Mobius Life

Mobius Life Topco Limited and Mobius Life Limited

Combined Solvency and Financial Condition Report
31 March 2024

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Summary

The Solvency and Financial Condition Report ("SFCR") is intended to provide essential information about the solvency and financial position of Mobius Life Topco Limited ("MLT") and Mobius Life Limited ("MLL") as at 31 March 2024.

The Prudential Regulation Authority ("PRA") Rulebook on Reporting (Public Disclosure: Solvency and Financial Condition Report) and Group Supervision (Group SFCR) requires MLT and MLL to prepare a SFCR that discloses information about the Group in the prescribed format.

MLT, registered in England and Wales as company number 11716584, is a single purpose entity holding company that fully owns Mobius Life Bidco Limited ("MLB"), Mobius Life Holdings Limited ("MLH") and Mobius Life Group Limited ("MLG"), with two operating entities: MLL, the principal operating subsidiary; and Mobius Life Administration Services Limited ("MLAS") (all together known as the "Group"). MLL is the only insurance subsidiary.

The Group's financial year ends at 31st March each year and its results are reported in Pounds Sterling ("GBP").

The PRA has given permission for a single combined SFCR to be produced covering the required information for the Group and MLL.

The combined SFCR can be obtained from the Mobius website:

https://www.mobiuslife.co.uk/about-us/

A. Business and Performance

MLL is an authorised unit-linked life insurance company. During the financial year ended 31 March 2024, MLL wrote two lines of unit-linked insurance business, all located in the United Kingdom:

1. institutional pensions platform business that is, in substance, an asset administration business operating within the legal structure of a life insurance company. The platform provides pension fund trustees the opportunity to manage their funds flexibly and efficiently; and
2. investment-only reinsurance accepted business from Scottish Friendly Assurance Society Limited ("Scottish Friendly"), Legal & General Assurance (Pensions Management) Limited ("L&GPML"), FIL Life Insurance Limited ("FIL") and Scottish Equitable Plc.

Investment performance has no material direct impact on MLL, except for a small amount of seed capital and investments held overnight in Government-only Money Market Funds ("MMFs"). Investment risks on underlying holdings are borne by policyholders. Investment performance only impacts MLL indirectly through management charges on Assets under Administration ("AuA").

Over the twelve months to 31 March 2024 MLL's AuA increased by 10%, to £21.2bn (2023: £19.3bn). This growth was driven partly by an increase in net inflows to £706m (2023: £59m) as well as from positive market movements during the year of £1,280m (2023: negative £3,986m).

MLL Business performance:

£000	2024	2023	Change/ Movement
AuA	21,242,198	19,322,757	10%
Other Technical Income*	11,355	11,090	2%
Profit before Tax	671	169	297%

* Note: Other Technical income represents net fees earned by the company from the administration of funds on the Mobius investment platform

Other technical income increased by 2% year-on-year. A policy administration fee ("PAF"), a fixed per annum fee applicable to defined benefit schemes, was introduced in November 2023. Average AuA, at £20bn for the year, remained at a similar level to prior year hence the average revenue earned slightly increased due to the introduction of the PAF, offset by the change in mix of underlying pension schemes.

MLL made a profit before tax of £671k (2023: £169k) and its capital position remained strong with a pillar I coverage of 171% (2023: 211%).

MLAS provides investment administration services to third party insurance companies and trustees of pension schemes and acts as a service company for the Group. It made a profit before tax of £79k (2023: £135k).

Total revenue for the Group increased by 15% year on year, partly due to the increase in AuA, partly due to the introduction of the PAF, and partly due to higher other income.

Group costs remained high but are nonetheless largely under Management's control as it continues to invest in skilled people to strengthen operational efficiency. 2024 deviated from its budget mainly within the exceptional costs line. Additional exceptional costs (ie unplanned from a budgeting perspective) were incurred, totalling £800k. These are not expected to recur.

Group's consolidated loss before tax and goodwill amortisation was £90k (2023: loss of £460k). Accounting for goodwill amortisation of £2,669k (2023: £2,669k) resulted in a consolidated loss before tax of £2,742k (2023: loss £3,121k). Its capital position was 127% (2023: 147%).

The Group's management continue to take a long-term approach and remains fully committed to its strategy which is expected to grow the Group's profitability in the foreseeable future. The Group has a strong pipeline, a large portion of which is due to onboard in Q2 2024.

Further details on the business and performance of MLL and the Group can be found in Section A.

B. System of Governance

The Group governance framework comprises the Boards of the Group entities and the following Board committees: Remuneration Committee; Audit, Risk & Compliance Committee; Information Security Oversight Committee; Investment & Proposition Committee; and Unit-

Linked Principles and Practice Committee.

The Boards are responsible, among other things, for ensuring that each company adheres to the sound corporate governance principles and has appropriate resources, effective systems and controls and an appropriate risk framework.

The Board of Directors for MLL, MLAS and MLG share a common membership containing a majority of independent non-executives, ensuring they are independent of the other Group Boards. In addition, the Audit, Risk & Compliance Committee members are all independent non-executives.

During the reporting period, the Chairperson of MLG, MLL and MLAS stepped down having served his full term and one of the existing independent non-executive directors replaced him as Chairperson. A new independent non-executive director was added.

The approach to the identification, assessment, management, monitoring and reporting of risks is set out in detail in the Group-wide Risk Management Framework, along with specific policies for individual risks. The Group's overall risk appetite is expressed in a qualitative statement in the Risk Management Framework, supported by a risk matrix in the same document and quantitative solvency tolerances in the Capital Management Policies: these are all approved annually by the MLL and MLT Boards.

There were no material changes in the system of governance over the reporting period.

C. Risk Profile

The Group and MLL are exposed to the following key risks: market; lapse; expense; credit; counterparty; liquidity and operational. There have been no material changes to the risk exposures over the past year, however, changes in the economic environment affected risk levels during the period and will continue to do so.

The Group has limited direct exposure to market risk, given the unit-linked structure. However, it has an indirect exposure, as fees are predominantly charged as a percentage of AuA and therefore falling asset values reduce revenue.

The Group has no exposure to traditional insurance risk. The Group and MLL are indirectly exposed to lapse risk, as a reduction in AuA due to lapses would reduce revenue. Changes to economic conditions that improve pension scheme funding levels may result in higher lapses. The Group and MLL are also exposed to the risk that expenses are excessive relative to revenue. Lapse rates and expenses are tracked relative to plan on an ongoing basis so that corrective action can be taken if necessary.

The Group has credit risk exposures in respect of deposits with credit institutions (other than those in respect of certain policyholder cash in transit where the policyholder bears the risk of default) and other debtors, typically related to fund manager rebates. It manages the former exposure by monitoring credit ratings and adhering to exposure limits agreed annually by the Audit, Risk & Compliance Committee and the latter by ensuring that amounts due are recovered in a timely manner.

The Group and MLL are exposed to different liquidity risks in respect of their operations for policyholder transactions, and their shareholder exposures. The key sources of liquidity risk in respect of policyholder transactions relate to potential timing differences for cash inflows and outflows, particularly in relation to settlement mismatches and pre-investment. Aside from operational risk events, demands on shareholder liquidity are largely predictable.

MLL and the Group are, like all insurance companies, subject to a range of operational risks. The limited appetite for other risk categories means that operational risks are among the most material risk exposures for the Group. The key categories of operational risk for the Group are operational error; people risk; third party risk; technology risk; operational resilience; project management risk; and legal & regulatory risk. Market volatility can exacerbate the impact of operational errors as well as the volume and pace of operational activity. The Group has robust insurance cover in place to mitigate the financial impact of operational errors, and appropriate policies and procedures for reporting and remediating incidents and breaches.

Climate change risk has been considered and is deemed to be captured within the risk categories considered above: in particular, market risk covers the potential impact on asset values.

Finally, MLL and the Group also monitor strategic risks: ongoing changes in the pensions market, including consolidation and the increasing numbers of Defined Benefit schemes entering into risk transfer transactions, are a potential source of strategic risk. Strategic risks are managed through the Group's strategy and business planning processes.

D. Valuation for Solvency Purposes

Assets, technical provisions and other liabilities are valued in the both Group's and MLL's Solvency II Balance Sheet according to the Solvency II regulations. Assets and liabilities are valued at an amount for which they could be exchanged, transferred or settled by knowledgeable and willing third parties in an arm's-length transaction. There have been no material changes in the valuation methods during the year.

The only difference between the valuation of assets shown in MLL's financial statements and the valuation for solvency purposes is tangible assets totalling £13k (2023: £39k) which are given no value for solvency purposes.

At Group level, intangible assets, the Employee Benefit Trust (EBT) reserve and certain tangible assets totalling £15.6m (2023: £18.1m) are also given no value for solvency purposes. The intangible assets primarily comprise goodwill upon acquisition of MLH by MLT.

MLL's technical provisions for solvency purposes are calculated differently to those reported in the financial statements. The technical provisions for solvency purposes are £1,198k lower (2023: £705k lower) than the technical provisions reported in the financial statements, reflecting the difference between the value of the in-force business ("VIF") and risk margin held for solvency purposes. The VIF is £1,379k (2023: £938k) and risk margin is £181k (2023: £234k). The increase in the VIF reflects both the increase in AuA over the year and the inclusion of the PAF, a monetary charge levied on most policies issued to the trustees of defined benefit schemes which came into effect on 1 November 2023, partly offset by an increase in future expected expenses compared to the previous year. The reduction in the risk margin is primarily due to a legislative change effective from 31 December 2023.

The only difference between the value of non-insurance liabilities shown in MLL's and MLT's financial statements and the valuation for solvency purposes is a deferred tax liability of £300k (2023: £176k), included in the valuation for solvency purposes, reflecting notional tax on the difference between the technical provisions shown in the financial statements and those for solvency purposes. This is also the only difference between liabilities reported in the financial statements and liabilities for solvency purposes at Group level.

In compiling the 2024 financial statement a prior year restatement was approved relating to the release of an over accrual of £60k relating to the prior year and a cumulative over accrual of £220k relating to the periods before 2023 for third party fees payable. For the purposes of the SFCR though, the prior year numbers remain as reported in 2023. For further information please refer to MLL and Group Financial Statements 2024 which should be available in Companies House website in September 2024.

Section D of this report provides further description of the bases, methods and main assumptions used in the valuation of assets, technical provisions and other liabilities for each material asset/liability class. In addition, it also provides an explanation of the material differences between the FRS 102 and Solvency II bases of valuation.

E. Capital Management

MLL is always required to hold sufficient assets to match its policyholder liabilities, and to meet its capital and reporting obligations under Solvency II. Similarly, the Group is also required to meet its capital and reporting obligations under Solvency II.

Eligible own funds and the Solvency Capital Requirement ("SCR") for both MLL and the Group, the Minimum Capital Requirement ("MCR") for MLL and the minimum consolidated group SCR for the Group are shown in the table below:

£000	31 March 2024		31 March 2023	
	MLL	Group	MLL	Group
Own funds available to cover the SCR	9,982	7,658	10,365	7,342
Own funds available to cover the MCR/Minimum Consolidated Group SCR	9,973	7,658	10,356	7,342
SCR	5,827	6,014	4,914	5,010
MCR /Minimum Consolidated Group SCR	3,495	3,495	3,445	3,445
Excess capital over SCR	4,155	1,644	5,451	2,333
Excess capital over MCR	6,478	4,163	6,912	3,898
SCR coverage ratio	171%	127%	211%	147%

MLL does not use a matching, volatility or transitional adjustment in respect of the risk-free interest rate term structure, or a transitional deduction in respect of technical provisions.

MLL's and the Group's ordinary share capital and reconciliation reserve are Tier 1 unrestricted own funds as per Article 69(a)(i) of the Delegated Acts and are available to cover the respective SCR and respectively MLL's MCR and the Group's minimum consolidated group SCR. As at 31

March 2024, there is a small deferred tax asset of £9k (2023: £9k) which is classified as Tier 3 own funds (per Article 76 of the Delegated Acts) within MLL. This deferred tax asset is available to cover MLL's SCR but not its MCR. The deferred tax asset is not available to cover the Group SCR or the minimum consolidated group SCR (per Article 330(3)(c) of the Delegated Acts).

