

Resolution Life Group

Financial Condition Report

2024

Executive summary

Resolution Life Group Holdings Ltd. ('RLGH' or the 'Company') is the holding company of the Resolution Life Group. It is domiciled in Bermuda and subject to group regulatory supervision by the Bermuda Monetary Authority (BMA). This report is our Group Financial Condition Report (FCR).

This FCR has been prepared in accordance with applicable BMA rules and guidance effective as at 31 December 2024. RLGH, together with its subsidiaries, is referred to in this report as 'Resolution Life' or the 'Group'. This report contains information about the Group's business and performance, its corporate governance, risk profile, solvency valuation and capital management for the reporting period 1 January 2024 to 31 December 2024, with the balance sheet and solvency position shown at the reporting date 31 December 2024. So as to provide a complete view of the current status of the Group, the FCR also describes material subsequent events that have occurred between the financial year ended 31 December 2024 and the date of this FCR.

Business and performance

Resolution Life is a global insurance, reinsurance and risk transfer business consisting of c.\$85bn assets under management (AuM) as at 31 December 2024. The Group is headquartered in Bermuda and its main customers are primary life insurers in mature markets, including North America, Europe, Australasia and Asia. Resolution Life has insurance subsidiary entities located in Bermuda (referred to in this document as 'Res Re'), Australasia (referred to in this document as 'RLA') and the US (referred to as 'RLUS') through which business is written. The Group is organised into two distinct business segments:

- The **Institutional business**, comprising teams in Bermuda, the UK, the US and Singapore, includes block reinsurance, flow reinsurance, Pension Risk Transfer (PRT) reinsurance, supporting the acquisition and management portfolios of policies from primary insurers.
- The **Retail business** in Australasia serves approximately 1 million customers across Australia and New Zealand.

The Group's purpose is to:

- Protect and deliver insurance and investment benefits to policyholders
- Support the ongoing restructuring of the primary life insurance industry by releasing capital and removing costs from legacy operations of insurers
- Generate stable returns and deliver cash through dividends to investors, by acquiring complementary risks and strong cash flows from strategic sellers.

Key milestones

During 2024 the Group continued to deliver on its strategic growth ambitions by successfully completing or agreeing the following transactions:

- The Group announced that Nippon Life Insurance Company (Nippon Life), Japan's largest life insurer by revenue, agreed to acquire 100% of Resolution Life shares. Nippon Life will consolidate its ownership interest by paying \$8.2bn to acquire the remaining shares from Blackstone ISG Investment Partners – R (BMU) L.P, valuing Resolution Life at \$10.6bn. The transaction is subject to customary regulatory approvals and is anticipated to be completed in the second half of 2025.
- Res Re entered into its first flow reinsurance agreement with a Japanese insurer. The transaction reinsures fixed term deferred accumulation annuities written in Japan, and extends the Group's presence in Asia, a key market for growth.
- Res Re announced its second UK Pension Risk Transfer transaction, reinsuring market and longevity risks of individual in-payment UK annuity liabilities.

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- RLA entered into an agreement with Suncorp Group to acquire its New Zealand life insurance company, Asteron Life New Zealand (Asteron Life) for \$231m. This transaction closed in January 2025.
- The Group also issued \$500m of 8.25% Tier 2 debt notes due 2031. These notes qualify as Tier 2 regulatory capital and have been admitted to trading on the International Securities Market of the London Stock Exchange.

Business activities

In a challenging macroeconomic and geopolitical environment, our business demonstrated its strength in 2024 and set a strong foundation for the future. Thanks to the efforts of our people and our investor partners, we grew the Group, delivered value for our policyholders and other stakeholders, and found a long-term home as part of a highly regarded insurance company, Nippon Life.

Resolution Life and prior Resolution companies have been in this business for 22 years. We were the first company to focus on being a specialist manager of in-force policies, removing stranded costs and releasing capital for primary life insurance companies. This enabled those companies to sell more policies and enabled us to pursue our mission: supporting the long-term growth of the industry and protecting the future of life insurance for the benefit of society.

We've done just that by using capital raised from many different institutional investors, to grow Resolution Life into a global company with more than \$85bn of AuM, entrusted with the financial futures of c.4 million policyholders.

With global markets becoming more active, we expanded our presence by establishing an office in Singapore in 2024. From our new office, we supported the signing of Resolution Life's first flow deal, where we reinsure a share of future premiums of a primary life insurer. The transaction, with a Japanese cedant, led to us reinsuring \$2bn in premium income in 11 months. Resolution Life signed two additional transactions in 2024, including another pension risk transfer reinsurance deal and, in New Zealand, we agreed to acquire Asteron Life.

The Group's acquisition by Nippon Life, which we announced in December 2024 and expect to be completed in the second half of 2025, has many benefits for Resolution Life. Being part of Nippon Life will strengthen our position in the market and give us greater access to capital and more opportunities to accelerate our growth. In practical terms, it will not affect our policyholders, who can expect the same high levels of service they've always had from us. But they will have the benefit of an even stronger-capitalised parent company.

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Executive summary

Governance structure

Resolution Life has established the organisation, processes and corporate controls that are required of a BMA-regulated group and are appropriate for the Group's business strategy and operations. The system of governance includes requirements relating to fitness and probity of persons responsible for key functions, remuneration practices and outsourcing activities. Further details of the Group's system of governance are provided in [section 2](#).

Risk profile

To support the execution of the risk management strategy, RLGH has adopted a 'three lines of defence' model. The Board is responsible for providing suitable and prudential oversight of the Group's internal control and risk management frameworks.

The Risk Management Framework (RMF) provides a holistic and consistent way in which to identify measure, manage, monitor and report on the risks faced by the Group and covers all processes within the Group. The RMF includes solvency self-assessment, which assists the Board in determining whether there is adequate available capital to cover the Group's risks over its business planning horizon.

Resolution Life is exposed to a broad landscape of risks. These include three main types:

- Risks that are actively taken as part of insurance or asset management operations, which are quantifiable and in respect of which capital is held to back the risk exposure. These largely include insurance, market (including investment credit) and counterparty risk. While the Group holds capital to account for operational risk, the preferred mitigation is prevention and risk culture.
- Risks for which the Group does not explicitly hold capital but that are monitored and controlled, given their significance. These include liquidity, regulatory and compliance, M&A and transaction, strategic and sustainability risk.
- Reputational risks that may arise as a consequence of any risk/event type, in addition to the potential financial and compliance impact. Reputational risk is not considered a separate risk category but rather represents a possible consequence of any risk type or event in addition to the potential financial and compliance impact.

Solvency valuation

Assets and liabilities have been valued in accordance with the BMA's Economic Balance Sheet (EBS) valuation principles. [Section 4](#) of this report provides further description of the bases, methods and assumptions used in the valuation of assets, technical provisions and other liabilities, to determine the Group's regulatory valuation.

Capital management

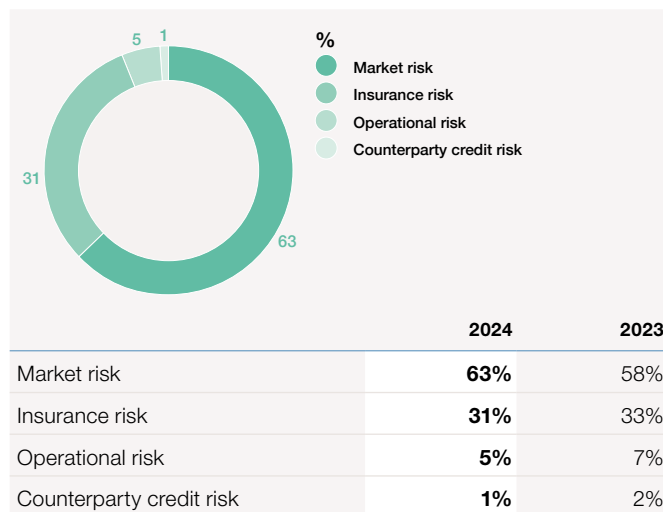
The capital requirements are calculated using the BMA capital regime. Our EBS regulatory capital position as at 31 December 2024 and 31 December 2023 is shown in the following table:

Capital position	2024 (\$m)	2023 (\$m)
Available statutory economic capital	6,180	5,335
ECR	2,880	2,952
Surplus	3,299	2,383
Solvency ratio	215%	181%

The Group solvency ratio as at 31 December 2024 is 215%, which comfortably meets the Group's risk appetite thresholds. As at 31 December 2024, Resolution Life's available statutory economic capital was \$6,180m on an EBS basis. Of this capital, \$5,431m was categorised as Tier 1, the highest quality capital, mainly consisting of common share capital and share premium and statutory economic surplus. Tier 2 capital of \$748m primarily relates to three subordinated debt instruments.

