B

QRT S.02.01
BALANCE SHEET

		Solvency II value	Statutory accounts value
		C0010	C0020
Assets			
Goodwill	**R0010**		**1,506**
Deferred acquisition costs	**R0020**		**16,241**
Intangible assets	**R0030**	**0**	**6,461**
Deferred tax assets	**R0040**	**0**	
Pension benefit surplus	**R0050**	**0**	**0**
Property, plant & equipment held for own use	**R0060**	**325**	**325**
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	**122,613**	**119,235**
Property (other than for own use)	R0080	0	0
Holdings in related undertakings, including participations	R0090	0	0
Equities	R0100	1	1
Equities - listed	R0110	1	1
Equities - unlisted	R0120	0	0
Bonds	R0130	114,566	111,303
Government Bonds	R0140	48,125	46,754
Corporate Bonds	R0150	66,426	64,534
Structured notes	R0160	15	15
Collateralised securities	R0170		0
Collective Investments Undertakings	R0180	4,046	3,931
Derivatives	R0190	0	0
Deposits other than cash equivalents	R0200	4,000	4,000
Other investments	R0210	0	0
Assets held for index-linked and unit-linked contracts	**R0220**	**5,014,783**	**5,014,783**
Loans and mortgages	**R0230**	**174**	**174**
Loans on policies	R0240	0	0
Loans and mortgages to individuals	R0250	0	0

All amounts are expressed in K EUR

		Solvency II value	Statutory accounts value
		C0010	C0020
Other loans and mortgages	R0260	174	174
Reinsurance recoverables from:	**R0270**	**0**	**0**
Non-life and health similar to non-life	R0280	0	0
Non-life excluding health	R0290	0	0
Health similar to non-life	R0300	0	0
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	0	0
Health similar to life	R0320	0	0
Life excluding health and index-linked and unit-linked	R0330	0	0
Life index-linked and unit-linked	R0340	0	0
Deposits to cedants	**R0350**	**0**	**0**
Insurance and intermediaries receivables	**R0360**	**1,512**	**1,512**
Reinsurance receivables	**R0370**	**42**	**42**
Receivables (trade, not insurance)	**R0380**	**21,918**	**21,918**
Own shares (held directly)	**R0390**	**0**	**0**
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	**0**	**0**
Cash and cash equivalents	**R0410**	**60,596**	**60,596**
Any other assets, not elsewhere shown	**R0420**	**7,890**	**7,890**
Total assets	**R0500**	**5,229,853**	**5,250,683**
Liabilities			
Technical provisions – non-life	**R0510**	**0**	**0**
Technical provisions – non-life (excluding health)	R0520	0	0
Technical provisions calculated as a whole	R0530	0	
Best Estimate	R0540	0	
Risk margin	R0550	0	
Technical provisions - health (similar to non-life)	R0560	0	0
Technical provisions calculated as a whole	R0570	0	
Best Estimate	R0580	0	
Risk margin	R0590	0	

All amounts are expressed in K EUR

		Solvency II value	Statutory accounts value
		C0010	C0020
Technical provisions - life (excluding index-linked and unit-linked)	**R0600**	**108,800**	**111,250**
Technical provisions - health (similar to life)	R0610	0	0
Technical provisions calculated as a whole	R0620	0	
Best Estimate	R0630	0	
Risk margin	R0640	0	
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	108,800	111,250
Technical provisions calculated as a whole	R0660	0	
Best Estimate	R0670	108,278	
Risk margin	R0680	522	
Technical provisions – index-linked and unit-linked	**R0690**	**4,920,457**	**5,014,783**
Technical provisions calculated as a whole	R0700	0	
Best Estimate	R0710	4,896,840	
Risk margin	R0720	23,618	
Other technical provisions	**R0730**		**0**
Contingent liabilities	**R0740**	**0**	**0**
Provisions other than technical provisions	**R0750**	**10,589**	**10,589**
Pension benefit obligations	**R0760**	**0**	**0**
Deposits from reinsurers	**R0770**	**0**	**0**
Deferred tax liabilities	**R0780**	**0**	
Derivatives	**R0790**	**0**	**0**
Debts owed to credit institutions	**R0800**	**0**	**0**
Financial liabilities other than debts owed to credit institutions	**R0810**	**0**	**0**
Insurance & intermediaries payables	**R0820**	**39,852**	**39,852**
Reinsurance payables	**R0830**	**210**	**210**
Payables (trade, not insurance)	**R0840**	**3,041**	**3,041**
Subordinated liabilities	**R0850**	**14,041**	**14,041**