The movement in MLL own funds primarily reflects a £1.5m dividend payment from MLL offset to an extent by the combination of the net of tax retained income in excess of expenses during the year, the restatement of 2023 profits (not included in the 2023 own funds figures shown above), the increase in the VIF, and a decrease in the risk margin. The movement in Group own funds primarily reflects the restatement of 2023 profits (not included in the 2023 own funds figures shown above), the increase in the VIF and the decrease in the risk margin offset to an extent by an increase in disallowed assets.

The increase in the SCR primarily reflects the impacts from:

- an increase in VIF-related elements of the SCR, reflecting the increase in AuA and introduction of the PAF leading to an increased VIF and hence an increase in the amount of VIF lost under stress;
- an increase in the operational risk SCR, which is a function of non-acquisition expenses incurred in the previous 12 months to the valuation date, with such expenses having increased compared to the previous year; and
- a reduction in the tax adjustment, reflecting the limited profits available at 31 March 2024 against which the notional loss equal to the SCR before any tax adjustment could be offset.

This is explained in more detail in section E.2.

MLL and the Group have been in full compliance with both the MCR and SCR throughout the reporting period.

Due to rounded numbers being presented in the various tables and public QRTs within this report, the totals in the tables may differ slightly from the sum of the component parts.

A. Business and Performance

In this section we describe the business of both the Group and MLL including our equity structure and how we are regulated. We also describe how the business has performed during the year alongside any significant factors that have contributed to this performance.

A.1 Business

A.1.1 Summary Information

MLT, a private company limited by shares, is classified as an insurance holding company for the purposes of Solvency II group regulation. MLL is a regulated unit-linked insurance private company limited by shares. The registered office and operating address for both Group and MLL is 3rd Floor, 20 Gresham Street, London EC2V 7JE.

The financial year runs to 31 March each year and the reporting currency is Pounds Sterling ("GBP").

Both Group and MLL are audited by Ernst & Young LLP, whose offices are at 1 More London Place, London, SE1 2AF.

MLL is authorised and regulated by the PRA (whose offices are located at 20 Moorgate, London, EC2R 6DA) and regulated by the Financial Conduct Authority ("FCA") (whose offices are located at 12 Endeavour Square, London, E20 1JN).

A.1.2 Background information and significant events in 2024

The Group's core business is MLL's operation of an institutional pensions platform. In substance, it is an asset administration business operating within the legal structure of a life insurance company. The platform provides pension fund trustees with an opportunity to manage their funds flexibly and efficiently within Trustee Investment Plan policies. As at 31 March 2024, the Group had relationships with approximately 80 investment managers across 800 funds.

All MLL's business is unit-linked and written in the United Kingdom. MLL's revenue is primarily generated by fees earned on the unit-linked insurance policies. Also it earns revenue from a PAF, a fixed per annum fee applicable to defined benefit schemes and implemented in November 2023. In addition, Mobius invests surplus end of day cash overnight in Government-only MMFs which has led to an increase in other income. MLL's directors are satisfied with the company's performance and are encouraged by the opportunities open to it.

MLL's directors are satisfied with the company's performance and are encouraged by the opportunities open to it. The directors are very satisfied with the strong pipeline, in particular the AuA that is due to onboard in Q2 2024.

MLAS provides investment administration services to life insurance companies and trustees of pension schemes and continues to act as a service company for the Group, of which MLL is the principal operating entity.

MLAS's revenue is generated by the recharge of costs it incurs on behalf of other Group companies and fees earned for undertaking administration activities. These activities resulted in a profit for the current year. The Directors are satisfied with the company's performance, are encouraged by the opportunities open to it, and will continue to develop the administration business.

The Group continues to operate in an environment of elevated volatility in global financial markets, in part due to certain geopolitical conflicts. Macroeconomic uncertainty continues as central banks consider interest rate decisions to bring down inflation within policy targets. The Group actively monitor the global events with the potential to cause major financial instability. Throughout the reporting period MLL was able to maintain high levels of client contact to mitigate market volatility on behalf of our clients.

2024 was a year of careful execution of the Group's strategy together with advances in leadership and regulation:-

- The introduction of the PAF and cash management have added revenue to the business;
- Growth is predicated on digital transformation to improve operational efficiency and reduce both risk and cost;
- In a shifting market the Group is well positioned to exploit new opportunities and partnerships, eg capitalising on the growth opportunities within the DC market; and
- Investment in people, including senior hires, to ensure delivery of the Group's strategy.

MLL's AuA closed at £21,242m (2023: £19,323m), an increase of 10% (2023: decrease 17%) year on year. At 31 March 2024, MLL had 745 clients (2023: 760), a decrease of 2% (2023: increase 2.4%) year on year. Other technical income increased by 2% year-on-year. A PAF, a fixed per annum fee applicable to defined benefit schemes, was introduced in November 2023. Average AuA, at £20bn for the year, remained at a similar level to prior year hence the average revenue earned slightly increased due to the introduction of the PAF, offset by the change in mix of underlying pension schemes.

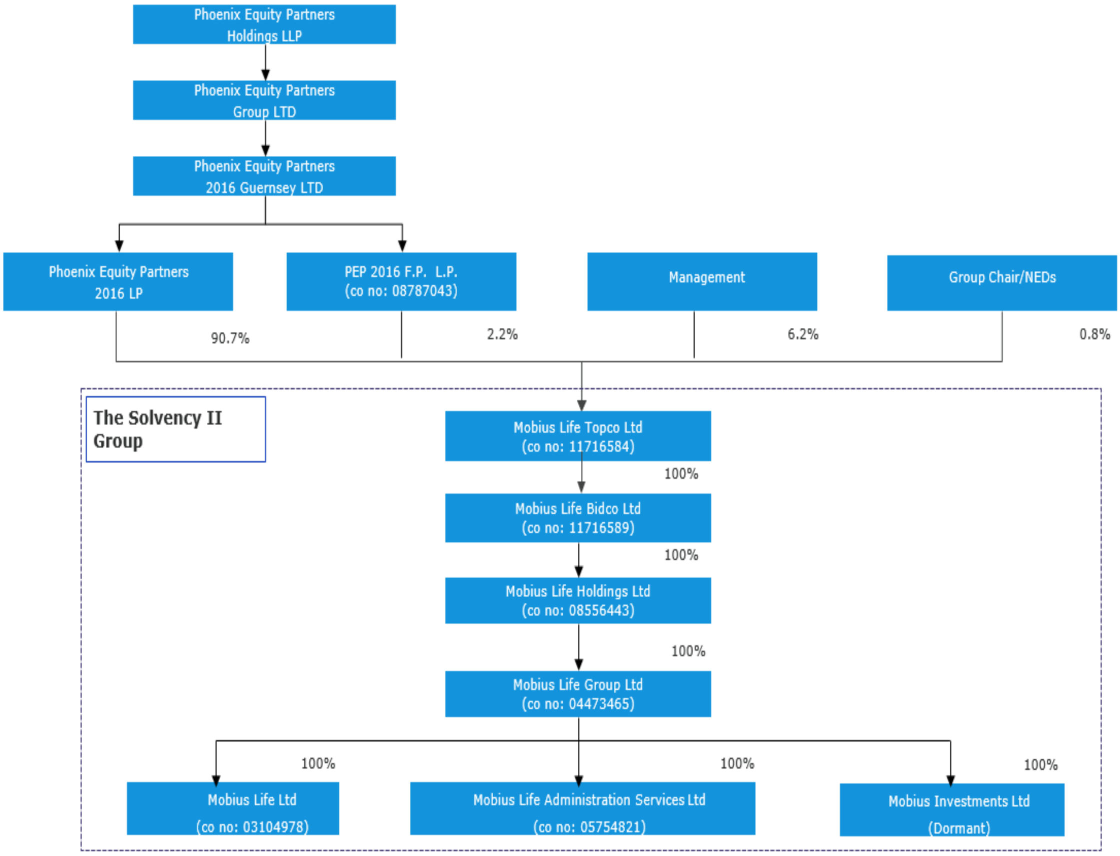
The Group reported a consolidated loss before goodwill and tax for the year ended 31 March 2024 of £90k (2023: loss £460k). MLL reported a profit before tax for the year ended 31 March 2024 of £671k (2023: £169k) and this increase is mainly driven by other income. MLL paid a dividend of £1.5m for the year end 31 March 2024 (2023: £nil).

The directors note that notwithstanding the very challenging operating environment, reflecting significant economic volatility and market disruption, the business is well-positioned to deliver on its strategy and therefore to grow the Group's profitability in the foreseeable future.

A.1.3 The Group Structure

The Group was incorporated on 7 December 2018 and received regulatory approval on 30 September 2019 whereby Phoenix Equity Partners 2016 LP, the Company's immediate parent, became the beneficial owner of MLH and its subsidiaries.

The equity participation structure of the group is shown below:



None of the iNEDs (independent Non-Executive Directors) of MLG, MLL and MLAS hold shares in MLT, and the structure of the MLH sub-group did not change during the year. The principal purpose and activities of MLT and its three immediate subsidiaries are to own MLL and MLAS.

Policies relating to MLT's operation are approved by the MLT Board and apply to all group companies.

A.1.4 Summary Strategy

The Group's strategy is to provide clients (the majority of which are pension trustees and their advisors) with tailored investment solutions to allow them to meet their unique investment objectives and strategies through the provision of a dynamic and efficient investment platform.

A.1.5 Clients, Product and Services

Policyholders and customers include insurance companies, trustees of UK pension schemes and other life companies.

The Group offers clients access to an investment platform operating within a life company structure, supported by a wide range of investment services. Services include investment administration, creation of blended and white-labelled funds, trigger monitoring, transition management and pension scheme reporting. The platform offers access to a wide range of carefully selected external fund managers. The development and introduction of a client portal during the year allows advisors access to their underlying client portfolio unit holdings and valuations.

A.2 Underwriting Performance

All Group policies are classified as investment contracts for accounting purposes. The underwriting performance, which all relates to MLL's business, is limited to consideration of the excess of fee income over expenses.

The Group's underwriting performance, which is also MLL's underwriting performance, is shown in the table below:

£000	2024	2023
	MLL statutory	MLL statutory
Gross fees deducted from investment managed funds	40,844	50,214
Fees paid to fund managers or advisors or reinvested in funds	(29,490)	(39,123)
Technical income	11,355	11,090
Net operating expenses relating to underwriting	(12,349)	(11,091)
Balance on long-term technical account before tax	(994)	(1)

A.3 Investment Performance

A.3.1 Market Background

The challenging external context has continued throughout 2024. Commodity prices such as oil, gas and wheat have reduced over the course of the period though geopolitical risks have been further heightened from the Israeli-Hamas conflict, thereby increasing the potential for further market volatility.

Long-dated UK government debt yields saw a gradual rise over the last 12 months. In February, the yield on UK 10-year gilts rose from 3.54% to 3.94%. Defined benefit schemes benefited from rises in bond yields while their Liability Driven Investment (LDI) strategies became more resilient to rising yields. This means that DB Schemes' LDI portfolios have weathered the rises in yield this year in a more orderly fashion. This has had a direct impact on MLL's AuA product shift.

A.3.2 Investment Performance

MLL writes unit-linked policy contracts whereby the liabilities to policyholders are 100% matched to assets which are invested in line with the instructions of a policyholder. The company does not bear any investment risks on behalf of the policyholder. Investment returns on policyholder assets accrue to policyholders only.

This year MLL actively invested surplus shareholder funds which increased income from investments. Funds are held in cash and cash equivalents i.e. MMFs, and a small amount is invested as seed money. The cash and cash equivalents generate interest income which is recognised in the profit and loss account as earned and reported. (See A.4.)

Income from shareholder investments generated an income of £459k (2023: £135k). Expenses relating to these activities are negligible, and there are no other such investments in the Group.

Losses on investments within the Life portfolio (policyholder) for the current year were driven by the economic uncertainty and market movements during the year.