The chart below shows the composition of the Group's undiversified Enhanced Capital Requirement (ECR) by Bermuda Solvency Capital Requirement risk category at 31 December 2024:

Undiversified ECR by risk



The largest component of the undiversified ECR is market risk, which comprises fixed income, equity, interest rate and concentration risks.

Outlook

We see cautious optimism in the capital markets and expect relative spread stability to continue. While there is likely to be an elevated level of rates uncertainty due to heightened geopolitical risks and potential trade tensions, the insurance sector remains strongly capitalised with resilient business performance. Our rigorous focus on good credit quality in our investment portfolios makes us well positioned to weather any volatility.

The acquisition of Resolution Life by Nippon Life is a positive next step. Once the deal formally completes, which we expect to occur later this year, it will give us greater access to long-term capital, which will help us continue to deliver on our business and personal growth goals, while remaining true to the values of positive policyholder and societal contribution.

Business and performance

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1.1 Insurance group

1.1.1 Name and contact details

Resolution Life Group Holdings Ltd., an exempted company limited by shares domiciled in Bermuda, is the holding company of the Group.

Resolution Life Group Holdings Ltd.
Wessex House
2nd Floor, 45 Reid Street
Hamilton HM12, Bermuda

www.resolutionlife.com

1.1.2 Business overview

Resolution Life is a global insurance, reinsurance and risk transfer business consisting of c.\$85bn assets under management (AuM) as at 31 December 2024. The Group is headquartered in Bermuda and its main customers are primary life insurers in mature markets, including North America, Europe, Australasia and Asia. Resolution Life has insurance subsidiary entities located in Bermuda (referred to in this document as 'Res Re'), Australasia (referred to in this document as 'RLA') and the US (referred to as 'RLUS') through which business is written. The Group is organised into two distinct business segments:

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1.2 Group supervisor

The BMA acts as group supervisor for Resolution Life.

BMA House
43 Victoria Street
Hamilton HM 12, Bermuda
+1 441 295 5278

www.bma.bm

Business and performance

The Group has been designated as an Internationally Active Insurance Group (IAIG) under the criteria defined by the International Association of Insurance Supervisors (IAIS) and the BMA acts as the group-wide supervisor for the Group. As an IAIG, the Group is subject to supervisory expectations outlined in the IAIS Common Framework for the Supervision of IAIGs.

This includes enhanced regulatory reporting, coordinated supervisory engagement, and the application of group-wide governance, risk management, and solvency assessment standards. The Group continues to work closely with the BMA and other relevant supervisors to meet these expectations as part of its ongoing group-wide regulatory compliance framework.

Resolution Re Ltd, a Bermuda Life reinsurer, is the BMA Designated Insurer for the Group.

1.3 Approved group auditor

The approved group auditor for Resolution Life is Deloitte and Touche LLP.

111 South Wacker Drive
Chicago, IL 60606-4301
USA
Tel: +1 312 486 1000

www.deloitte.com/

1.4 Company ownership

Resolution Life is privately owned by a diverse group of global investors. As at 31 December 2024, the Group had raised c.\$8bn of commitments from c.60 investors. Our investor base includes sovereign investment funds, superannuation funds, asset managers, family offices, financial institutions and insurers.

In December 2024 the Group announced the acquisition of 100% of its shares by Nippon Life. Following the acquisition, Resolution Life's institutional business in the US, the UK, Bermuda and Singapore will become a subsidiary of Nippon Life, creating a new division that complements Nippon Life's Japanese life business as well as its international asset management and retail businesses.

It is intended that RLA will be combined with Nippon Life's Australian company, MLC Limited, to form Acenda, a new primary life insurer open to new business, which will be run as a joint venture between Nippon Life and Resolution Life.

Blackstone will continue its relationship with the Group as the Group's investment manager for directly originated assets across the private credit, real estate and asset-based finance markets. The Group will also continue as Blackstone's strategic partner in the life and annuity consolidation sector globally.

The transaction is subject to regulatory approvals and is anticipated to be completed in the second half of 2025.

1.5 Group structure

A simplified Group structure is presented in the Appendix.

1.6 Significant events in reporting period

During 2024, the Group continued to deliver on its strategic growth ambitions by successfully completing or agreeing the following transactions:

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- Res Re entered into its first flow reinsurance agreement with a Japanese insurer. The transaction reinsures fixed term deferred accumulation annuities written in Japan, and extends the Group's presence in Asia, a key market for growth.
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- The Group also issued \$500m of 8.25% Tier 2 debt notes due 2031. These notes qualify as Tier 2 regulatory capital and have been admitted to trading on the International Securities Market of the London Stock Exchange.

1.7 Performance

As a result of completing the transaction with Blackstone in 2023, RLGH and its subsidiaries elected to use push-down accounting. The financial information in the RLGH consolidated US GAAP financial statements includes comparatives for the year ended 31 December 2023 on predecessor (9 months ended 2 October 2023) and successor periods (3 months ended 31 December 2023).

However, for the 2023 BMA statutory financial statements, RLGH aggregated the successor and predecessor period financial statements in the 2023 statutory income statement. An adjustment to reflect the purchase accounting adjustments was included in the 2023 statement of capital and surplus.

The comparatives for the year ended 31 December 2023 in the financial information presented in the sections below aggregate the successor and predecessor periods.

1.7.1 Insurance business written during the reporting period

The table below sets out the Group's statutory premiums from its insurance and reinsurance activities by operating insurance subsidiary during the reporting period:

\$m	Res Re		RLA		RLUS		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Direct	-	-	814	1,088	9	9	824	1,097
Assumed	851	2,959	-	-	1,227	2,475	2,078	5,434
Ceded	(21)	-	(478)	(655)	(813)	(1,044)	(1,312)	(1,699)
Total net premiums	830	2,959	336	433	423	1,440	1,589	4,832

Business and performance

- Premiums primarily relate to traditional life and disability business.
- The assumed premium for Res Re is primarily from initial premium assumed from reinsurance transactions completed in 2024.
- RLA's direct premium consists of renewal premiums related primarily to its lump sum and disability business. RLA has agreements that provide reinsurance of certain policy-related risks (e.g. excess mortality and risk) to limit aggregate and single losses on large risks.
- The assumed and ceded premium for RLUS is primarily from agreements that provide for reinsurance of certain policy-related risks (e.g. excess mortality and risk) to limit aggregate and single losses on large risks.

1.7.2 Investment performance

The Group's overarching investment principle is to invest available funds in a diversified portfolio of assets, acknowledging our commitment to environmental and social responsibility, to ensure policyholder commitments are met while contributing to the Group's overall growth and profitability. Achieving these objectives requires balancing the Group's risk appetite with the level of net income and capital required to meet its liabilities, maintaining an appropriate solvency margin and meeting shareholder return requirements. This is accomplished by adhering to the 'prudent person' principle, and good corporate governance in the implementation of investment and risk management policies and management standards and procedures.

The Group invests in a combination of high quality, diversified fixed-income securities, primarily fixed-income bonds, mortgage-backed securities and asset-backed securities.