All amounts are expressed in K EUR

		Solvency II value	Statutory accounts value
		C0010	C0020
Subordinated liabilities not in Basic Own Funds	R0860	0	0
Subordinated liabilities in Basic Own Funds	R0870	14,041	14,041
Any other liabilities, not elsewhere shown	**R0880**	**0**	**0**
Total liabilities	**R0900**	**5,096,990**	**5,193,765**
Excess of assets over liabilities	**R1000**	**132,863**	**56,918**

All amounts are expressed in K EUR

C

QRT S.05.01
PREMIUMS, CLAIMS & EXPENSES BY LINE OF BUSINESS

Life

		Line of Business for: life insurance obligations						Life reinsurance obligations		
		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	Total
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	R1410		221	353,162					67	353,451
Reinsurers' share	R1420		6	898					0	904
Net	R1500		216	352,264					67	352,548
Premiums earned										
Gross	R1510		221	353,162					67	353,451
Reinsurers' share	R1520		6	898					0	904
Net	R1600		216	352,264					67	352,548
Claims incurred										
Gross	R1610		12,755	535,860					0	548,615
Reinsurers' share	R1620		0	134					0	134
Net	R1700		12,755	535,726					0	548,481
Changes in other technical provisions										
Gross	R1710		12,893	119,051					0	131,944
Reinsurers' share	R1720		0	0					0	0
Net	R1800		12,893	119,051					0	131,944
Expenses incurred	R1900		1,640	67,311					0	68,951
Administrative expenses										
Gross	R1910		887	36,401					0	37,287
Reinsurers' share	R1920		0	0					0	0
Net	R2000		887	36,401					0	37,287

All amounts are expressed in K EUR

		Line of Business for: life insurance obligations						Life reinsurance obligations		
		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	Total
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Investment management expenses										
Gross	R2010		275	11,309					0	11,584
Reinsurers' share	R2020		0	0					0	0
Net	R2100		275	11,309					0	11,584
Claims management expenses										
Gross	R2110		34	1,407					0	1,441
Reinsurers' share	R2120		0	0					0	0
Net	R2200		34	1,407					0	1,441
Acquisition expenses										
Gross	R2210		443	18,195					0	18,639
Reinsurers' share	R2220		0	0					0	0
Net	R2300		443	18,195					0	18,639
Overhead expenses										
Gross	R2310		0	0					0	0
Reinsurers' share	R2320		0	0					0	0
Net	R2400		0	0					0	0
Other expenses	**R2500**									**-3**
Total expenses	**R2600**									**68,948**
Total amount of surrenders	**R2700**		**12,755**	**535,860**						**548,615**

All amounts are expressed in K EUR

D

QRT S.05.02 PREMIUMS, CLAIMS & EXPENSES BY COUNTRY

Home Country - life obligations

		Home country
		C0220
Premiums written		
Gross	R1410	13,328
Reinsurers' share	R1420	0
Net	R1500	13,328
Premiums earned		
Gross	R1510	13,328
Reinsurers' share	R1520	0
Net	R1600	13,328
Claims incurred		
Gross	R1610	17,242
Reinsurers' share	R1620	0
Net	R1700	17,242
Changes in other technical provisions		
Gross	R1710	66,539
Reinsurers' share	R1720	0
Net	R1800	66,539
Expenses incurred	**R1900**	**2,596**
Other expenses	**R2500**	
Total expenses	**R2600**	