Investment returns for shareholder and policyholder for current and prior year are as follows:

£000	March 31 2024				
Asset Category	**Portfolio**	**Dividends**	**Interest**	**Net gains and losses**	**Unrealised gains and losses**
Cash and deposits	Shareholders' funds		98		
Collective Investment Undertakings	Shareholders' funds			0	459
Collective Investment Undertakings	Life	110,282		(561,676)	1,732,002
Total		110,282	98	(561,675)	1,732,461

£000	March 31 2023				
Asset Category	**Portfolio**	**Dividends**	**Interest**	**Net gains and losses**	**Unrealised gains and losses**
Cash and deposits	Shareholders' funds		35		
Collective Investment Undertakings	Shareholders' funds			0	134
Collective Investment Undertakings	Life	131,882		(787,242)	(3,330,651)
Total		131,882	35	(787,241)	(3,330,517)

A.4 Performance of Other Activities

MLL has bought units for seeding in collective investment schemes on its own account with a value of £130k at 31 March 2024 (2023: £154k).

Please refer to Reporting and Financial Statements of the Group for further detailed results for 2024.

A.5 Any Other Information

There is no other material information.

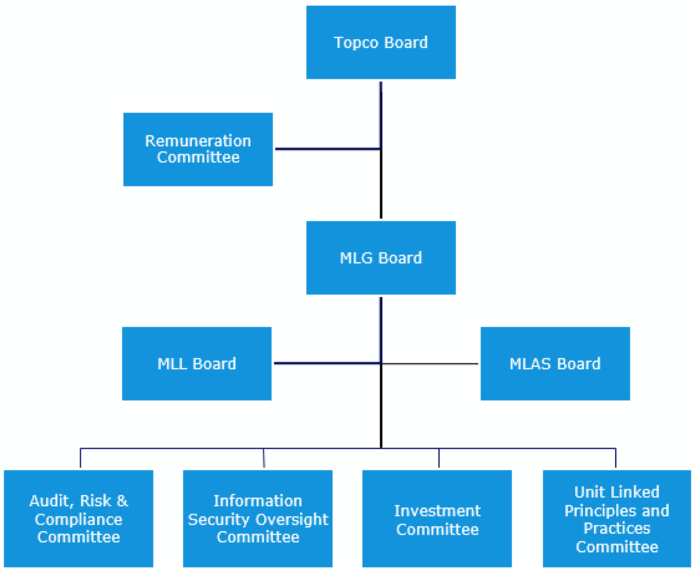
B. System of Governance

In this section we describe our system of governance, which is the system through which MLL is directed and controlled. We describe the structure of the Board and its sub-committees and how this structure enables effective management of the key functions of MLL. We also describe how we ensure the fitness and propriety of key individuals is ensured, the risk management framework, outsourcing framework and remuneration policies.

B.1 General Information on the System of Governance

B.1.1 Governance Structure

The following diagram sets out the structure of the MLT and MLL Boards and committees:



The Boards of MLT and MLL are responsible, among other things, for:

- contributing to and approving the business strategy;
- ensuring that each company adheres to sound corporate governance principles and has appropriate resources and effective systems and controls;
- ensuring that an appropriate risk framework is in place;
- ensuring maintenance of a sound system of internal control and an effective risk-based assurance function;
- ensuring that each company is a responsible corporate citizen by having regard not only to the financial aspects of the business but also the impact that its operations have on the environment and society; and
- ensuring that there is an effective and consistent culture within each company.

The following table sets out the membership of the Group Boards as at 31 March 2024. The Boards of Directors for MLL, MLAS and MLG share common membership containing a majority of independent non-executives, ensuring they are independent of the other Group Boards.

MLT Steve Groves, Chairperson (non-executive) Alastair Muirhead (non-executive) James Squires (non-executive) James Finch Ian Dawkins	**MLB** James Finch, Chairperson Alastair Muirhead (non-executive) James Squires (non-executive) Laura Catterick Ian Dawkins
MLG, MLL and MLAS Simon Smith, Chairperson (independent non-executive) Joanne Evans (independent non-executive) John Perks (independent non-executive) James Finch Ian Dawkins	**MLH** James Finch, Chairperson Laura Catterick Ian Dawkins
Company Secretary: Louisa Voss	

During the reporting period, the Chairperson of MLG, MLL and MLAS, Mark Goodale, stepped down having served his full term and one of the existing independent non-executive directors, Simon Smith, replaced him. A new independent non-executive director, John Perks, was appointed to the Boards of MLG, MLL and MLAS.

B.2 Corporate Committee Structure

B.2.1 Audit, Risk and Compliance

The Audit, Risk and Compliance Committee ("ARC") acts on behalf of the Boards of MLT, MLG, MLL and other Group companies. It is comprised of the independent non-executive directors on the MLG Board and is responsible for:

- the oversight of the quality and integrity of accounting policies and practices, regulatory reporting and financial statements;
- reviewing the performance of the internal audit function, Chief Actuary and the independent auditors; and
- the oversight and maintenance of the risk framework.

It also has specific responsibilities in respect of the Own Risk and Solvency Assessment ("ORSA"), SFCR, Regular Supervisory Report ("RSR"), dividend policies, compliance, outsourcing, ethics/conflicts of interest and whistleblowing, among other items.

The ARC's responsibility for the oversight and maintenance of the risk framework includes:

- overseeing the development and implementation of the overall risk management framework;
- reviewing the Group's risk register in order to monitor the Group's financial, operational and strategic risks;
- reviewing the adequacy of the risk management applied across the Group as well as the adequacy of management's responses to key risks; and
- reviewing, challenging and recommending risk strategy and risk appetite to the Boards.

B.2.2 Investment and Proposition Committee

During the period the existing Investment Committee's remit was extended to include product governance and Consumer Duty.

The committee, now titled the Investment and Proposition Committee ("IPC"), assists the MLG and MLL Boards with their product governance responsibilities and investment oversight of all external unit links and MLL's internal unit-linked funds. This includes the approval of any changes to the Trustee Investment Plan product, new unit-linked funds and ensuring appropriate processes are in place to monitor funds on an ongoing basis. Additionally, the Committee monitors compliance with our Consumer Duty Principles & Practices and oversees the range of services managed by the Investment team.

B.2.3 Remuneration Committee

The Remuneration Committee assists the MLT Board in discharging duties relating to determining, agreeing and developing the general policy on remuneration within the Group, in particular on executive and senior management remuneration. The committee determines, agrees and develops the policy on executive and senior management remuneration for approval by MLT's Board. It determines specific remuneration packages for executive directors and senior management, including but not limited to basic salary, benefits in kind, any annual bonuses, performance-based incentives, long-term incentives, pensions and other benefits. The committee determines any criteria necessary to measure executive directors' performance in discharging their functions and responsibilities.

The committee will review, at least annually, the terms of executive directors' employment conditions, considering information from comparable companies, where relevant, and paying due regard to the relevant regulatory requirements.

The Group Remuneration Policy is based on the following principles, among others:

- It is aligned to the overall business strategy, objectives and values of the Group without being detrimental to the interests of its policyholders, shareholders and other stakeholders.
- It contains arrangements for ensuring that executive remuneration is fair and responsible in the context of overall Group remuneration.
- The remuneration policy, procedures and practices are consistent with, and supportive of, effective risk management.
- The empowerment of employees to support an entrepreneurial culture.
- Adherence to principles of good corporate governance.

The Group provides a range of benefits to employees, including contractual salary, life cover, private medical insurance and paid holiday. Also, the Group pays contributions based on a percentage of salary into a company defined contribution pension scheme on behalf of its employees.

The Group operates an annual discretionary award scheme for employees, based on group and individual performance. The relative weighting of fixed and variable compensation will be based partly on the seniority of position and performance of the individual and business. The pool available is dependent on quantitative and qualitative performance metrics, with a discretionary overlay applied by the Remuneration Committee. Performance measures are risk-adjusted where appropriate.

Long-term share-based incentives may also be allocated by Remuneration Committee on a discretionary basis for the purpose of attracting, motivating and retaining key employees. There is a pre-vesting forfeiture policy which applies to all unvested and deferred long-term incentives.

B.2.4 Information Security Oversight Committee

The Information Security Oversight Committee ("ISOC") acts on behalf of the boards of MLT and MLL and is responsible for the oversight of the quality, effectiveness and adherence to the Group's Information Security Management System "(ISMS"). The Committee: has oversight of the ISMS; has oversight of operational resilience arrangements; reviews any other matters referred to it by the MLT and MLL Boards or sub-committee; and oversees any investigation of activities within its terms of reference.

B.2.5 Unit-Linked Principles and Practices Committee

The Unit-Linked Principles and Practices Committee ("ULPP") acts on behalf of the boards of MLG and MLL and is responsible for assisting the Board of each company in discharging their duties relating to the governance of unit linked funds, their operation, and ensuring policyholders are treated fairly. The Committee ensures that the business has adequate systems and controls to administer and manage funds fairly, that assets backing unit linked policies are appropriate for policyholders and that policyholder benefits are calculated accurately and fairly.

B.3 Fit and Proper Requirements

The Group is committed to recruiting and developing talent across the business, ensuring that staff members are competent in the work they do, and that their training and development is regularly reviewed as part of the appraisal process.

As part of the recruitment process, the Group evaluates the potential employee's existing qualifications, skills, knowledge and expertise for the position being filled. This process is also conducted when deciding upon an existing employee's promotion. If any gaps are identified, a training plan is put in place and the employee supervised while they become fully competent in the role.

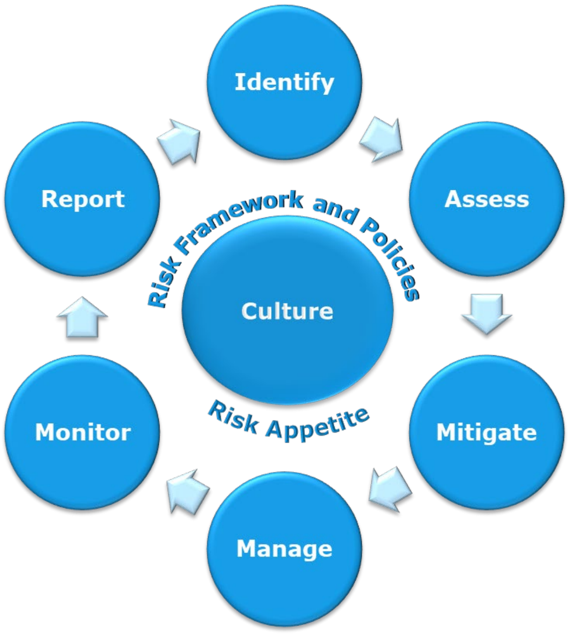
To ensure new employees' fitness and propriety, the Group also conducts background checks, including previous employment referencing, and Disclosure and Barring Service ("DBS") and credit checks.

All Board members of Group entities and any employees with a PRA Senior Management and/or an FCA Controlled Function undergo an annual fitness and propriety check. The checks are governed by the Group Annual Fitness and Propriety Checks Policy. This involves: attestations in respect of any criminal convictions or legal proceedings, personal solvency, and their own behaviour as well as of companies with which they are currently, or have previously been, involved; and confirmation that they continue to abide by PRA and FCA regulations.

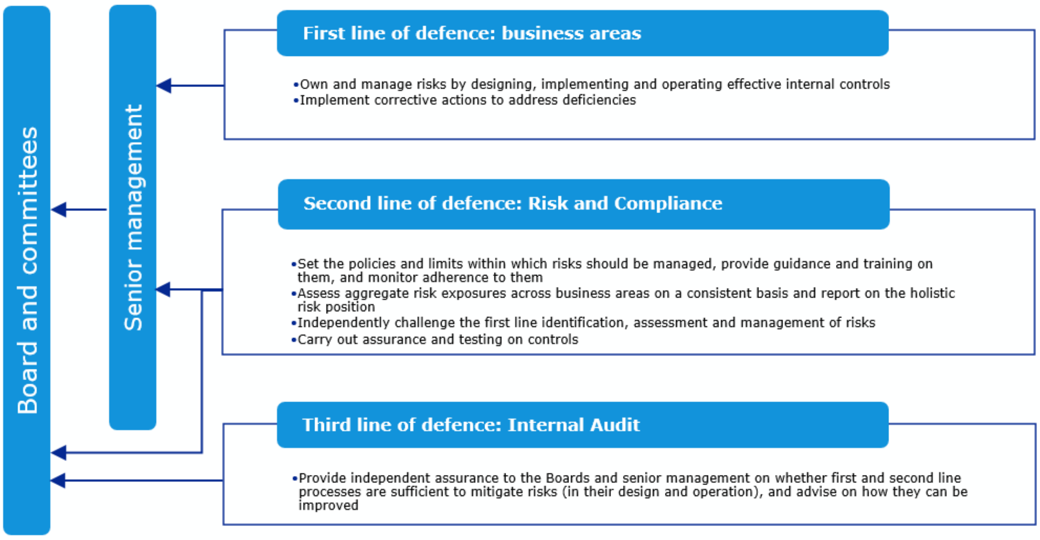
Finally, MLL Board appointments are governed by the MLL Board Composition, Suitability and Diversity Policy. This requires that Board members are fit and proper, have the necessary skills, expertise and experience, and have high standards of ethics and professionalism to fully and properly carry out their roles and responsibilities.