The following table shows the Group's statutory investment return, net of investment expenses and realised gains and losses, as reported in the statutory financial statements for the year ended 31 December 2024:

\$m	For the year ended 31 December 2024	For the year ended 31 December 2023
Bonds and debentures	2,099	1,544
Equity securities	232	157
Investment funds	604	564
Commercial mortgage loans	277	140
Funds withheld assets	1,149	795
Policy loans	117	112
Other investment income	(8)	14
Net realised gains (losses)	1,300	(205)
Investment expenses	(215)	(169)
Total investment return	5,555	2,951

The Group has been granted permission by the BMA under section 6C of the Bermudian Insurance Act 1978 to:

- Value fixed income funds withheld assets at amortised cost rather than fair value within the statutory financial statements
- Remove the balance sheet recognition of unrealised gains (losses) for its available-for-sale fixed maturity investments.

The total investment return in the table above is the sum of the net investment income, net realised gains (losses) and interest in earnings or losses of equity method investments. The Group's investment portfolio generated a net return of \$5,560m in 2024 compared to a return of \$2,951m in 2023. The increase was primarily driven by mark-to-market gains on equity securities and derivative options from favourable equity markets performance in the year, trading gains from portfolio optimisation, as well as higher bond discount accretion on fixed maturity securities.

1.7.3 Income

The Group's main sources of income are from its insurance and reinsurance underwriting and investment activities. Net earned premiums decreased by \$3,243m, or 67%, in 2024 compared to 2023, driven by the impact of significant transaction-related premiums in the prior year. The run-rate net earned premiums for 2024 of \$843m (2023: \$846m) are broadly consistent year-on-year.

The Group also earned fee income of \$1,723m (2023: \$1,529m), mainly from its universal life and annuity business in the current reporting period and is higher when compared to 2023 primarily driven by the impact of new business written in the second half of 2023.

As set out in the sections above, during the reporting period, the Group generated \$5,555m (2023: \$2,951m) of net investment income and realised gains (losses).

1.7.4 Expenses

The Group's main expenses are net insurance benefits and claims, general administrative and other expenses, and interest expenses. Net insurance benefits and claims, which include the movement in insurance provisions and value of business acquired/cost of reinsurance amortisation, were \$5,965m (2023: \$8,675m) in the statutory statements. Within this, net paid claims were \$3,210m (2023: \$4,310m). The net movement in insurance provisions was a benefit of \$128m (2023: charge of \$3,222m). Net insurance benefits are lower in 2024 as a result of the impact of market movements and lower one-time net insurance benefits from writing of new reinsurance transactions compared to 2023.

Other expenses, including commission expenses, were \$1,040m (2023: \$1,081m) in the current reporting period. Other expenses decreased in 2024 as a result of lower mergers and acquisition-related expenses compared to 2023.

Interest expense was \$145m (2023: \$103m) in the current reporting period and the increase was primarily due to the issue of new Tier 2 debt in 2024, as well as higher interest rates in the period.

Tax expense of \$221m (2023: benefit of \$65m) in the current reporting period consists of current tax incurred or recovered, as well as movements in deferred tax, in the different reporting jurisdictions (primarily Australia, New Zealand, and the US). The tax expense in 2024 was primarily driven by the mark-to-market investment-related gains in the period which gave rise to a deferred tax charge.

Further details of our US GAAP results are set out in the Group's 2024 US GAAP Financial Statements.

1.8 Any other material information

There is no other material information to report.

Governance structure

2

RLGH is the legal entity with the responsibility for running the insurance group. The Group's governance structure, risk management strategy and risk framework are designed to meet the group regulation requirements of the BMA supervisory framework and requirements under Bermudan law.

The Board and management have established the appropriate organisation, processes and corporate controls to measure and manage risk across the Group. RLGH has established and maintains organisational, governance and communications structures at the Group level that facilitate the fulfilment of the duties of the Group. Corporate governance begins with the Board providing general oversight and stewardship of the Group.

2.1 Delegated authority

A clear organisational structure and corporate governance framework is in place. The RLGH Board exercises oversight over all key decisions that impact materially on Group operations. It meets at least four times a year to make decisions about, among other things, providing strategic direction to the Group, including directing the investigation, analysis, structuring and negotiation of potential acquisitions, monitoring the performance of operating companies and advising the Group as to disposal opportunities, financial objectives and the risk framework.

There are a number of Board committees which provide oversight in areas such as audit, compensation, conflicts, investment, risk, transaction review and nominations.

The Company Steering Committee (SteerCo) is a forum for senior executives to meet, discuss, and develop advice to provide to members of the Group and their officers including in relation to governance, strategy, financial and business performance matters. The SteerCo provides advice and recommendations to the RLGH Board, and is supported by the wider Executive Leadership Team (ELT) which is responsible for successfully overseeing the delivery of the Group's mission.

Governance structure

Board Committees and Group Management Committees

A comprehensive governance structure, with entity-level issues identified and fed into relevant management and Board committees.

Resolution Life Group Holdings Ltd. Board	RLGH Board			
	<p>The Board of Directors of RLGH. is currently comprised of 10 directors, including the founder, four independent non-executive directors and representatives designated by certain investors.</p>			
	<p>RLGH Board Members</p>			
	Sir Clive Cowdery: Founder, Chairman and Chief Executive Officer (CEO)			
	Weldon Wilson: Vice-Chair and Independent Non-Executive Director			
	Jason Carne: Independent Non-Executive Director			
	Steven Goulart: Independent Non-Executive Director			
	Maria Morris: Independent Non-Executive Director			
	Gilles Dellaert: Director			
	Ida Hoghooghi: Director			
Michael Hovey: Director				
Tomohisa Kawasaki: Director				
Shinichi Okamoto: Director				
RLGH Board Committees	<p>The Board of Directors has established Audit, Compensation, Conflicts, Investment, Risk, Transaction Review and Nominating Committees. With the exception of the Nominating Committee, the Board Committees meet broadly at least once per quarter, with additional meetings as required.</p>			
	Audit	Compensation	Conflicts	Investment
	<p>Overview: Responsible for the oversight of the integrity of consolidated financial statements and financial and accounting processes and compliance with audit, accounting and internal control requirements.</p>	<p>Overview: Responsible for oversight with respect to the appointment of and compensation arrangements for members of the senior executive team and non-executive directors, as well as the Group's compensation approach generally.</p>	<p>Overview: Evaluates conflicts of interest (actual or potential) arising within and outside the Group.</p>	<p>Overview: Oversees portfolio transactions, the development and maintenance of an investment strategy, and the investment risk management policies of the Group. It reviews investment management performance and oversees investment managers.</p>
	Members			
	Jason Carne (Chair)	Maria Morris (Chair)	Maria Morris (Chair)	Steven Goulart (Chair)
	Weldon Wilson	Weldon Wilson	Jason Carne	Weldon Wilson
	Steven Goulart	Shinichi Okamoto	Weldon Wilson	Maria Morris
	Michael Hovey	Gilles Dellaert	Tomohisa Kawasaki	Shinichi Okamoto
	Tomohisa Kawasaki			Gilles Dellaert
	Risk	Transaction Review		Nominating
<p>Overview: Responsible for oversight of the development and implementation of risk management systems and processes designed to identify, manage and mitigate material risks.</p>	<p>Overview: Ensures certain matters are in good order for full consideration of the Board, including material investments and divestments and reviews information and reports with respect to pipeline acquisitions and dispositions by the Group.</p>		<p>Overview: Responsible for nominating independent Directors to the Board (including to fill any vacancy that may arise) and for proposing future CEOs.</p>	
Members				
Weldon Wilson (Chair)	Sir Clive Cowdery (Chair)		Sir Clive Cowdery (Chair)	
Jason Carne	Michael Hovey		Gilles Dellaert	
Steven Goulart	Shinichi Okamoto		Ida Hoghooghi	
Ida Hoghooghi			Michael Hovey	
Tomohisa Kawasaki			Shinichi Okamoto	
			Tomohisa Kawasaki	