All amounts are expressed in K EUR

Top 5 countries (by amount of gross premiums written) - life obligations

		Country (by amount of gross premiums written) - life obligations				
Country	R0015	Belgium	Denmark	France	United kingdom	Sweden
		C0230	C0230	C0230	C0230	C0230
Premiums written						
Gross	R1410	285,648	10,567	9,917	14,245	8,827
Reinsurers' share	R1420	0	0	0	0	0
Net	R1500	285,648	10,567	9,917	14,245	8,827
Premiums earned						
Gross	R1510	285,648	10,567	9,917	14,245	8,827
Reinsurers' share	R1520	0	0	0	0	0
Net	R1600	285,648	10,567	9,917	14,245	8,827
Claims incurred						
Gross	R1610	317,021	14,823	64,850	17,466	43,351
Reinsurers' share	R1620	0	0	0	0	0
Net	R1700	317,021	14,823	64,850	17,466	43,351
Changes in other technical provisions						
Gross	R1710	10,737	16,886	35,879	11,276	13,986
Reinsurers' share	R1720		0	0	0	0
Net	R1800	10,737	16,886	35,879	11,276	13,986
Expenses incurred	**R1900**	**55,636**	**2,058**	**1,931**	**2,774**	**1,719**
Other expenses	**R2500**					
Total expenses	**R2600**					

All amounts are expressed in K EUR

Total Top 5 and home country - life obligations

		Total Top 5 and home country
		C0280
Premiums written		
Gross	R1410	329,203
Reinsurers' share	R1420	0
Net	R1500	329,203
Premiums earned		
Gross	R1510	329,203
Reinsurers' share	R1520	0
Net	R1600	329,203
Claims incurred		
Gross	R1610	457,510
Reinsurers' share	R1620	0
Net	R1700	457,510
Changes in other technical provisions		
Gross	R1710	88,763
Reinsurers' share	R1720	0
Net	R1800	88,763
Expenses incurred	**R1900**	**64,119**
Other expenses	**R2500**	**0**
Total expenses	**R2600**	**64,119**

All amounts are expressed in K EUR

QRT S.12.01
LIFE & HEALTH SLT TECHNICAL PROVISIONS

Life and Health SLT Technical Provisions

			Index-linked and unit-linked insurance			Other life insurance				Accepted reinsurance						Health insurance (direct business)					
		Insurance with profit participation		Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations		Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life accepted insurance contracts and relating to insurance obligation other than health insurance obligations	Total (Life other than health insurance, incl. Unit-Linked)		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole	**R0010**	**0**	**0**												**0**						
Total Recoverables from reinsurance/ SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	**R0020**																				
Technical provisions calculated as a sum of BE and RM																					
Best Estimate																					
Gross Best Estimate	R0030	108,278		4,896,840											5,005,118						
Total recoverables from reinsurance/ SPV and Finite Re before the adjustment for expected losses due to counterparty default	R0040																				
Recoverables from reinsurance (except SPV and Finite Re) before adjustment for expected losses	R0050																				

All amounts are expressed in K EUR

			Index-linked and unit-linked insurance			Other life insurance				Accepted reinsurance						Health insurance (direct business)					
		Insurance with profit participation		Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations		Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life accepted insurance contracts and relating to insurance obligation other than health insurance obligations	Total (Life other than health insurance, incl. Unit-Linked)		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180	C0190	C0200	C0210
Recoverables from SPV before adjustment for expected losses	R0060																				
Recoverables from Finite Re before adjustment for expected losses	R0070																				
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	R0090	108,278		4,896,840											5,005,118						
Risk Margin	R0100	522	23,618												24,140						
Amount of the transitional on Technical Provisions																					
Technical Provisions calculated as a whole	R0110																				
Best estimate	R0120																				
Risk margin	R0130														0						
Technical provisions - total	**R0200**	**108,800**	**4,920,457**												**5,029,257**						
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	**R0210**	**108,800**	**4,920,457**												**5,029,257**						
Best Estimate of products with a surrender option	**R0220**	**106,744**	**4,920,457**												**5,027,202**						