B.4 Risk Management System including the Own Risk and Solvency Assessment

The approach to the identification, assessment, management, monitoring and reporting of risks is set out in detail in the Group-wide Risk Management Framework, along with specific policies for Insurance Risk, Market Risk, Counterparty Default Risk, Operational Risk, and Liquidity Risk. The Group's overall risk appetite is expressed in a qualitative statement in the Risk Management Framework, supported by a risk matrix in the same document and quantitative solvency tolerances in the Capital Management Policies. These are reviewed annually by the MLL and MLT Boards. Additional qualitative statements and quantitative limits are set for individual risks in their respective policies and reviewed annually by ARC. The risk policies also set the Key Risk Indicators ("KRIs") to be monitored to indicate whether risks remain within appetite.



The Group is committed to a strong control environment and operates a three line of defence model in the management of its risks. The first line of defence is the responsibility of the owners and managers of the risks associated with the day-to-day business activities. The second line of defence is the risk and compliance functions in providing oversight and assurance of the first line of defence. The third line of defence is internal audit and tests the effectiveness of the control environment.



A risk register is maintained in a central repository and details key business risks on an ongoing basis, with an assessment of their current impact and probability. The business owner and any actions being taken to address the risk are also documented. The core risks are reviewed and discussed monthly by the CRO and senior management team. This is supported by monthly management meetings to review incidents and log remedial actions. The risk register is reported to management each month and to the ARC and Boards quarterly. The ARC also receives a quarterly report from the CRO.

B.4.1 Risk Function

The Risk function is responsible for:

- Developing and embedding the risk management framework;
- Advising the board on risk management matters such as risk strategy, appetite, and tolerances;
- Overseeing and monitoring the business risk profile on an ongoing basis;
- Providing regular risk reports to the Boards on material risks; and
- Preparing the ORSA.

The Risk Management Framework sets out the responsibilities and authority of the Risk function, including requirements for other business areas to provide assistance or information.

The Risk function reports to the CRO, who reports to the CEO but also regularly meets with members of the ARC with a view to ensuring appropriate operational independence. The CRO is a member of the Executive Committee, ISOC and ULPP and is a regular attendee of the ARC.

B.4.2 Own Risk and Solvency Assessment

In line with Solvency II requirements, the Group prepares an ORSA at least annually. The Group has a policy setting out the ORSA process. Ownership of the processes and procedures in place to conduct the ORSA lies with the Group's CRO.

The ORSA process links the company’s risk appetite statements and tolerances for risks to the business and capital planning projections, aiming to understand and project the company’s risks and solvency capital requirements in a forward-looking assessment. The ORSA’s purpose is to enable management to:

- understand and manage the risks to which MLL and Mobius Group are exposed;
- assess that risk profile against appetite;
- make a forward-looking assessment of future solvency, based on the 3-year business plan, which takes into account the risk profile;
- carry out scenario testing to understand the impact of changes to the risk profile; and
- make informed strategic decisions that impact the firm's risk profile.

The ORSA includes management's own assessment of the business's capital needs, considering potential stresses to the balance sheet and to the business plan, and considers whether the methodology used to calculate the SCR remains appropriate.

The assessment of solvency needs is calculated by applying a range of point-in-time and forward-looking stresses to balance sheet assets and the business plan. The stresses are intended to be calibrated to a 99.5% level over a one-year time horizon; while the stress is applied within the one-year time horizon, depending on the nature of the risk the impacts may be assessed over the business plan period. This assessment takes into account the risks identified in the risk register.

The results of stress and scenario testing are assessed against the risk appetites and limits set out in the risk management system.

B.4.3 ORSA Updates

The Group recognises that, in addition to the business-as-usual annual process of ORSA preparation, events may trigger the requirement for an ORSA review and update. Such events may include, but are not restricted to:

- acquisition;
- loss or disposal of a material part of the business;
- introduction of a new line of business;
- material change to projected revenue and expenses;
- change in senior management;
- failure of a major counterparty; and
- an event, or combination of events, significantly eroding the capital buffer.

B.5 Internal Control System

The Group and MLL Boards are responsible for ensuring the maintenance of a sound system of internal control; the ARC supports them by monitoring, reviewing and challenging the effectiveness of internal control systems and reviewing management reports on the internal control systems and any issues, breaches or losses.

Under the Operational Risk Policy, first line management are responsible for assessing the operational risks associated with their processes, and identifying and implementing controls that ensure those risks remain within risk appetite as set out in the Risk Management Framework. Controls are recorded in a control register maintained in a central repository, and control owners are required to regularly review their effectiveness.

In addition, the Operational Risk Policy requires business areas to document their key processes so that they can consistently be performed as intended.

B.5.1 Compliance Function

The Compliance function is responsible for ensuring the group has adequate systems and controls to discharge its regulatory responsibilities. This includes establishing appropriate policies and procedures in respect of topics including financial crime, data protection, conflicts of interest, complaints and whistleblowing. The Compliance function ensures members of staff are kept informed of regulatory and legislative changes through a combination of technical updates and internal training courses. A monitoring programme is in place which is designed to review the effective operation of the relevant control processes. The Chief Compliance and Legal Affairs Officer provides monthly management information and additionally provides a formal report quarterly to the ARC.

The Compliance function reports to the Chief Compliance and Legal Affairs Officer, who reports to the CRO. The Chief Compliance and Legal Affairs Officer regularly meets directly with the ARC members to enable independent escalation if required, and is a member of the IPC as well as a regular attendee at the ARC and ULPP.

B.6 Internal Audit Function

The primary role of Internal Audit, as set out in the Internal Audit Policy & Charter, is to help the Board and executive management protect the assets, reputation and sustainability of the Group by:

- Assessing whether all significant risks are identified, measured, mitigated, monitored and appropriately reported by management and the risk function;
- Assessing whether they are adequately and effectively controlled; and
- Challenging executive management to improve the effectiveness of internal governance, risk management and internal controls.

BDO LLP ("BDO") provides outsourced internal audit services to the Group. BDO audits the Group throughout the year in a risk-based audit plan approved by the ARC on an annual basis. Internal Audit reports quarterly to the ARC summarising audit activity, including identified weaknesses in the control framework and recommendations to address these.

The Internal Audit function reports directly to the Chairperson of the ARC and is independent of other Group departments. Internal Audit's scope covers all areas of risk within the Group and is unrestricted. Its authority, independence and rights of access are set out in the Internal Audit Policy & Charter, which is approved by the ARC.

B.7 Actuarial Function

Barnett Waddingham LLP ("BW") provides the Actuarial Function role on an outsourced basis. ARC is responsible for monitoring the performance of the Actuarial Function, and the Chief Actuary meets with the ARC members on a regular basis.

Actuarial Function responsibilities are set out in Section 6 of the PRA Conditions Governing

Business Rulebook. The main tasks carried out by this function, to meet those responsibilities, include: coordination of the calculation, and ensuring the appropriateness of technical provisions; reviewing the SCR modelling approach; providing input into the ORSA process; and reporting to the Board on all of these. These tasks are set out in the engagement letter between MLL and BW.

The Chief Actuary provides a quarterly report to the ARC.

B.8 Outsourcing

A Third-Party Management Policy and accompanying procedures are in place to govern outsourcing as well as third party arrangements more broadly. It sets the Group's standards in respect of: due diligence and selection; assessing the criticality and risk of the third party arrangement; contracts and documentation; ongoing monitoring and review; and termination and exit strategies. The Group remains responsible for discharging its obligations when outsourcing activities.

The Group's current key outsourcing relationships are:

1) Actuarial Function;
2) Internal Audit Function;
3) Technology infrastructure; and
4) Technology support and services.

All of the outsourcing service providers are located in the UK, with the exception of the technology infrastructure services which are provided by an Irish entity, although the relevant data centres are UK-based.

In addition, on an intra-group basis MLAS provides outsourced services to the other Group companies.

B.9 Any Other Information

The Group assesses its corporate governance system regularly to ensure it continues to provide an effective framework for the sound and prudent management of the business, considering the Group's nature, scale and complexity, and its future growth plans.

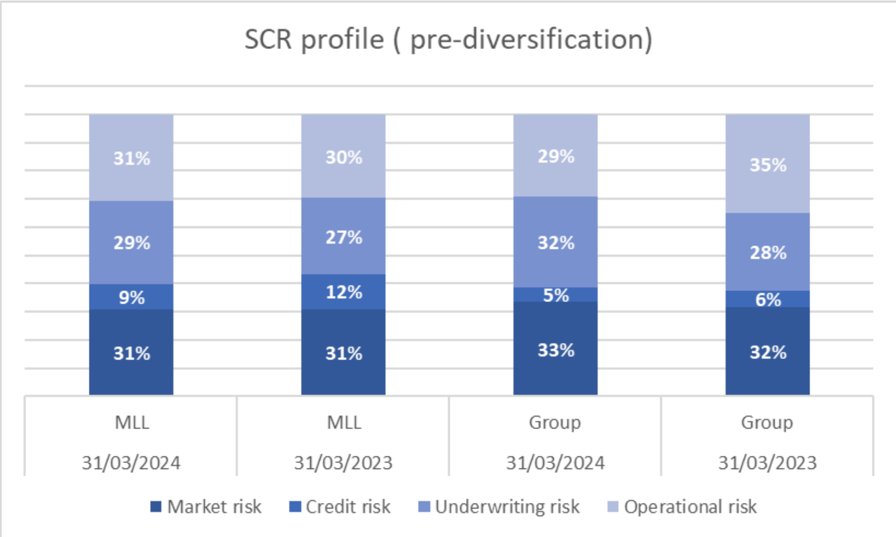
There were no material changes to the system of governance over the reporting period. As noted above in section B.1.2, there was a change in the Chairperson of the MLG, MLL and MLAS Boards and other members. As noted above in section B.1.4, the remit of the IPC was extended during the period.

There were no material transactions with shareholders, persons who exercise a significant influence or with members of any of the Group's Boards. To the extent that there are any related party transactions, these are disclosed in the financial statements of the relevant company.

C. Risk Profile

The Group and MLL are exposed to the following key risks: market risk; lapse risk; expense risk; operational risk, credit and counterparty risk; and liquidity risk. There have been no material changes to the risk profile over the past year.

The Pillar 1 risk capital pre-diversification between risk categories for MLL and for the Group is set out below (with lapse and expense risk covered under underwriting risk):



Movements in the SCR over the reporting period are discussed in Section E.

C.1 Underwriting Risk

Underwriting risk is governed by the Group Insurance Risk Policy, which defines insurance risk for the Group as the risk of financial loss arising from deviations between actual and expected lapses, expenses and fee rates.

The Group has no exposure to traditional insurance risk, as the business written in MLL is a pure unit-linked life product with no exposure to insurance claims, mortality or longevity risk. There are no policies with guarantees and no with-profits policies. Similarly, the investment administration services business in MLAS does not bear any insurance risk. Accordingly, insurance risk is limited to lapse risk, expense risk and pricing risk.

Lapse risk is the risk that policyholders withdraw funds, leading to a reduction in AuA. The Group and MLL are indirectly exposed to lapse risk, as both MLL and MLAS fees are predominantly charged as a percentage of AuA, and so a reduction in AuA due to lapses would reduce revenue.

Lapse rates can be influenced by economic conditions: for example, under adverse economic conditions, more schemes may transfer to the Pension Protection Fund due to sponsoring employers becoming insolvent; alternatively, improvements in scheme solvency may result in more schemes seeking to enter into pension risk transfer transactions.

A senior manager is responsible for appropriate relationship management with a view to mitigating lapse risk. A monthly review is conducted for major clients and lapse rates relative to plan are monitored.