Governance structure

Management	Company Steering Committee		Executive Leadership Team	
	<p>Overview: The Company SteerCo is a forum for senior executives to meet, discuss, and develop advice to provide to members of the Group and their officers including in relation to governance, strategy, financial and business performance matters. The purpose of the SteerCo is to provide advice and recommendations to the RLGH Board and other members of the Group, and to contribute to information sharing throughout the Group, as well as advising on ways to help the Group to meet shareholder and regulatory expectations. The SteerCo usually meets weekly.</p>		<p>Overview: The ELT is a forum for senior executives to meet and discuss matters of material significance to the Group as a whole, and the ELT is responsible for successfully overseeing the delivery of the Group’s mission. The ELT seeks to form a common view of the matters within its remit for the benefit of the SteerCo and organs of governance in the Group. The ELT usually meets monthly.</p>	
	Members			
	Sir Clive Cowdery		Sir Clive Cowdery	
Megan Beer		Warren Balakrishnan	Takashi Nakayama	
Jonathan Moss		Megan Beer	Moses Ojisekhoba	
Takashi Nakayama		Karl Chappell	Cherie Pashley	
Moses Ojisekhoba		Ruth Farrugia	Rushabh Ranavat	
Claire Singleton		Peter Grewal	Claire Singleton	
		Jonathan Moss	Tim Tez	
Management Committees¹				
<p>In addition to the SteerCo and ELT, the Group has established various other management committees which cover all regions other than Australasia.</p> <p>¹ The list of members below only includes standing members for each committee and does not include optional committee invitees, observers or secretaries.</p>				
Capital and Liquidity		Disclosure		Finance
<p>Overview: Considers the strategy and management of capital, dividends, liquidity, hedging, debt, financial reinsurance, tax and unencumbered assets.</p>		<p>Overview: Provides advice and recommendations on disclosure matters and on compliance with UK Market Abuse Regulation (to the extent applicable).</p>		<p>Overview: Considers financial information (including US GAAP and statutory financial statements, management information reports, FCR), development of the financial plan and group wide macroeconomic assumptions, audit, accounting policy, internal control matters and material actuarial assumption and model updates.</p>
Investment & Credit				
<p>Overview: Responsible for recommending investment strategies and managers, monitoring the performance of our managers and the performance of our portfolio against Objectives and Key Results, and for monitoring credit and market-related risks.</p>				
Members				
Chief Financial Officer (Chair)		Chief Financial Officer (Chair)		Chief Investment Officer (Chair)
Chief Investment Officer (CIO)		Chief Operating Officer		Chief Financial Officer (CFO)
Treasurer		General Counsel		Chief Risk Officer
Executive Vice President, Finance		Chief Risk Officer		Insurance Entity Managing Directors (or equivalents)
US Chief Actuary		Executive Vice President, Finance		
Res Re CFO and Head of Actuarial				Res Re CFO and Head of Actuarial
US CFO and Head of Capital				US CFO and Head of Capital
Director Tax				Head of Financial Reporting
Head of ALM & SAA				Head of Expense Management
Head of Financial Risk				Head of Group FP&A
				Head of Finance Transformation
				Head of Accounting Centre of Excellence

Governance structure

Management continued	Portfolio	Risk & Compliance	Sustainability Committee	Transformation & Change
	<p>Overview: Meets monthly to discuss prioritisation of transactions, post mortem on transactions, tracking of successful transactions, competitor analyses, developing the shape of target liability portfolios and reviewing portfolio risk/limits.</p>	<p>Overview: Oversees the Group’s risk profile, exposures and trends and oversees the evolution of the Group’s Risk Management Framework, risk skills and capabilities.</p>	<p>Overview: Provides oversight of sustainability activities ensuring they are conducted in accordance with policies and standards and associated risks are managed.</p>	<p>Overview: Reviews key design decisions for transformation initiatives ensuring they are in line with strategy and the business plan. It also develops an agenda for transformation to enable delivery of the Group’s business plan.</p>
	Members			
	President (Chair)	Chief Risk Officer (Chair)	General Counsel (Chair)	Chief Operating Officer (Chair)
	Chief Financial Officer	Chief Financial Officer	Chief Operating Officer	Chief Investment Officer
	Chief Operating Officer	Chief Operating Officer	Chief Financial Officer	Chief Financial Officer
	General Counsel	Chief Investment Officer	Chief Investment Officer	Chief Risk Officer
	Chief Risk Officer	General Counsel	Chief Risk Officer	President
	Managing Director, Solutions	Executive Vice President, Finance		General Counsel
	Managing Director, US Growth & Value and US CEO	Managing Director, Solutions		Executive Vice President, Finance
	Managing Director, Asia Growth & Value and Asia CEO			Centre of Excellence (COE) Lead, Technology, Data & Transformation
	General Manager, Bermuda Growth & Value and Res Re CEO			Expense Manager
				COE Lead, Transformation and Change

2.2 Three lines of defence

To support the execution of its risk management processes, RLGH has adopted a ‘three lines of defence’ model.

- The first line is the manager of the business area, who owns and takes responsibility for identifying, assessing and reporting on the different risks within their business area. The business manager is also responsible for designing and maintaining effective processes and controls.
- The second line comprises the risk and compliance functions, which have oversight of the risk management strategy and framework. These functions design and implement the risk framework, and recommend the Group’s risk appetite to the Board. They also monitor and challenge the actual risk profile of the Group, and each subsidiary, against the Group’s preferred level of risk appetite. Furthermore, they assess the effectiveness of the control environment and report thereon to the Group’s Risk Committee.
- The third line is performed by internal audit, which provides independent assurance of the effectiveness of governance, risk management practices and the control environment.

2.3 Group Board and senior executives

2.3.1 Structure, roles, responsibilities and segregation of responsibilities

The RLGH Board is responsible for:

- Providing suitable and prudential oversight of the Group’s internal control and risk management frameworks

- Overseeing the implementation by the senior executives of the Group’s operational objectives and strategies in light of the Group’s stated risk tolerance and appetite, corporate structure and material risks
- Undertaking the effective management of the Group’s business in a sound and prudent manner with integrity and the professional skills appropriate to the nature and scale of its activities
- Reviewing annually the Group’s solvency self-assessment and any changes
- Confirming that the organisational, governance and communications structures of the Group facilitate the effective execution of the Group’s operational objectives and strategies, the effective exercise of the role of the Designated Insurer, and compliance with Bermuda legislation and rules
- Confirming that the communications structure of the Group facilitates the effective communication of the statutory obligations of the Group and its members under Bermuda law
- Selecting a competent chief executive officer who is fit and proper and has the requisite knowledge, skills, expertise and resources given the nature, scale and complexity of the Group’s operations, and, with respect to that person, establishing roles and responsibilities, reviewing and approving compensation, evaluating performance at least annually, and addressing any deficiencies in performance.

The RLGH Board has direct access to senior executives, persons responsible for the internal audit, risk management, compliance and actuarial functions and the approved Group statutory function holders.

Governance structure

An overview of the Board Committees including the respective roles of each committee, and the membership and meeting frequency, is provided above. Also included are the biographies of the RLGH Board and the ELT, which are provided below, including individuals' professional qualifications, skills and experience.

The responsibilities of the Group's senior management are as follows:

- The CEO, under the oversight of the Compensation Committee, is responsible for selecting competent senior executives, who are fit and proper and have the requisite knowledge and skills, given the nature, scale and complexity of the Group's operations, establishing their roles and responsibilities, reviewing and approving their compensation, evaluating at least annually their performance and addressing any deficiencies.
- Senior executives of the Group are responsible for:
 - Staffing the internal audit, risk management, compliance and actuarial functions in a manner that provides for appropriate segregation of duties, clear reporting lines and the avoidance or management of conflicts of interest by fit and proper persons who are competent and properly trained to perform the assigned functions, and able and willing to perform those functions in an effective manner
 - Establishing systems and controls that produce complete, reliable, clear, consistent, timely and relevant reporting and management information concerning the business activities and risks to which the Group is exposed
 - Providing the RLGH Board with timely, accurate and comprehensive reports that highlight current and prospective changes in business activities, profitability, capital and funding liquidity positions, risk profile or risk drivers
 - Reporting promptly to the RLGH Board any material deficiencies in the effectiveness of key functions or any decisions taken that deviate materially from the Group risk tolerance, risk appetite or operational strategy
 - Reviewing all material outsourcing arrangements and for the effective performance and oversight of outsourced functions or tasks; and filing all required financial statements in an accurate, complete and timely manner.