All amounts are expressed in K EUR

			Index-linked and unit-linked insurance			Other life insurance				Accepted reinsurance						Health insurance (direct business)					
		Insurance with profit participation		Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations		Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life accepted insurance contracts and relating to insurance obligation other than health insurance obligations	Total (Life other than health insurance, incl. Unit-Linked)		Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180	C0190	C0200	C0210
Gross BE for Cash flow																					
Cash out-flows																					
Future guaranteed and discretionary benefits	R0230																				
Future guaranteed benefits	R0240																				
Future discretionary benefits	R0250	8,148																			
Future expenses and other cash out-flows	R0260	4,728	190,992												195,720						
Cash in-flows																					
Future premiums	R0270																				
Other cash in-flows	R0280	7,700	308,935												316,635						
Percentage of gross Best Estimate calculated using approximations	**R0290**	**0.02%**	**0.81%**																		
Surrender value	**R0300**	**110,550**	**4,983,207**												**5,093,756**						
Best estimate subject to transitional of the interest rate	**R0310**																				
Technical provisions without transitional on interest rate	**R0320**																				
Best estimate subject to volatility adjustment	**R0330**																				
Technical provisions without volatility adjustment and without others transitional measures	**R0340**																				
Best estimate subject to matching adjustment	**R0350**																				
Technical provisions without matching adjustment and without all the others	**R0360**																				

All amounts are expressed in K EUR

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QRT S.23.01 OWN FUNDS

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 2015/35						
Ordinary share capital (gross of own shares)	R0010	32,230	32,230			
Share premium account related to ordinary share capital	R0030	3,614	3,614			
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	97,019	97,019			
Subordinated liabilities	R0140	14,041		12,741	1,300	
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					

All amounts are expressed in K EUR

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
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**	**146,904**	**132,863**	**12,741**	**1,300**	
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					

All amounts are expressed in K EUR

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
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	146,904	132,863	12,741	1,300	
Total available own funds to meet the MCR	R0510	146,904	132,863	12,741	1,300	
Total eligible own funds to meet the SCR	R0540	146,904	132,863	12,741	1,300	
Total eligible own funds to meet the MCR	R0550	146,904	132,863	12,741	1,300	
SCR	**R0580**	**89,845**				
MCR	**R0600**	**37,648**				
Ratio of Eligible own funds to SCR	**R0620**	**1.64**				
Ratio of Eligible own funds to MCR	**R0640**	**3.90**				

All amounts are expressed in K EUR

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	132,863
Own shares (held directly and indirectly)	R0710	0
Foreseeable dividends, distributions and charges	R0720	0
Other basic own fund items	R0730	35,844
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	**R0760**	**97,019**
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**	

All amounts are expressed in K EUR

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QRT S.23.02 DETAILED INFORMATION BY TIERS ON OWN FUNDS

Basic own funds

		Total	Tier 1	Tier 1	Tier 2	Tier 2	Tier 3
				Of which counted under transitionals		Of which counted under transitionals	
		C0010	C0020	C0030	C0040	C0050	C0060
Ordinary share capital							
Paid in	R0010	32,230	32,230				
Called up but not yet paid in	R0020						
Own shares held	R0030						
Total ordinary share capital	**R0100**	**32,230**	**32,230**				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual type undertakings							
Paid in	R0110						
Called up but not yet paid in	R0120						
Total initial fund members' contributions or the equivalent basic own fund item for mutual and mutual type undertakings	R0200						
Subordinated mutual members accounts							
Dated subordinated	R0210						
Undated subordinated with a call option	R0220						