The Group and MLL are also exposed to the risk that expenses are excessive relative to revenue, either because expenses increase unexpectedly, or because there is insufficient flexibility to manage expenses down in response to falling revenues.

Actual expenses relative to plan are tracked on an ongoing basis. Revenue relative to plan is also monitored, so that corrective action can be taken if necessary, by reducing variable costs and discretionary expenditure. Expenses are subject to approval as set out in the Expenses Policy owned by the Chief Finance Officer ("CFO") and the Group Authority Limits Matrix approved by ARC.

Pricing risk is the risk that fee rates are lower than expected. This risk is not material: it is managed through an approval process for any exceptions from agreed standard pricing and ongoing monitoring of the overall fee margin.

The underwriting risk SCR is not particularly sensitive to changes in the best estimate lapse and expense assumptions. This reflects the short-term projection period over which the value of the in-force business is projected (see Section D).

Sensitivity results are shown below:

	Change in SCR **£000's**		Change in SCR cover*	
	MLL	**Group**	**MLL**	**Group**
10% increase in the best estimate expenses	112	112	(8%)	(7)%
100% increase in the best estimate lapse rate	(110)	(112)	2%	1%

* SCR cover is own funds divided by the SCR, expressed as a percentage. The change in SCR cover is the SCR cover under the sensitivity less the SCR cover reported at the valuation date.

There have been no material changes over the reporting period to the underwriting risks to which the Group is exposed.

C.2 Market Risk

Market risk can be defined as the risk that movements in market factors (such as the valuation of equities or bonds, interest rates and currency exchange rates) impact adversely the value of, or income from, financial assets.

The Group has limited direct exposure to market risk. MLL does not suffer any direct losses should unit-linked asset values fall: the unit-linked structure means that gains and losses are borne directly by the policyholder. However, for both MLL and MLAS fees are predominantly charged as a percentage of AuA, and so falling asset values reduce revenue. This indirect market risk for the Group and MLL is accepted and is not hedged. Market movements are monitored relative to business plan assumptions on an ongoing basis.

During the reporting period, MLL introduced a PAF for c. 600 Defined Benefit scheme clients, which has reduced the share of revenues that are exposed to the indirect market risk described above.

All assets held for MLL's own account or relating to policyholder funds where MLL is exposed to market risk have quoted prices in an active market or are deposits with banks deemed to be subject to market risk in accordance with Solvency II standard formula rules. Assets can be identified, measured, monitored, managed, controlled and reported daily.

Following a review of its investment strategy, MLL's primary direct exposure to market risk at 31 March 2024 relates to holdings in MMFs of £9.8m. A large proportion of this investment gives exposure to UK Government bonds and is therefore only subject to interest rate risk, which is not material given the short-dated nature of the assets held. The residual money market fund holdings comprise a mix of short-dated corporate bonds or other debt instruments, which contribute only a modest amount to the SCR. There are some small other direct market risk exposures, in relation to fund seeding, box management and bank deposits subject to access restrictions, but these are not material.

Sensitivity of the SCR to changes in the value of linked assets is shown below.

	Change in SCR **£000's**		Change in SCR cover	
	MLL	**Group**	**MLL**	**Group**
10% increase in market value	198	200	(0%)	1%
10% decrease in market value	(196)	(200)	0%	(1)%

Investment governance processes are in place to ensure that funds made available to policyholders meet Prudent Person Principle requirements, as well as the permitted links rules where relevant. In particular, an Investment Strategy and Due Diligence Framework is in place that sets out the requirements for the operational due diligence of funds.

There have been no material changes over the reporting period to the market risks to which MLL is exposed, other than the review of investment strategy referred to above which reduced MLL's direct market risk exposure, in particular by reducing concentration risk.

C.3 Credit Risk

Credit risk can be defined as the risk of capital or income loss resulting from counterparty default or issuer credit downgrades affecting financial assets.

The Group's exposure to assets bearing credit risk is shown below:

£000	31 March 2024		31 March 2023	
	MLL	Group	MLL	Group
Intra-group debtors	2,600	-	3,408	-
Other debtors	1,765	2,101	700	759
Deposits with credit institutions	1,200	1,540	9,118	9,668
Total	5,564	3,643	13,227	10,427

MLL's unit-linked funds are predominantly invested in third-party collective investment schemes or the internal funds of other UK insurers by way of ceded unit-linked investment-only reinsurance. Policyholders bear the direct risk of default from assets held within the third-party collective investment schemes and the ceded reinsured funds, although any loss of value would result in lower MLL income.

Policyholders also bear the risk of default by a third-party collective investment scheme although the risk of such a default is considered negligible given the legal structure of such funds which require assets to be ring-fenced and held by a depositary independent from the scheme manager.

The ceded reinsurance in place is unit-linked investment-only reinsurance. All ceded reinsurance arrangements are with UK insurance companies authorised and regulated by the PRA. Following the issue of The Insurers (Reorganisation and Winding Up) Regulations April 2003 (updated 2004), MLL has entered into charge agreements with reinsurers whereby a floating charge is made on the reinsurer which crystallises in the event of the reinsurer winding up. This places MLL on the same footing as the reinsurer's own direct policyholders, so providing added protection to MLL and its policyholders. This approach is market practice for long-term insurers who enter into investment-linked reinsurance arrangements.

The policyholder bears the risk of default on the majority of unit-linked business exposure to deposits with credit institutions related to policyholder cash in transit in respect of policyholder premiums received but not yet allocated with units, monies pending payment following the cancellation of units, and monies awaiting re-investment as a result of a switch.

The Group has credit risk exposure is in respect of the remaining deposits with credit institutions. It manages this exposure by monitoring the credit ratings of its counterparties and adhering to exposure limits agreed annually by the ARC. The risk is diversified by investing non-linked assets in MMFs when considered appropriate.

As shown above, MLL is exposed to counterparty risk in respect of other Group companies, arising from intercompany balances relating to the allocation of group expenses.

The other debtors giving rise to credit risk exposures are typically amounts owed to the Group by third party fund managers and the clients of MLAS. There are overdue collection processes in place to manage these exposures, which are generally diversified. At 31 March 2024, MLL was also exposed to debtors for one-off payments that have subsequently been settled in April/May

2024.

The sensitivity of the SCR to changes in the credit standing of the Group's counterparties and the amounts they owe is given below. For MLL, the final sensitivity includes the exposure to other Group companies.

	Change in SCR £000's		Change in SCR cover	
	MLL	Group	MLL	Group
All bank counterparties downgraded by one credit quality step	17	19	(0%)	(0%)
Amounts owed to MLL and MLAS increase by 100%	350	162	(10%)	(4%)

C.4 Liquidity Risk

Liquidity risk is defined as the inability of the company to realise investments and other assets to settle its obligations in a timely and cost-effective manner as they come due.

The Group and MLL are exposed to different liquidity risks in respect of their operations for policyholder transactions, and their shareholder exposures. The key sources of liquidity risk in respect of policyholder transactions relate to potential timing differences for cash inflows and outflows, particularly in relation to settlement mismatches and pre-investment. Material redemptions or withdrawals are carefully planned and monitored, and they can be delayed until the underlying fund managers have settled under the terms of the policy.

The policyholder bears the liquidity risk associated with the underlying investments in third party funds or reinsurance. The Trustee Investment Plan allows for Mobius to pass on to policyholders any delay in redemptions, including in the case of gated or suspended funds, or delays in the payment of reinsurance recoverables. Policyholder assets are predominantly in highly liquid investments; illiquid funds with a monthly or less frequent dealing cycle and property funds make up c. 2% of policyholder funds. In the event of liquidity issues, gating or suspension of an underlying fund, the Group can suspend withdrawals from the unit-linked fund. Group policy terms additionally allow for any delay in settlement from a fund manager to be passed on to the underlying policyholder.

The key demands on shareholder liquidity are:

- cashflow to meet corporate obligations as they fall due, such as taxes and regulatory subscriptions;
- funding of errors and cashflow requirements arising from other operational risk events; and
- cashflows between MLL and the service company, MLAS, for payment of salaries and ongoing business expenses.

The Group and MLL currently have no scheduled external debt obligations which might stress liquidity. Aside from operational risk events (considered in section C.5), these demands are largely predictable. MLL has good visibility of any changes to cash inflows (since they are dependent on AuA) and, as they can be deducted at source, they are very reliable. A liquidity buffer is held as prescribed in the Liquidity Risk Policy. Shareholders' funds held in MMFs, cash or short-term deposits as at 31 March 2024 were £11.1m (2023: £11.7m) for MLL and £11.4m (2023: £12.2m) for the Group.

There have been no material changes over the reporting period to the liquidity risks to which MLL is exposed.

The expected profit in future premiums calculated in accordance with Article 260(2) of the Delegated Regulation is zero (2023: zero).

C.5 Operational Risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems. MLL and the Group are, like all insurance companies, subject to a range of operational risks. The limited appetite for other risk categories means that operational risks are among the most material risk exposures for the Group. The Group and MLL accept operational risk will arise in the normal course of business and cannot be completely eliminated; however, they aim to minimise it wherever it is feasible and proportionate to do so.

The following key areas of operational risk are currently monitored in the Risk Register:

- operational error – for example, money being invested in an incorrect fund, transactions not being placed in a timely manner and unit pricing errors. The impacts of these errors are likely to be exacerbated at times of market volatility;
- people risk– including competence, key person risk, and recruitment / retention risks;
- third party risk – including the risk of error by third party providers or their financial failure;
- technology risk – including system failure, cyber incidents, data security and data integrity issues;
- operational resilience – the risk that systems and processes are not sufficiently resilient to maintain business operations in case of disruption arising from an internal or external event;
- project management risk – the risk that projects are not delivered on time or within budget, or that they cause disruption to operational activities; and
- legal and regulatory risk – the risk that changes in the regulatory and legal regimes are not implemented correctly, or that the Group or MLL breach existing regulations (including conduct risk) or that they are subject to financial crime.

Controls are implemented to manage operational risks as described in section B.4. Investment in key processes is underway to increase automation and improve control, including during the period the introduction of a new tool for managing LDI fund events. A policy is in place for reporting and remediating incidents and breaches. Incidents are required to be logged on the central risk system and root cause analysis is discussed and documented. Remediation actions are taken to address the incident and any underlying drivers, and there is regular reporting and management information to ARC and the ISOC on relevant incidents.

In addition, the Group has robust corporate insurance cover in place to help mitigate the financial impact of operational errors.

There have been no material changes over the reporting period to the operational risks to which MLL is exposed.

C.6 Other Material Risk

All material risks have been reported in the sections above, aside from strategic risks which are considered to represent the risk that business objectives are not achieved or future business prospects are damaged. These are classified as business risk, product risk, environmental risk and reputational risk. Ongoing changes in the pensions market, including consolidation and the increasing numbers of Defined Benefit schemes entering into risk transfer transactions, are a potential source of strategic risk. Strategic risks are managed through the Group's strategy and business planning processes.

The impact of climate change risk has been considered and is deemed to be captured within the risk categories considered above: in particular, market risk covers the potential impact on asset values. More information on the management of climate risks can be found in the Climate Report published on the Mobius website: https://www.mobiuslife.co.uk/about-us/

There are no other material risks to which the Group is exposed.

C.7 Any Other Information

The Group performs sensitivity, scenario and stress tests annually as part of the ORSA process assisting management with understanding the risk profile and the potential mitigation offered by management actions.

That includes considering reverse stress scenarios to capture severe events that could have a material impact on the business or ultimately cause the business to fail.

D. Valuation for Solvency Purposes

The 'Valuation for Solvency Purposes' section provides a description of the bases, methods and main assumptions used in the valuation of assets, technical provisions and other liabilities for each material asset and liability class under Solvency II.

Assets and liabilities have been valued according to the requirements of the Solvency II PRA Rulebook and Financial Reporting Standard 102 (FRS102).

The valuation principle applied under Solvency II is that assets and liabilities are valued at the amounts for which they could be exchanged between knowledgeable and willing parties in an arm's length transaction.

A brief description of the valuation basis and any differences to these methods that have occurred over the reporting period are outlined in the relevant sections below.