2.3.2 Remuneration policy and practices

Resolution Life's practice regarding compensation is to build a competitive and innovative environment that attracts, retains, motivates and rewards high-performing employees; to promote an ethical culture by ensuring compensation is based on qualitative, not just quantitative, assessment; and to promote the achievement of strategic objectives through a balanced scorecard approach. The Group's compensation framework addresses the need to provide competitive salaries and benefits, balanced with appropriate incentives to encourage consideration of business performance over the long term; ensure enhanced communication; and foster a culture that encourages collaboration, growth and progress.

Employee reward

The Group's compensation framework provides for a fixed base salary and an annual discretionary, performance-based bonus, which varies in accordance with the performance of the individual and Group. Compensation levels are reviewed at least annually, to ensure compensation is in line with standard market practices and appropriate for the risk profile and performance of the Group.

Senior executive reward

The Group expects to supplement salaries with annual bonuses aligned to performance using a balanced scorecard approach, which consists of setting individual performance targets combined with corporate goals for the year ahead. Together these form an individual's annual performance scorecard. Salaries and annual bonuses for senior employees are supplemented with a performance-based long-term incentive plan with a three-year cliff vesting. The Group conducts a rigorous annual review process that assists in professional development as well as in setting compensation levels. In addition, certain members of the senior management team participate in a management incentive scheme based upon business performance.

Independent Non-Executive Board members receive fees for their work as Directors; they do not receive bonuses. Executive Directors and Investor Directors are not entitled to additional compensation for services rendered as members of the Board.

2.3.3 Supplementary pension or early retirement schemes for members of the insurance group, the Board and senior executives

Employees of Resolution Life (including senior executives) are provided with pensions/retirement savings plans aligned with market practice for their local geography. In all countries the Group contributes towards the employees' retirement through a contributory pension scheme or retirement savings plan administered by a third party. There is no additional pension plan for Board members beyond regulatory obligations. The Group does not have an early retirement scheme.

Governance structure

2.3.4 Any material transactions with shareholder controllers, persons who exercise significant influence, the parent Board or senior executives

The Group has an agreement with Voya Investment Management Co. LLC, an affiliate of Voya Financial, Inc., to provide investment management services with respect to certain investments. For the years ended 31 December 2024 and 2023, \$27.0m and \$26.9m of fees were expensed in relation to this agreement, respectively. As of 31 December 2024 and 31 December 2023, \$11.6m and \$9.1m was payable to Voya Investment Management Co. LLC in relation to this agreement, respectively.

The Group has an agreement with J.P. Morgan Investment Management Inc. (JPIM), an affiliate of JPMC Strategic Investments I Corp, to manage Available for Sale securities. For the years ended 31 December 2024 and 2023, \$5.8m and \$4.9m of fees were expensed in relation to this agreement, respectively. As of 31 December 2024, \$5.8m remains payable to JPIM in relation to the investment management services.

The Group has an agreement with Blackstone ISG-I Advisors LLC to serve as investment manager for a portion of its investment portfolios. For the years ended 31 December 2024 and 2023, \$70.1m and \$45.9m of fees were expensed in relation to this agreement. As of 31 December 2024 and 31 December 2023, \$35.6m and \$12.9m was payable to Blackstone ISG-I Advisors LLC in relation to this agreement, respectively.

As of 31 December 2024, the Group had outstanding loans to employees totalling \$4m. These loans are provided as part of the employee benefit programme and are subject to repayment on 31 March 2025 at an annual interest rate of 3.2%. Management has assessed these receivables for impairment and determined that no allowance for credit losses is necessary as of 31 December 2024.

As noted above, in December 2024 Resolution Life announced that Nippon Life had agreed to acquire 100% of Resolution Life. The transaction is subject to regulatory approvals and anticipated to be completed in the second half of 2025.

2.4 Fitness and propriety requirements

2.4.1 Fit and proper process in assessing the Group Board and senior executives

Subject to shareholder approval, RLGH appoints members of the Board based on the relevant individual’s expertise and experience, as well as the professional judgement of the Chairman of the Board and recommendations from third-party search firms experienced in recruiting board members. Before being appointed to the Board, all candidates must undergo a rigorous recruitment, interviewing and background screening process to ensure they meet the applicable standards under the BMA’s framework.

The Chairman of the Board is responsible for the selection of senior members of Resolution Life who are deemed fit and proper with the requisite knowledge and skills, given the nature, scale and complexity of the Group’s business. Certain senior executives are formally appointed by the Board.

2.4.2 Group Board and senior executive professional qualifications, skills and expertise

Group Board members	Professional qualifications, skills and experience
<p>Clive Cowdery Founder, Chairman and CEO</p>	<p>Clive is regarded as a leading life insurance executive and has significant experience in acquiring closed block life insurance businesses. He has held Board-level roles in all prior Resolution vehicles since 2003.</p> <p>Prior to 2003, Clive was Chairman and Chief Executive Officer of GE Insurance Holdings, GE’s primary insurance operations in Europe, with over \$3bn of premium income at that time. The businesses he led while at GE had operations in 12 countries. Before joining GE in 1998, he co-founded J Rothschild International/Scottish Amicable International, a cross-border insurance business based in Dublin. He started his career in insurance advising clients as a broker.</p> <p>He served as a Non-Executive Director of Resolution Limited, a UK-listed life insurance group which subsequently became the Friends Life Group PLC. It was listed on the London Stock Exchange and was a constituent of the FTSE 100 index. He stepped down from this position in 2013.</p> <p>Clive is Chairman and founder of the Resolution Foundation, a non-profit research organisation focused on the needs of low earners in industrialised countries.</p>