All amounts are expressed in K EUR

		Total	Tier 1		Tier 2		Tier 3
				Of which counted under transitionals		Of which counted under transitionals	
		C0010	C0020	C0030	C0040	C0050	C0060
Undated subordinated with no contractual opportunity to redeem	R0230						
Total subordinated mutual members accounts	R0300						
Preference shares							
Dated preference shares	R0310						
Undated preference shares with a call option	R0320						
Undated preference shares with no contractual opportunity to redeem	R0330						
Total preference shares	**R0400**						
Subordinated liabilities							
Dated subordinated liabilities	R0410						
Undated subordinated liabilities with a contractual opportunity to redeem	R0420	14,041	12,741	12,741	1,300	1,300	
Undated subordinated liabilities with no contractual opportunity to redeem	R0430						
Total subordinated liabilities	**R0500**	**14,041**	**12,741**	**12,741**	**1,300**	**1,300**	

All amounts are expressed in K EUR

Ancillary own funds

		Tier 2		Tier 3	
		Initial amounts approved	Current amounts	Initial amounts approved	Current amounts
		C0070	C0080	C0090	C0100
Ancillary own funds					
Items for which an amount was approved	R0510				
Items for which a method was approved	R0520				

Excess of assets over liabilities - attribution of valuation differences

		Total
		C0110
Excess of assets over liabilities - attribution of valuation differences		
Difference in the valuation of assets	R0600	-20,830
Difference in the valuation of technical provisions	R0610	96,775
Difference in the valuation of other liabilities	R0620	
Total of reserves and retained earnings from financial statements	R0630	21,074
Other, please explain why you need to use this line	R0640	
Reserves from financial statements adjusted for Solvency II valuation differences	R0650	
Excess of assets over liabilities attributable to basic own fund items (excluding the reconciliation reserve)	R0660	35,844
Excess of assets over liabilities	R0700	132,863

Excess of assets over liabilities - attribution of valuation differences - other

		Explanation
		C0120
Other, please explain why you need to use this line	R0640	

All amounts are expressed in K EUR

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QRT S.25.01 SOLVENCY CAPITAL REQUIREMENT – FOR UNDERTAKINGS ON STANDARD FORMULA

Basic Solvency Capital Requirement

Article 112	Z0011	No

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	51,931	51,931	
Counterparty default risk	R0020	5,126	5,126	
Life underwriting risk	R0030	54,348	54,348	
Health underwriting risk	R0040			
Non-life underwriting risk	R0050			
Diversification	R0060	-25,612	-25,612	
Intangible asset risk	R0070		0	
Basic Solvency Capital Requirement	R0100	85,793	85,793	

All amounts are expressed in K EUR

Calculation of Solvency Capital Requirement

Article 112	**Z0012**	**No**

		Value
		C0100
Adjustment due to RFF/MAP nSCR aggregation	**R0120**	
Operational risk	**R0130**	**4,052**
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**	**89,845**
Capital add-on already set	**R0210**	
Solvency capital requirement	**R0220**	**89,845**
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	R0450	No adjustment
Net future discretionary benefits	R0460	8,148

All amounts are expressed in K EUR

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QRT S.28.01 MINIMUM CAPITAL REQUIREMENT – ONLY LIFE OR ONLY NON-LIFE INSURANCE OR REINSURANCE ACTIVITY

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	37,648

Total capital at risk for all life (re)insurance obligations

		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**	**100,130**	
Obligations with profit participation - future discretionary benefits	**R0220**	**8,148**	
Index-linked and unit-linked insurance obligations	**R0230**	**4,896,840**	
Other life (re)insurance and health (re) insurance obligations	**R0240**	**0**	
Total capital at risk for all life (re)insurance obligations	**R0250**		**126,879**

Overall MCR calculation

		C0070
Linear MCR	**R0300**	**37,648**
SCR	**R0310**	**89,845**
MCR cap	**R0320**	**40,430**
MCR floor	**R0330**	**22,461**
Combined MCR	**R0340**	**37,648**
Absolute floor of the MCR	**R0350**	**3,700**
Minimum Capital Requirement	**R0400**	**37,648**

All amounts are expressed in K EUR

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