D.1 Assets

The table below is for MLL and the Group:

£000	31 March 2024	31 March 2023
Market value of unit linked investments	9,810,826	8,529,025
Bank balances	7,332	33,529
Debtors and outstanding settlements	12,228	8,204
Assets held for unit-linked contracts	**9,830,386**	**8,570,758**
Reinsurance receivables	11,411,811	10,751,999
Total assets held for unit-linked liabilities	**21,242,198**	**19,322,757**

MLL provides policyholders access to investment funds managed by third party fund managers and other insurance companies. Insurance companies facilitate this access through reinsurance contracts with MLL. Reinsurance contracts are the legal mechanism for accessing the third-party insurance funds, but the sole purpose of the contracts is to provide an investment vehicle. There is no transfer or reinsurance of any typical insurance risks. The risk of a reinsurer being unable to meet its obligations to MLL is borne by the policyholder. No adjustment is made to the value of reinsured assets on a best-estimate basis as MLL considers the risk of default negligible. All reinsurers are UK-based and subject to the Solvency II regulatory framework.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1 – quoted prices for an identical asset in an active market;

Level 2 – the price of a recent transaction for an identical asset, provided there has been no material change in economic circumstances or a significant lapse of time; and

Level 3 – valuation techniques which attempt to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

The valuation used to determine the fair value of the collective investment schemes in the financial statements is the quoted price from the fund manager's administrator i.e. the quoted net asset value. This could be based on either the bid, offer or mid-market price depending on the particular manager. For financial reporting and Solvency II purposes, units are valued using the quoted price.

MLL and the Group also hold assets on their own account, as shown below:

£000	31 March 2024		31 March 2023	
	MLL	Group	MLL	Group
Cash and cash equivalents	1,256	1,596	11,684	12,235
Receivables (trade, not insurance)	7,239	8,284	7,409	8,127
Collective investment undertakings – CIU (shareholder non-linked)	9,732	9,732	0	0
Collective investment undertakings – CIU (seeding)	130	130	154	154
Deferred tax assets	9	9	9	9
Property plant and equipment held for own use	0	47	0	66
Any other assets	2,617	362	3,408	165
Total assets held on own account	**20,982**	**20,160**	**22,665**	**20,756**

Note EBT will be excluded at Group level as it will be zero valued for SII valuation.

MLL invests surplus end of day cash balances in Government only MMFs to reduce counterparty concentration risk exposure. All these investments are at level 1 in the fair value hierarchy structure.

Intangible and tangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged to allocate the cost of intangibles and tangibles less their residual values over their estimated useful lives, using the straight-line method. If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

Intangible assets are given no value for solvency purposes and only those tangible assets with a readily realisable value are included for solvency purposes.

Debtors, including prepayments and accrued income, are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Amounts that are receivable within one year are measured at the undiscounted amount expected to be receivable, net of any impairment.

Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

At each reporting date, the Group assesses whether there is objective evidence that any financial asset may be impaired. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the financial asset. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows. The amount of the provision is recognised immediately in profit or loss.

The difference between the valuation of assets shown in the financial statements and valuation for solvency purposes is shown below.

£000	31 March 2024		31 March 2023	
	MLL	Group	MLL	Group
Value of assets in financial statements	**21,263,193**	**21,277,957**	**19,345,461**	**19,361,579**
Deduct tangible assets with no readily realisable value	(13)	(13)	(39)	(39)
Deduct intangible assets and EBT	-	(15,585)	-	(18,028)
Value of the assets for solvency purposes	**21,263,180**	**21,262,358**	**19,345,422**	**19,343,513**

The reduction in intangible assets primarily relates to amortised goodwill arising from MLT's acquisition of MLH.

Deferred tax assets are measured on the same basis as that used for MLL and the Group's financial statements. The MLL and Group deferred tax asset is £9k as at 31 March 2024 (2023: £9k).

There have been no material changes to the recognition and valuation bases over the reporting period. No material assumptions or judgements have been used in the valuation of the assets.

D.2 Technical Provisions

Within the Group:

- MLL writes two lines of business, direct unit-linked business (the institutional pensions platform business or "Trustee Investment Plans") and unit-linked investment only reinsurance accepted. All business is pensions business; and
- MLAS provides investment administration services to life insurance companies and trustees of pension schemes.

Technical provisions are relevant only for MLL's business and have been determined as the sum of the unit liabilities, VIF and the risk margin.

The unit liabilities are the value of units allocated to in-force contracts at the valuation date, as disclosed in the financial statements.

The VIF is a best-estimate calculation of the present value of the excess of policy charges over expenses and other outgoings, where a positive VIF is shown as a negative liability.

Following PRA guidance, the unit liabilities are reported as "TP calculated as a whole" and the VIF is reported as the "Best Estimate" on forms S.02.01.02 in Appendix 1. The risk margin is calculated in accordance with methodology set out in the Delegated Acts as amended by Statutory Instrument 2023 No 1346.

MLL's Technical provisions are shown below:

£000	31 March 2024			31 March 2023		
	Direct	Reinsurance Accepted	Total	Direct	Reinsurance Accepted	Total
Unit liabilities	20,365,884	876,313	21,242,198	18,594,344	728,413	19,322,757
VIF	(1,305)	(74)	(1,379)	(873)	(66)	(938)
Risk margin	174	7	181	225	9	234
Total	**20,364,753**	**876,247**	**21,241,000**	**18,593,697**	**728,356**	**19,322,053**

The change in technical provisions over the reporting period is dominated by the increase in unit liabilities, primarily reflecting increases in asset values over the year and net new investments.

The increase in the VIF primarily reflects the introduction of the PAF and an increase in the AuA over the year. These increases are partially offset by an increase in expected future expenses and a modest reduction in the average rate of fee margin on the in-force business.

The reduction in the risk margin primarily reflects a change in its calculation as enacted in UK legislation, effective 31 December 2023.

D.2.1 Methodology and Assumptions

The VIF is calculated using a deterministic cash-flow projection method. Material changes in the projection assumptions are discussed below.

A short-term projection period is used on all business. Although MLL manages its business on a long-term basis, this short-term projection reflects the fact that MLL is able to terminate all such policies by giving policyholders not more than four-months' notice and consequently close out long-term risk. The MLL Board consider the use of a short-term projection period to be a proportionate approach in line with Article 56 of the Delegated Acts. The technical provisions so determined are higher than they would be under a long-term projection. The projection period is determined to satisfy the Article 56 requirement that the proportionate methodology should not underestimate the risk associated with the business. At 31 March 2024, a five month projection period (2023: Five months) has been used, calculated in line with methodology agreed with the PRA.

The projection involves estimating the policy charges and expenses cash-flows that MLL expects to receive and incur respectively in each monthly time step of the projection period, based on the business in force at the valuation date and using best estimate projection assumptions. The net cash-flow in each month is then discounted to the valuation date to give a present value.

The policy charge cash-flows are annual management charges ("fee income") which are either deducted directly from unit-linked funds, or otherwise invoiced directly to policyholders, and the PAF, which is a monthly monetary fee that is charged to a sub-set of policies.

The expense cash-flows fall into two categories:

- investment management fees; and
- other expenses such as MLL's share of salary, overhead and supplier costs.

The fee income and investment management fees are netted off such that the fee income (net of investment management fees) is projected in the valuation model.

Where expenses and other outgoings are contractually defined, the contractual amounts are taken as the best estimate assumptions. The assumptions for other expenses are based on MLL's expectations considering experience over the twelve months to the valuation date and any anticipated changes. The assumption for other expenses has increased by approximately 18% compared to the previous year, reflecting the latest business outlook.

Economic assumptions are based on market data at the valuation date. Given the short projection period used, forward-looking interest rate and inflation assumptions have limited impact on the value placed on the VIF.

There is no obligation for policyholders to pay additional premiums and therefore no allowance for future premiums is made in the VIF.

Withdrawal (transfer-out) assumptions are based on actual experience over the four year period to the valuation date, adjusted as necessary to make appropriate allowance for extraordinary events, subject to a minimum floor (which makes allowance for the inherent uncertainty due to the nature of the business and approximations used in the analysis upon which the assumption is based).

It is assumed that the average rate of net fee income on in-force business at the valuation date is maintained throughout the projection period.

The risk margin has been assessed in accordance with the methodology set out in the Delegated Acts as the cost of holding an adjusted SCR over the projected run-off of the business. As all business is projected over a period of less than one year, the run-off for the risk margin calculation is one year.

The adjusted SCR at the valuation date is calculated using the result of the SCR at the valuation date but with the bank counterparty default and market risk module SCR set equal to zero on the assumption that these risks could be hedged if required.

The risk margin has been apportioned across the two lines of business in proportion to the respective unit liabilities. This is considered a proportionate and appropriate approach as the amount of unit liabilities is a reasonable proxy for the risk associated with each line of business and the impact of using a different apportionment method would not be material to the overall technical provisions by line of business.

D.2.2 Uncertainty

The methodology employed is proportionate to the nature, scale and complexity of the risks accepted by the company.

There are no material deficiencies in the data used for the technical provisions.

The technical provisions are dominated by the value of unit liabilities and, therefore, will fluctuate in line with investment market movements.

Given the short VIF projection period used, the technical provisions are relatively insensitive to changes in the projection assumptions.

D.2.3 Reconciliation with Financial Statements

MLL's technical provisions for solvency purposes are calculated differently to those reported in the financial statements. The technical provisions for solvency purposes are £1,198k lower (2023: £705k lower) than the technical provisions reported in the financial statements, reflecting the VIF and the risk margin held for solvency purposes.

D.2.4 Adjustments, Transitional Arrangements and Reinsurance

The Group does not use a matching adjustment, volatility adjustment or any of the Solvency II transitional measures.

The only outgoing reinsurance contracts in place are unit-linked investment only reinsurance contracts (see section D.1).

No risks have been transferred to special purpose vehicles.

D.3 Other Liabilities

Other liabilities are shown below:

£000	31 March 2024		31 March 2023	
	MLL	Group	MLL	Group
Financial liabilities other than debts owed to credit institutions	5,041	5,041	5,561	5,561
Insurance and intermediary payables	2,097	2,097	2,125	2,125
Payables (trade, not insurance)	4,575	6,116	5,125	6,108
Provisions other than technical provisions	14	14	14	14
Deferred tax liability	300	424	176	300
Any other liabilities	171	0	2	0
Total other liabilities	**12,199**	**13,692**	**13,004**	**14,109**

Note EBT will be excluded at Group level as it will be zero valued for SII valuation.

With the exception of deferred tax liabilities and EBT reserve, all other liabilities have been valued the same for both solvency purposes and for the financial statements.

The Solvency II balance sheet includes a deferred tax liability that relates to notional tax on the sum of the VIF and risk margin. This amount, which is not included in the financial statements, is £300k at 31 March 2024 (2023: £176k). It has been calculated using a tax rate of 25% at 31 March 2024 (2023: 25%) reflecting the anticipated rate of UK corporation tax applicable in the reporting period following the valuation date.

At Group level, there is an additional deferred tax liability of £124k at 31 March 2024 (2023: £124k), which is included both on the Solvency II balance sheet and in the financial statements, and measured on the basis used for the financial statements. The deferred tax liability was recognised due to the difference between UK GAAP accounting rules and tax accounting rules on tangible fixed assets.

There have been no changes to the recognition and valuation bases over the reporting period. No material assumptions or judgements have been used in the valuation of the liabilities.

D.4 Alternative Methods for Valuation

The valuation used to determine the fair value of MLL's own investments in collective investment schemes in the financial statements is the quoted price from the fund manager's administrator i.e. the quoted NAV. This could be based on the bid, offer or mid-market price depending on the particular manager.

For financial reporting and Solvency II purposes, policyholder unit liabilities are based on the quoted price of underlying assets.

D.5 Any Other Information

There is no other material information to disclose in relation to valuation for solvency purposes.

E. Capital Management

E.1 Own Funds

The Group's objectives in managing its own funds are to ensure that:

- capital is managed appropriately in line with any commitments made to regulators and other stakeholders;
- the group meets its regulatory solvency requirements set out in the Solvency II directives; and
- the group provides policyholders with appropriate security of benefits.

It remains the intention of the MLL and MLT Boards to ensure that there is adequate capital to exceed the MLL's and the Group's respective regulatory requirements. The MLL and MLT Boards have capital management policies in place and deem it reasonable to adopt the following approach with regards to capital planning.