Governance structure

Group Board members	Professional qualifications, skills and experience	Group Board members	Professional qualifications, skills and experience
Weldon Wilson Vice Chair, Independent Non-Executive Director	<p>Weldon has served as the Vice Chair of the Board for RLGH since 2018. Previously, he served as Chief Executive Officer of LBL HoldCo, Inc. and its subsidiaries from 2013 through 2019.</p> <p>Previously, Weldon was a member of the Executive Board of Swiss Reinsurance Company, where he was responsible for acquisitions and operations of life insurance companies in the US and the UK. His other roles within Swiss Re included serving as CEO of Swiss Re's North American life reinsurance business, and General Counsel for Swiss Re's international life operations.</p> <p>Weldon serves on the Advisory Board for Vanderbilt Law School. Weldon is licensed as an attorney in the State of Texas.</p>	Steven Goulart Independent Non-Executive Director	<p>Steve is a seasoned financial services executive and board advisor experienced in investments and capital markets, business building and transformation, strategy, and sustainability. He was previously with MetLife for over 17 years where he served in a variety of roles including closing his tenure as the executive vice president and chief investment officer of MetLife, Inc., and president of MetLife Investment Management, MetLife's institutional investment management business. Prior to MetLife, Steve held senior roles in Bear Stearns's financial institutions group, Morgan Stanley's global insurance group, and Merrill Lynch.</p> <p>Steve received a Bachelor of Science degree in business administration from the University of the Pacific, where he received the Distinguished Alumni Award, was elected to the Pacific Athletic Hall of Fame and served as a member of the board of regents for nine years. He earned his MBA from Harvard Business School. He serves as a member of the board of trustees and as vice chairman of the Augustine Institute.</p>
Jason Carne Independent Non-Executive Director	<p>Jason has over 30 years' experience working in the Bermuda reinsurance market with Life & Annuity, traditional P&C and Insurance Linked Securities entities. Jason currently works as an independent non-executive director for several Bermuda-based reinsurers having previously acted as Partner, CFO and Head of Bermuda for an SEC registered Investment advisor focused primarily in the reinsurance sector. Prior to this Jason was a partner and then a managing director at KPMG in Bermuda where he worked for approximately 25 years across reinsurance market sectors.</p> <p>Jason graduated from Southampton University with a B.Sc. in Economics and Politics. He is a Fellow of the Institute of Chartered Accountants of England and Wales and a member of the Chartered Professional Accountants of Bermuda. Jason is also a Qualified Associate in Reinsurance.</p>	Tomohisa Kawasaki Director	<p>Kawasaki-san is the Senior General Manager of the Global Business Headquarters of Nippon Life Insurance Company. He previously served as Senior General Manager of the Global Business Planning Department. He also served as General Manager in the Global Business Risk and Control Department from 2020 to 2022 and General Manager of the International Accounting and Actuarial Standards Affairs Office, Governments Relation department from 2015 to 2020. He has been a Fellow of the Institute of Actuaries of Japan since 1990.</p>
Maria Morris Independent Non-Executive Director	<p>Maria joined the Resolution Life Board in 2019 and chairs its Compensation and Conflicts Committees. Maria is the retired Executive Vice President and Head of the Global Employee Benefits business of MetLife Inc, where she worked for 33 years. Maria had responsibility for the company's employee benefits business across 40 countries and global relationships with multinationals and financial institution distributors and was also the Interim Head of the US Business from 2016 to July 2017.</p> <p>Maria sits as an Independent Director and Nominating and Corporate Governance Committee Chair of S&P Global, Inc., is an Independent Director and Risk Committee Chair of Wells Fargo & Company, and is on the Board of Allstate. Maria also sits on the Board of Helen Keller International and is the Vice-Chair of the Board of Trustees for Catholic Charities Archdiocese New York.</p>	Shinichi Okamoto Director	<p>Okamoto-san is the Deputy Head of Global Business and Managing Executive Officer of Nippon Life Insurance Company. He previously served as the Regional CEO for the Americas of Nippon Life Insurance Company from 2022 to 2024 and the Executive Officer and General Manager at the Finance & Investment Planning Department of Nippon Life in Japan from 2020 to 2022.</p>
		Gilles Dellaert Director	<p>Gilles is the Global Head of Blackstone Credit and Insurance (BXC) based in New York. Prior to his current role, Gilles served as the Global Head of Blackstone Insurance Solutions where he was involved in the new partnerships with Corebridge, Everlake and Resolution Life. Before joining Blackstone in April 2020, Gilles served as Co-President and Chief Investment Officer of Global Atlantic Financial Group. He previously worked at Goldman Sachs in its Reinsurance Group which became Global Atlantic upon its separation in 2013. Prior to that he was with Goldman Sachs in its Credit Trading business and with JP Morgan.</p> <p>Gilles holds a bachelor's degree from Ghent University in Belgium.</p>

Governance structure

Group Board members	Professional qualifications, skills and experience
<p>Michael Hovey Director</p>	<p>Michael is a Senior Managing Director within Blackstone Credit & Insurance, where he leads Acquisitions & Partnerships in the insurance sector. Prior to joining Blackstone in early 2021, Michael worked in the investment banking industry for 23 years, the last 17 of which were at Morgan Stanley where he was a Managing Director and Head/Co-Head of Insurance Investment Banking for North America. Prior to joining Morgan Stanley in 2004, Michael was a Vice President in the Financial Institutions Group, Investment Banking at Lehman Brothers.</p> <p>Michael received a B.S. from the University of Colorado Boulder, where he graduated summa cum laude.</p>
<p>Ida Hoghooghi Director</p>	<p>Ida is Chief Operating Officer for Blackstone Credit and Insurance (BXCI) based in New York. Ida joined Blackstone in March 2022 after over 16 years at Goldman Sachs, where most recently she served as Chief of Staff to the Chairman and CEO and Secretary to the Management Committee. She also held leadership roles in investor relations, corporate communications and legal. Prior to joining Goldman Sachs, Ida was an associate at Sullivan & Cromwell LLP.</p> <p>Ida received a BA from Duke University and a JD from Harvard Law School. She currently serves on the Board of Directors of Sanctuary for Families.</p>

Steering Committee and Executive Leadership Team

As described above, the SteerCo is a forum for senior executives to meet, discuss, and develop advice to provide to members of the Group and their officers including in relation to governance, strategy, financial and business performance matters. The purpose of the SteerCo is to provide advice and recommendations to the RLGH Board and other members of the Group, and to contribute to information sharing throughout the Group, as well as advising on ways to help the Group to meet shareholder and regulatory expectations. The SteerCo usually meets weekly. The ELT, comprising 13 people, is a forum for senior executives to meet and discuss matters of material significance to the Group as a whole, and the ELT is responsible for successfully overseeing the delivery of the Group’s mission. The ELT seeks to form a common view of the matters within its remit for the benefit of the SteerCo and organs of governance in the Group. The ELT usually meets monthly, plus additional meetings as required.

Group Executive Committee members	Professional qualifications, skills and experience
<p>Clive Cowdery Founder, Chairman and CEO</p>	<p>See above</p>
<p>Warren Balakrishnan Chief Executive Officer, US</p>	<p>Warren is responsible for the growth of Resolution Life in the United States and management of Resolution Life’s insurance carriers in the region. Before his current role, Warren was Chief Strategy and Development Officer for North America. Prior to that Warren was Director of M&A for Resolution Life where he led the creation of Resolution Re, our global Reinsurance business in Bermuda, and Resolution Life Australasia through the acquisition of AMP Life in Australia. He joined Resolution in 2013 where he focused on the formation, capital raise and transactions of the prior US-based Resolution vehicle. Previously, Warren was an attorney in the Global Insurance and M&A practices for Debevoise & Plimpton LLP in New York and London.</p> <p>Warren is licensed as a solicitor in England and Wales and graduated with an honours degree in Law from St. John’s College, University of Oxford. He is a Member of the Chartered Insurance Institute.</p>

Simon Woods was previously CFO and a member of the ELT but left the Group in September 2024. In addition to becoming CFO, Jonathan Moss was also CEO, Resolution Re but handed this role over to Nick Bailey in March 2025. Conor Murphy was previously CEO, RLUS and a member of the ELT but left the Group in March 2025 and handed this role over to Warren Balakrishnan. Karl Happe was previously CIO and a member of the ELT but left the Group in September 2024 and handed this role over to Ruth Farrugia.