- Capital plan is a forward-looking assessment of the capital position against capital requirements.
- Capital is assessed on a Pillar 1 (valuation for solvency purposes) and Pillar 2 (own assessment) basis. For Pillar 2 the MLL and MLT Boards consider it appropriate to demonstrate capital adequacy over a one year timeframe to a 99.5% confidence level using stresses that reflect the nature and extent of risks accepted by MLL and other group companies.
- The MLL Board targets Pillar 1 solvency cover of between 150% and 200% for MLL. The MLT Board targets solvency cover of 125%-140% for the Group. Pillar 2 solvency cover targets are also set.

The Group reviews its capital position on an ongoing basis in light of current and future growth requirements. The ORSA, which forms part of the capital assessment process, uses a three-year forecast to assess the solvency needs of the business.

Dividends are declared following an update to the capital plan and consideration of MLL's and the Group's ability to maintain their target solvency cover.

The Group uses method 1, the accounting consolidation-based method, as referred to in Article 230 of Directive 2009/138/EC to calculate group solvency. Intra-group transactions have been netted and consolidated at the MLT level.

The Group's own funds are shown below:

£000	31 March 2024		31 March 2023	
	MLL	Group	MLL	Group
Ordinary share capital	**4,000**	**303**	**4,000**	**303**
Share premium account	**0**	**30,017**	**0**	**30,017**
Deferred tax asset	**9**	**9**	**9**	**9**
Deferred tax assets not available at group level	**0**	**(9)**	**0**	**(9)**
Reconciliation reserve	**5,972**	**(22,663)**	**6,356**	**(22,978)**
Retained profits and reserves*	5,087	(7,921)	5,867	(5,440)
Disallowed assets (tangible intangible and EBT)	(13)	(15,641)	(39)	(18,066)
VIF	1,379	1,379	938	938
Risk margin	(181)	(181)	(234)	(234)
Deferred tax liability	(300)	(300)	(176)	(176)
Own funds available to cover the SCR	**9,982**	**7,658**	**10,365**	**7,342**
Own funds available to cover the MCR/minimum consolidated group SCR	**9,973**	**7,658**	**10,356**	**7,342**

* The amounts reported as retained profits and reserves on the table above have been adjusted to remove the deferred tax asset, which is shown separately.

MLL and the Group's ordinary share capital and reconciliation reserve are Tier 1 unrestricted own funds as per Article 69(a)(i) of the Delegated Acts and are available to cover the respective SCR and MCR. MLL and the Group have no restricted Tier 1 own funds (per Article 80 of the Delegated Acts), no Tier 2 own funds (per Article 72 of the Delegated Acts) and as at 31 March 2024 there is a small deferred tax asset of £9k which was classified as Tier 3 own funds (per Article 76 of the Delegated Acts) within MLL and unavailable at Group level.

The difference between capital and reserves shown in the financial statements and the excess of assets over liabilities used for solvency purposes arises from:

- disallowed assets (see Section D1); and
- the combined impact of the VIF, the risk margin and the resultant Solvency II deferred tax liability that are not recognised in the financial statements but are reflected in the reconciliation reserve.

At 31 March 2024, the capital and reserves shown in the MLL financial statements are £886k lower (2023: £490 lower) than the excess of assets over liabilities used for solvency purposes. The capital and reserves at a consolidated Group level are £14,742k higher (2023:

£17,538k higher) than the excess of assets over liabilities used for solvency purposes.

The movement in MLL own funds primarily reflects a £1.5m dividend payment from MLL offset to an extent by the combination of the net of tax retained income in excess of expenses during the year, the restatement of 2023 profits (not included in the 2023 own funds figures shown above), the increase in the VIF, and a decrease in the risk margin. The movement in Group own funds primarily reflects the restatement of 2023 profits (not included in the 2023 own funds figures shown above), the increase in the VIF and the decrease in the risk margin offset to an extent by an increase in disallowed assets.

E.2 SCR and MCR

Both MLL and the Group use the standard formula to calculate the SCR.

£000	31 March 2024		31 March 2023	
	MLL	Group	MLL	Group
Market risk	2,294	2,294	2,089	2,089
Credit risk	682	351	841	383
Underwriting risk	2,206	2,206	1,819	1,819
Undiversified basic SCR	5,182	4,852	4,749	4,291
Diversification	(1,353)	(1,167)	(1,296)	(1,056)
Basic SCR	3,829	3,684	3,453	3,235
Operational risk	2,297	2,630	2,008	2,321
Loss absorbing capacity of deferred taxes	(300)	(300)	(547)	(547)
Total SCR	**5,827**	**6,014**	**4,914**	**5,010**
Minimum capital requirement/ Minimum consolidated group SCR	**3,495**	**3,495**	**3,445**	**3,445**

At 31 March 2024 compared to the previous valuation:

- the increase in the market and underwriting risk capital requirements primarily reflect the increase in the VIF and, consequently, an increase in the VIF-related SCR, with the market risk elements offset to an extent by a change in investments for the non-linked assets resulting in a significant reduction in concentration risk;
- the decrease in credit risk capital requirement is primarily due to a reduction in exposure to bank counterparties;
- the increase in operational risk capital requirements reflects an increase in non-acquisition expenses incurred in the twelve months to the valuation date; and
- the decrease in the loss absorbing capacity of deferred taxes ("LACDT") reflects the limited profits available at 31 March 2024 against which the notional loss equal to the SCR before any tax adjustment could be offset.

The LACDT at 31 March 2024 is £300k for MLL and £300k for the Group. The LACDT at 31 March 2024 for MLL comprises solely the anticipated elimination of the deferred tax liability described in section D.3.

No recovery of taxable profits through carry-back relief have been used in the LACDT.

No future taxable profits have been used in the LACDT.

The Group has not applied any of the simplifications outlined in Articles 88 to 112 of the Delegated Regulation and has not applied to use any undertaking specific parameters.

The Group has taken a proportionate, simplified and prudent approach in calculating the SCR for market risk in that all unit-linked assets are assumed to be invested in "Type 2" equities as defined in Article 168 of the Delegated Acts. The PRA has confirmed this approach as acceptable subject to ongoing monitoring.

Differences between the MLL and Group SCR calculation are limited to:

- elimination of credit risk on intra-group debtors in the consolidated Group position;
- additional credit risk on cash and certain debtors held by Group entities other than MLL;
- non-material diversification impacts arising from the revised credit risk capital requirement; and
- a contribution to operational risk in respect of activities undertaken by Group entities other than MLL.

Overall, the Group's SCR is £188k higher than MLL's SCR (2023: £96k higher). The relative size of the MLL and Group SCR primarily reflects the contribution to operational risk capital from Group entities other than MLL, which has increased since the previous year-end, offset by lower credit risk from the elimination of intercompany exposures at the group level, which have reduced since the previous year-end.

A split of the Group SCR between amounts referred to in Article 336 of the Delegated Acts is not necessary as all Group companies fall within the definition of Article 336(a).

There are no significant group diversification effects.

No capital add on has been applied to the SCR of either MLL or the Group and no undertaking specific parameters have been imposed by the PRA.

The MCR calculation for MLL is set out in the Delegated Acts. Given the nature of MLL's business, the required inputs to the calculation that are not defined under the regulations are limited to:

- the technical provisions excluding the risk margin for unit-linked life insurance and reinsurance obligations of £21,241m; and
- the amount of capital at risk, which given payments made under the contracts issued by MLL are not directly contingent on death, is taken to be £nil.

At 31 March 2024, the minimum consolidated group SCR is equal to MLL's MCR and is the monetary minimum prescribed in the regulations, i.e. the sterling equivalent of €4.0m (2023: €4.0m).

E.3 Use of the duration-based Equity Risk sub module in the calculation of SCR

The Group has not made use of the duration-based equity risk sub-module in the calculation of the SCR.

E.4 Differences between the Standard Formula and Any Internal Model Used

The Group uses the standard model, with no internal model.

E.5 Non-compliance with the MCR and Non-compliance with the SCR

The Group has been in full compliance with both the MCR and SCR throughout the reporting period.

E.6 Any Other Information

None

F. Statement of Directors Responsibility

Approval by the Boards of Directors of the Solvency and Financial Condition Report for the financial period ended 31 March 2024

The Directors of MLT and MLL certify that:

1) The SFCR has been properly prepared in all material respects in accordance with the PRA rules and Solvency II Regulations; and

2) We are satisfied that:

a. Throughout the financial year, the Group and MLL have complied in all material respects with the requirements of the PRA rules and Solvency II Regulations as applicable to the Group and MLL; and

b. It is reasonable to believe that, at the end of the publication of the SFCR, the Group and MLL have continued to comply, and will continue to comply in future.

This report was approved by the Boards of both MLT and MLL on 03 July 2024 and signed on their behalf by:

DocuSigned by:

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James Finch

Director

G. Appendices

G.1 Public Quantitative Reporting Templates

Mobius Life Limited

Solvency and Financial Condition Report

Disclosures

31 March

2024

(Monetary amounts in GBP thousands)

General information

Undertaking name	Mobius Life Limited
Undertaking identification code	2138003TNRFYMIDY6M50
Type of code of undertaking	LEI
Type of undertaking	Life undertakings
Country of authorisation	GB
Language of reporting	en
Reporting reference date	31 March 2024
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet

S.05.01.02 - Premiums, claims and expenses by line of business: Life insurance and reinsurance obligations

S.12.01.02 - Life and Health SLT Technical Provisions

S.23.01.01 - Own Funds

S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	0
R0040	Deferred tax assets	9
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	9,862
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	0
R0120	*Equities - unlisted*	0
R0130	*Bonds*	0
R0140	*Government Bonds*	0
R0150	*Corporate Bonds*	0
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	9,862
R0190	*Derivatives*	0
R0200	*Deposits other than cash equivalents*	0
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	9,830,386
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	0
R0260	*Other loans and mortgages*	0
R0270	Reinsurance recoverables from:	11,411,811
R0280	*Non-life and health similar to non-life*	0
R0290	*Non-life excluding health*	0
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	0
R0320	*Health similar to life*	0
R0330	*Life excluding health and index-linked and unit-linked*	0
R0340	*Life index-linked and unit-linked*	11,411,811
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	0
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	7,239
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	1,256
R0420	Any other assets, not elsewhere shown	2,617
R0500	**Total assets**	21,263,180

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	0
R0520	*Technical provisions - non-life (excluding health)*	0
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	0
R0550	*Risk margin*	0
R0560	*Technical provisions - health (similar to non-life)*	0
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	0
R0590	*Risk margin*	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	0
R0630	*Best Estimate*	0
R0640	*Risk margin*	0
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	0
R0660	*TP calculated as a whole*	
R0670	*Best Estimate*	
R0680	*Risk margin*	
R0690	Technical provisions - index-linked and unit-linked	21,241,000
R0700	*TP calculated as a whole*	21,242,198
R0710	*Best Estimate*	-1,379
R0720	*Risk margin*	181
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	14
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	300
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	5,041
R0820	Insurance & intermediaries payables	2,097
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	4,575
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	0
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	171
R0900	**Total liabilities**	21,253,198
R1000	**Excess of assets over liabilities**	9,982

S.05.01.02

Premiums, claims and expenses by line of business: Life insurance and reinsurance obligations

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross			3,173,217					54,367	3,227,584
R1420	Reinsurers' share			1,704,727						1,704,727
R1500	Net			1,468,490					54,367	1,522,857
	Premiums earned									
R1510	Gross			3,173,217					54,367	3,227,584
R1520	Reinsurers' share			1,704,727						1,704,727
R1600	Net			1,468,490					54,367	1,522,857
	Claims incurred									
R1610	Gross			2,502,239					19,763	2,522,002
R1620	Reinsurers' share			1,344,262						1,344,262
R1700	Net			1,157,977					19,763	1,177,740
	Changes in other technical provisions									
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net			0					0	0
R1900	**Expenses incurred**			11,838					511	12,349
R2500	**Other expenses**									
R2600	**Total expenses**									12,349