Governance structure

Group Executive Committee members	Professional qualifications, skills and experience	Group Executive Committee members	Professional qualifications, skills and experience
<p>Megan Beer Chief Operating Officer</p>	<p>Megan was appointed as Chief Operating Officer in 2023, is responsible for the operational leadership of the business, and leads the company's transformation agenda and prioritisation. She oversees human resources, risk, transformation and change, technology, data, operations, internal communications and internal audit. Megan was previously the CEO of the Australasian region, transferring to Resolution Life in 2020 with the acquisition of AMP Life, leading AMP Life through the separation from AMP and establishing Resolution Life Australasia.</p> <p>Megan has more than 30 years' experience in the financial services industry, spanning executive, strategy, operations, finance, actuarial and consulting roles at AMP, NAB/MLC, Tower (now TAL) and Tillinghast (Consulting Actuaries). Megan's prior roles have included CEO AMP Life, Group Executive Insurance and Strategy at AMP and General Manager Bancassurance & Direct and General Manager Group Insurance at NAB/MLC.</p> <p>Megan is a Fellow of the Institute of Actuaries of Australia, an Honorary Life Member and Fellow of the Australian and New Zealand Institute of Insurance and Finance, holds a Bachelor and Master of Economics from Macquarie University, a Master of Business Administration (Executive) from the Australian Graduate School of Management at the University of New South Wales, and is a Graduate and member of the Australian Institute of Company Directors.</p> <p>Megan was until recently a Director and is Immediate Past President of the Australian and New Zealand Institute of Insurance and Finance.</p>	<p>Ruth Farrugia Chief Investments Officer</p>	<p>Ruth joined Resolution Life as Chief Investments Officer in September 2024. Previously, Ruth worked at MetLife for 13 years where she held a variety of investment roles, most recently as Global Head of Insurance Asset Management. In this role, Ruth was responsible for the execution of investment strategies for the MetLife general account and development of strategic solutions for insurance company third-party clients. This included management of multi-strategy portfolios across public and private assets, market strategy as well as insurance advisory services. Prior to this, Ruth held a variety of roles within the investments division including Head of EMEA Portfolio Management and Head of Investments for Western and Central Europe.</p> <p>Before joining MetLife, Ruth spent ten years at Gordian Knot Limited, a London-based fixed income asset manager specialising in investment grade credit. At Gordian Knot Ruth held several roles from structured finance credit analyst to senior portfolio manager. Ruth holds an LL.D. (Doctor of Laws) from the University of Malta, a Master's in International Commercial and Shipping Law from the International Maritime Law Institute (United Nations) and a Master of Philosophy focused on Banking, Corporate Finance and Securities Law from the University of Oxford (Pembroke College).</p>
<p>Karl Chappell Managing Director, Solutions</p>	<p>Karl is Managing Director of the Solutions business at Resolution Life, leading the London, Bermuda and New York-based team responsible for M&A and reinsurance transaction structuring, pricing, and execution. The Solutions team aims to deliver competitive and market-relevant solutions, supporting the needs of our insurance company client base, and helping to deliver on the promises made to policyholders in North America, Europe and Asia.</p> <p>Karl was previously the Chief Investment Officer for various Resolution entities, initially joining the management team in the US in 2013 as Managing Director of its investment management business, before returning to London in 2017 to establish the investment management function as Resolution looked to expand internationally.</p> <p>Karl previously held the role of Head of Capital Management and ALM for Resolution in the UK, joining from UBS where he was a Director in the Insurance Solutions and Financing Group. Karl's career began at KPMG, followed by seven years with Oliver Wyman. Karl is a Fellow of the Institute of Actuaries.</p>	<p>Peter Grewal Chief Risk Officer</p>	<p>Peter joined Resolution Life in 2024 and leads the risk function. He previously held Group Chief Risk Officer roles for M&G plc and for QBE. Prior to that Peter was Head of Group Internal Audit and then Chief Risk Officer, Reinsurance for Swiss Re. Peter started his career at Deloitte and then moved to banking, including working for Deutsche Bank, JP Morgan and HSBC in internal audit roles. He has over 30 years' experience in financial services, focused on audit and risk management and has lived and worked in the UK, Switzerland, Bermuda and Australia.</p> <p>Peter is a Chartered Member of the Institute of Internal Auditors and has a BA in Business Studies.</p>
		<p>Jonathan Moss Chief Financial Officer</p>	<p>Jonathan has been with Resolution Life since 2017 and was appointed Chief Financial Officer in September 2024. Prior to this, he served as CEO of Resolution Re and before that he led the company's risk function as Chief Risk Officer. Before joining Resolution Life, Jonathan was deputy CEO and CFO of Aviva France, after serving as the general manager of the Heritage division of Friends Life. He was Group CEO of Phoenix Group after having roles as CEO of Pearl Group Limited and as CFO of Phoenix. Jonathan has held roles in AMP, as chief actuary, as well as serving as appointed actuary for a number of AMP's UK businesses.</p> <p>Jonathan has a Bachelor of Science and Master of Philosophy in Economics from the University of Wales. He is a Fellow of the Institute and Faculty of Actuaries.</p>

Governance structure

Group Executive Committee members	Professional qualifications, skills and experience	Group Executive Committee members	Professional qualifications, skills and experience
Takashi Nakayama Chief Corporate Planning Officer	Nakayama-san is the Chief Corporate Planning Officer, seconded from Nippon Life. Nakayama-san previously served as the President & Chief Executive Officer of Nippon Life Insurance Company of America from 2019 to 2023 and as the Managing Director and Chief Executive Officer of Nippon Life Global Investors Europe Plc from 2016 to 2019. Prior to that, he was the General Manager of the Corporate Finance Structuring Office at Nippon Life in Japan from 2014 to 2016.	Rushabh Ranavat CEO, Asia	Rushabh leads Resolution Life's business activities in Asia, with a focus on our growth in the region, strategic partnerships and capital raising. Rushabh was part of the team that launched Resolution Life in 2018, having joined the Resolution Group in 2014. He has previously held various roles across the Group in which he has been responsible for developing our strategy, capital raising and group corporate development. Before joining the Resolution Group, Rushabh was a consultant at McKinsey & Co where he worked across the financial services, healthcare and private equity practices. Rushabh is interested in the development opportunities available to young people, and holds or has held board positions across MyTutor.co.uk, the Department for Education's Comprehensive School Improvement Plan (CSIP) initiative, and Debate Mate.
Moses Ojeisekhoba President	Moses joined Resolution Life as President in October 2024. He is responsible for the leadership of the market-facing division driving strategy, growth, profitability and value creation. Moses is an accomplished insurance executive with over 30 years' experience in the sector. Prior to joining Resolution Life, Moses spent over 12 years in multiple senior executive positions at Swiss Re. He was most recently CEO Global Clients & Solutions where amongst other things, he was responsible for managing relationships with some of Swiss Re's key clients. Before this, he served as CEO Reinsurance and was instrumental in developing this division into its strong industry position today. Prior to this, he was CEO Reinsurance Asia and Regional President Asia and significantly grew its business in this region. Prior to his roles at Swiss Re, Moses held a number of senior leadership positions at Chubb Group and Unico American Corporation. Moses is a member of the Board of Directors of Jones Lang LaSalle Incorporated (JLL) and holds a master's degree in Management from the London Business School and a Bachelor of Science in Statistics from the University of Ibadan, Nigeria.	Claire Singleton General Counsel	Claire joined Resolution Life in 2022 as General Counsel. Claire leads a team of experts providing group-wide legal advice around financing, mergers and acquisitions, and regulatory and compliance issues, and also leads the company secretarial and compliance teams. She is also responsible for sustainability, strategic partnerships and investor relations. Prior to her role with Resolution Life, Claire worked in a variety of senior legal and CEO roles within the Legal & General Group, most notably as General Counsel for Retirement & Insurance and General Counsel for Group and Legal & General Capital. Claire has been CEO for Legal & General Home Finance (£5.6bn lifetime mortgage lender) and CEO of Legal & General's Mature Savings business, which included its £21bn With Profits fund, and provided pensions, savings and investment products to over one million customers. Claire has a Master of Arts in Law from the University of Cambridge. She started her legal career as a corporate M&A lawyer at US law firm Jones Day.
Cherie Pashley Executive Vice President, Finance	Cherie joined Resolution Life in 2022 as the Managing Director of Group Finance. Cherie is an experienced leader with a proven track record in various roles in the insurance sector. She has deep expertise in developing teams across multiple areas of finance, including M&A, capital management, treasury, tax and accounting, as well as delivery of global finance transformation programmes. Prior to joining Resolution Life, Cherie held senior leadership roles at Unum Group, including Chief Accounting Officer and Head of Treasury and SVP of Tax and Treasury. Before that, she was a Tax Director at PwC. Cherie is a qualified accountant (CPA) and graduated from Case Western Reserve University with a BSc in Accounting. She is passionate about mentoring women and working parents to help them reach their professional potential. She has previously sponsored a Working Parents' Network at Unum, sat on the Board of the American Heart Association and was a member of the World 50 Leader community.		