S.12.01.02

Life and Health SLT Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance	Accepted reinsurance	Total (Life other than health insurance, including Unit-Linked)
				Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150
R0010	**Technical provisions calculated as a whole**		20,365,884							876,313	21,242,198
R0020	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		10,941,035							470,776	11,411,811
	Technical provisions calculated as a sum of BE and RM										
	Best estimate										
R0030	**Gross Best Estimate**				-1,305					-74	-1,379
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default									0	0
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re			0	-1,305					-74	-1,379
R0100	**Risk margin**		174							7	181
	Amount of the transitional on Technical Provisions										
R0110	Technical Provisions calculated as a whole										0
R0120	Best estimate										0
R0130	Risk margin										0
R0200	**Technical provisions - total**		20,364,753							876,247	21,241,000

S.23.01.01

Own Funds

	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	4,000	4,000		0	
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	0	0			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	5,973	5,973			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	9				9
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
R0220	**Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds**	0				
R0230	**Deductions for participations in financial and credit institutions**	0				
R0290	**Total basic own funds after deductions**	9,982	9,973	0	0	9
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	9,982	9,973	0	0	9
R0510	Total available own funds to meet the MCR	9,973	9,973	0	0	
R0540	Total eligible own funds to meet the SCR	9,982	9,973	0	0	9
R0550	Total eligible own funds to meet the MCR	9,973	9,973	0	0	
R0580	**SCR**	5,827				
R0600	**MCR**	3,495				
R0620	**Ratio of Eligible own funds to SCR**	171.32%				
R0640	**Ratio of Eligible own funds to MCR**	285.38%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	9,982
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	
R0730	Other basic own fund items	4,009
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	5,973
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	
R0790	**Total Expected profits included in future premiums (EPIFP)**	0

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	2,294		
R0020	Counterparty default risk	682		
R0030	Life underwriting risk	2,206		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	0		
R0060	Diversification	-1,353		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	3,829		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	2,297
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-300
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	5,827
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement**	5,827
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0
	Approach to tax rate	C0109
R0590	Approach based on average tax rate	No

	Calculation of loss absorbing capacity of deferred taxes	**LAC DT**
		C0130
R0640	LAC DT	-300
R0650	LAC DT justified by reversion of deferred tax liabilities	-300
R0660	LAC DT justified by reference to probable future taxable economic profit	0
R0670	LAC DT justified by carry back, current year	0
R0680	LAC DT justified by carry back, future years	0
R0690	Maximum LAC DT	-1,532

USP Key

For life underwriting risk:
1 - Increase in the amount of annuity benefits
9 - None

For health underwriting risk:
1 - Increase in the amount of annuity benefits
2 - Standard deviation for NSLT health premium risk
3 - Standard deviation for NSLT health gross premium risk
4 - Adjustment factor for non-proportional reinsurance
5 - Standard deviation for NSLT health reserve risk
9 - None

For non-life underwriting risk:
4 - Adjustment factor for non-proportional reinsurance
6 - Standard deviation for non-life premium risk
7 - Standard deviation for non-life gross premium risk
8 - Standard deviation for non-life reserve risk
9 - None

S.28.01.01

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

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

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

	Linear formula component for life insurance and reinsurance obligations	C0040
R0200	MCR_{L} Result	68,803

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits		
R0220	Obligations with profit participation - future discretionary benefits		
R0230	Index-linked and unit-linked insurance obligations	9,829,007	
R0240	Other life (re)insurance and health (re)insurance obligations		
R0250	Total capital at risk for all life (re)insurance obligations		

	Overall MCR calculation	C0070
R0300	Linear MCR	68,803
R0310	SCR	5,827
R0320	MCR cap	2,622
R0330	MCR floor	1,457
R0340	Combined MCR	2,622
R0350	Absolute floor of the MCR	3,495
R0400	**Minimum Capital Requirement**	3,495

G.2 Public Quantitative Reporting Templates

Mobius Life Topco Limited

Solvency and Financial Condition Report

Disclosures

31 March

2024

(Monetary amounts in GBP thousands)

General information

Participating undertaking name	Mobius Life Topco Limited
Group identification code	213800N3GG52SBSUZ141
Type of code of group	LEI
Country of the group supervisor	GB
Language of reporting	en
Reporting reference date	31 March 2024
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet

S.05.01.02 - Premiums, claims and expenses by line of business: Life insurance and reinsurance obligations

S.23.01.22 - Own Funds

S.25.01.22 - Solvency Capital Requirement - for groups on Standard Formula

S.32.01.22 - Undertakings in the scope of the group

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	0
R0040	Deferred tax assets	9
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	47
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	9,862
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	0
R0120	*Equities - unlisted*	0
R0130	*Bonds*	0
R0140	*Government Bonds*	0
R0150	*Corporate Bonds*	0
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	9,862
R0190	*Derivatives*	0
R0200	*Deposits other than cash equivalents*	0
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	9,830,386
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	0
R0260	*Other loans and mortgages*	0
R0270	Reinsurance recoverables from:	11,411,811
R0280	*Non-life and health similar to non-life*	0
R0290	*Non-life excluding health*	0
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	0
R0320	*Health similar to life*	0
R0330	*Life excluding health and index-linked and unit-linked*	0
R0340	*Life index-linked and unit-linked*	11,411,811
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	0
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	8,284
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	1,596
R0420	Any other assets, not elsewhere shown	362
R0500	**Total assets**	21,262,358

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	0
R0520	*Technical provisions - non-life (excluding health)*	0
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	0
R0550	*Risk margin*	0
R0560	*Technical provisions - health (similar to non-life)*	0
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	0
R0590	*Risk margin*	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	0
R0630	*Best Estimate*	0
R0640	*Risk margin*	0
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	0
R0660	*TP calculated as a whole*	0
R0670	*Best Estimate*	0
R0680	*Risk margin*	0
R0690	Technical provisions - index-linked and unit-linked	21,241,000
R0700	*TP calculated as a whole*	21,242,198
R0710	*Best Estimate*	-1,379
R0720	*Risk margin*	181
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	14
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	423
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	5,041
R0820	Insurance & intermediaries payables	2,097
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	6,116
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	0
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	0
R0900	**Total liabilities**	21,254,691
R1000	**Excess of assets over liabilities**	7,667

S.05.01.02

Premiums, claims and expenses by line of business: Life insurance and reinsurance obligations

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross			3,173,217					54,367	3,227,584
R1420	Reinsurers' share			1,704,727						1,704,727
R1500	Net			1,468,490					54,367	1,522,857
	Premiums earned									
R1510	Gross			3,173,217					54,367	3,227,584
R1520	Reinsurers' share			1,704,727						1,704,727
R1600	Net			1,468,490					54,367	1,522,857
	Claims incurred									
R1610	Gross			2,502,239					19,763	2,522,002
R1620	Reinsurers' share			1,344,262						1,344,262
R1700	Net			1,157,977					19,763	1,177,740
	Changes in other technical provisions									
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net			0					0	0
R1900	**Expenses incurred**			13,169					569	13,738
R2500	**Other expenses**									
R2600	**Total expenses**									13,738

S.23.01.22

Own Funds

	Basic own funds before deduction for participations in other financial sector	**Total**	**Tier 1 unrestricted**	**Tier 1 restricted**	**Tier 2**	**Tier 3**
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	303	303		0	
R0020	*Non-available called but not paid in ordinary share capital at group level*	0				
R0030	Share premium account related to ordinary share capital	30,017	30,017		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0060	*Non-available subordinated mutual member accounts at group level*	0				
R0070	Surplus funds	0	0			
R0080	*Non-available surplus funds at group level*	0	0			
R0090	Preference shares	0		0	0	0
R0100	*Non-available preference shares at group level*	0				
R0110	Share premium account related to preference shares	0		0	0	0
R0120	*Non-available share premium account related to preference shares at group level*	0				
R0130	Reconciliation reserve	-22,663	-22,663			
R0140	Subordinated liabilities	0		0	0	0
R0150	*Non-available subordinated liabilities at group level*	0				
R0160	An amount equal to the value of net deferred tax assets	9				9
R0170	*The amount equal to the value of net deferred tax assets not available at the group level*	9				9
R0180	Other items approved by supervisory authority as basic own funds not specified above	0	0	0	0	0
R0190	*Non available own funds related to other own funds items approved by supervisory authority*	0				
R0200	Minority interests (if not reported as part of a specific own fund item)	0				
R0210	*Non-available minority interests at group level*	0				
R0220	**Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds**					
R0230	**Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities**	0				
R0240	*whereof deducted according to art 228 of the Directive 2009/138/EC*	0				
R0250	Deductions for participations where there is non-availability of information (Article 229)	0				
R0260	Deduction for participations included by using D&A when a combination of methods is used	0				
R0270	**Total of non-available own fund items**	9	0	0	0	9
R0280	**Total deductions**	9	0	0	0	9
R0290	**Total basic own funds after deductions**	7,658	7,658	0	0	0
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0380	Non available ancillary own funds at group level	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Own funds of other financial sectors					
R0410	Credit Institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies	0				
R0420	Institutions for occupational retirement provision	0				
R0430	Non regulated entities carrying out financial activities	0				
R0440	**Total own funds of other financial sectors**	0	0	0	0	0

S.23.01.22

Own Funds

	Basic own funds before deduction for participations in other financial sector	**Total**	**Tier 1 unrestricted**	**Tier 1 restricted**	**Tier 2**	**Tier 3**
		C0010	C0020	C0030	C0040	C0050
	Own funds when using the D&A, exclusively or in combination of method 1					
R0450	Own funds aggregated when using the D&A and combination of method	0				
R0460	Own funds aggregated when using the D&A and combination of method net of IGT	0				
R0520	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	7,658	7,658	0	0	0
R0530	Total available own funds to meet the minimum consolidated group SCR	7,658	7,658	0	0	
R0560	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	7,658	7,658	0	0	0
R0570	Total eligible own funds to meet the minimum consolidated group SCR (group)	7,658	7,658	0	0	
R0610	**Minimum consolidated Group SCR**	3,495				
R0650	**Ratio of Eligible own funds to Minimum Consolidated Group SCR**	219.14%				
R0660	**Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)**	7,658	7,658	0	0	0
R0680	**Group SCR**	6,014				
R0690	**Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A**	127.33%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	7,667
R0710	Own shares (held directly and indirectly)	
R0720	Forseeable dividends, distributions and charges	
R0730	Other basic own fund items	30,330
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0750	Other non available own funds	
R0760	**Reconciliation reserve**	-22,663
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	
R0790	**Total Expected profits included in future premiums (EPIFP)**	0

S.25.01.22

Solvency Capital Requirement - for groups on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	2,294		
R0020	Counterparty default risk	351		
R0030	Life underwriting risk	2,206		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	0		
R0060	Diversification	-1,167		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	3,684		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	2,630
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-300
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	6,014
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement for undertakings under consolidated method**	6,014
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0
R0470	Minimum consolidated group solvency capital requirement	3,495

USP Key

For life underwriting risk:
1 - Increase in the amount of annuity benefits
9 - None

For health underwriting risk:
1 - Increase in the amount of annuity benefits
2 - Standard deviation for NSLT health premium risk
3 - Standard deviation for NSLT health gross premium risk
4 - Adjustment factor for non-proportional reinsurance
5 - Standard deviation for NSLT health reserve risk
9 - None

For non-life underwriting risk:
4 - Adjustment factor for non-proportional reinsurance
6 - Standard deviation for non-life premium risk
7 - Standard deviation for non-life gross premium risk
8 - Standard deviation for non-life reserve risk
9 - None

S.32.01.22

Undertakings in the scope of the group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GB	213800N3GG52SBSUZ141	LEI	Mobius Life TopCo Limited	Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Limited by shares	Non-mutual								Included in the scope		Method 1: Full consolidation
GB	213800N3GG52SBSUZ141GB0000	Specific code	Mobius Life BidCo Limited	Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Limited by shares	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	2138003TNRFYMIDY6M50	LEI	Mobius Life Limited	Life insurance undertaking	Limited by shares	Non-mutual	Prudential Regulation Authority	100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	213800PX5Z6KOQRQGQ51GB000	Specific code	Mobius Life Administration Services Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited by shares	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	213800UDS2RHYBSF1719	LEI	Mobius Life Group Limited	Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Limited by shares	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation
GB	213800PX5Z6KOQRQGQ51GB000	Specific code	Mobius Life Holdings Limited	Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC	Limited by shares	Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included in the scope		Method 1: Full consolidation