Governance structure

Group Executive Committee members	Professional qualifications, skills and experience
Tim Tez CEO, Resolution Life Australasia	<p>Tim has over 25 years of experience in the insurance industry with an extensive background across distribution, M&A, strategy, reinsurance, product, pricing, marketing, strategy and government relations. In his previous role at Avant Mutual as the CEO of Medical Indemnity, Tim led the largest medical indemnity insurer in Australia with 52% market share and delivered record growth and retention levels.</p> <p>During his time at AIA as the CEO of AIA Health Insurance he grew the fund 10 times in premium within two years and established AIA Health as top five for net growth. Prior to this he successfully led the A\$3.8bn acquisition and integration of the Commonwealth Bank's life insurance businesses in Australia and New Zealand.</p> <p>Tim also led the product, business development, pricing and marketing teams, as well as leading the global team to successfully launch the world's leading health & wellness programme Vitality in Australia, in his former role as Chief Marketing Officer at AIA.</p> <p>Tim is the former Director of the Financial Services Council Life Insurance sub-committee and in 2015 was voted in the top 25 Chief Marketing Officers in Australia by CMO magazine, with his contribution to the industry being recognised in 2016 by being voted "Asia's Best Marketer" by CMO Asia.</p>

2.5 Risk management and solvency self-assessment

2.5.1 Risk management process and procedures to identify, measure, manage and report on risk exposures

The Risk Management Framework (RMF) provides a holistic and consistent way in which to identify measure, manage, monitor and report on the risks faced by the Group, and covers all processes. The Group's RMF is underpinned by a strong risk culture and risk governance.

All business entities are required to adopt an equivalent and consistent framework allowing for materiality and proportionality, taking into account the nature, scale and complexity inherent in each regulated entity.

The main components of the Group's RMF are shown in the diagram, with a short overview of each provided in this report.

Risk governance

The Board has adopted this framework and a comprehensive set of risk management policies, which are reviewed and approved annually. Within these policies, the Board has established the risk appetite, which is a set of qualitative principles and quantitative limits that establish the Group's risk preferences, risk tolerances and risk limits.

The Board Risk Committee and the Management Risk and Compliance Committee assist the Board in overseeing the risks of the company. They do this primarily through the RMF. The goal is to promote a business model and risk management practices that will help the Group achieve targeted risk-adjusted returns. These two committees oversee management of enterprise risk, the allocation of risk capital, identification of major risks facing the company, monitoring of the company's risk profile in relation to its risk appetite, and oversight of the development of strategies to manage identified risks. The committees review risk management actions taken by the Group and reviews compliance with the risk management policies. In addition, the Board Investment Committee and Group Management Investment and Credit Committee assist the Board by providing oversight of investment risk management exposure policies and guidelines.

The Chief Risk Officer is responsible for overseeing that all risks to which Resolution Life is exposed are well understood and managed. The Chief Risk Officer reports regularly to the Board and Board Risk Committee on the risk profile of the Group relative to its risk appetite. The Group's risk and compliance policies set out the minimum standards required of all subsidiaries, and accompanying compliance attestations ensure adherence to Group standards amongst both executive officers (responsible for implementation) and all staff in general. Each policy is assigned to an executive policy owner who is responsible for ensuring the relevant policy is current or, where required, recommending changes.

Moreover, the executive policy owners are tasked with establishing guidelines that set out the specific procedures or methods by which the policy is to be complied with, and ensuring the Group has processes in place to implement the policies and guidelines.

Governance structure

Risk strategy and appetite

Resolution Life’s risk strategy and risk preferences are aligned with its business strategy. The risk strategy sets out Resolution Life’s risk philosophy, desired risk outcomes and risk preferences. It sets out qualitative statements and provides visibility on how risk management is incorporated consistently across all levels of the business. The risk strategy is reviewed and approved annually by the Board as part of the strategy review and strategic planning process.

The risk strategy and risk management processes support Resolution Life in making appropriate risk-based decisions. This ensures that, in its acquisitions and reinsurance deals, the Group only accepts risks that are aligned with its business strategy and will thereby deliver risk-adjusted returns for shareholders within the risk appetite set by the Board.

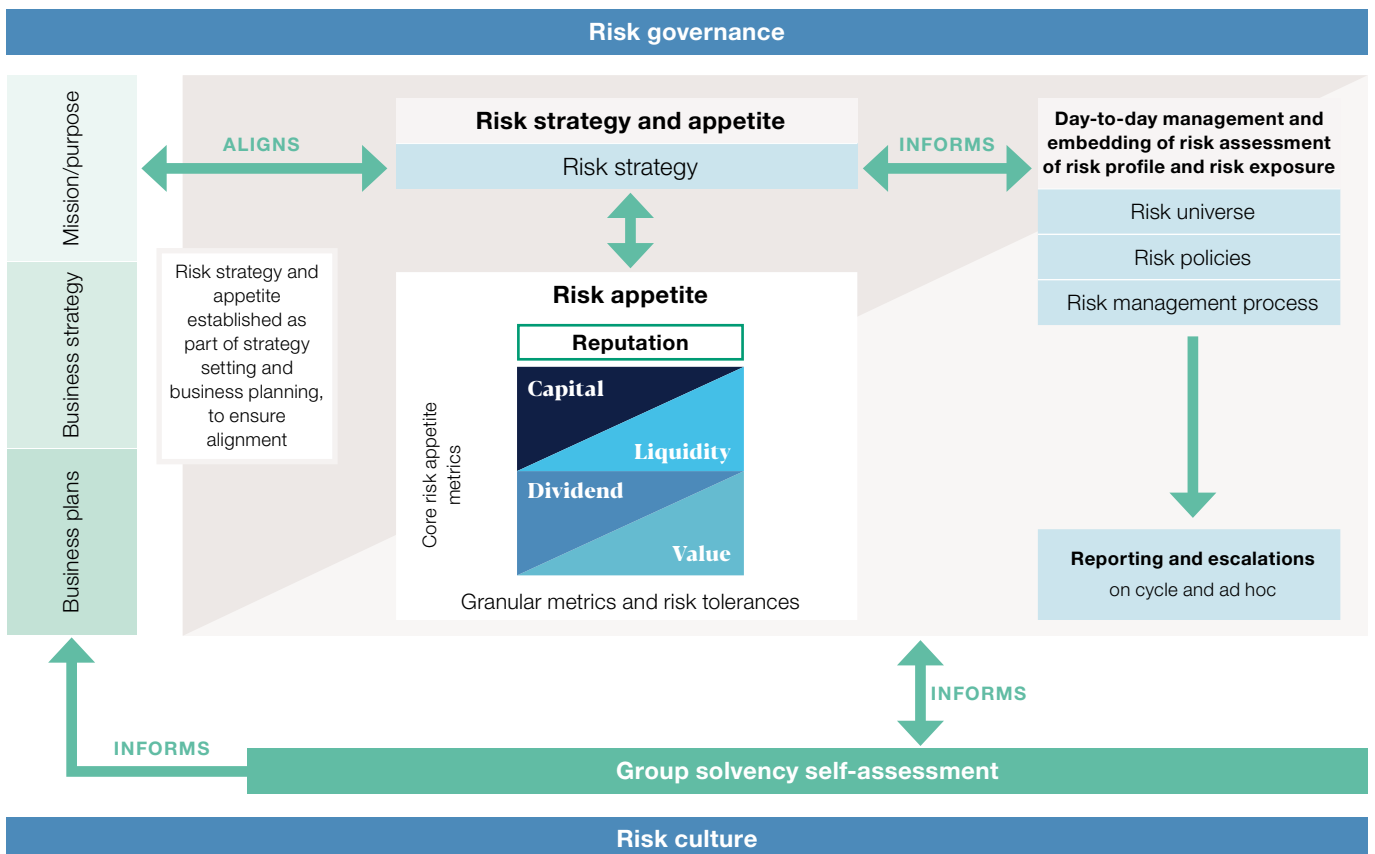
In delivering its business strategy Resolution Life has defined the following risk strategy principles:

- Resolution Life only takes on risks that it understands and can price appropriately, where it has particular expertise or can use business partners to access expertise – so that it provides superior risk-adjusted returns to shareholders. The Group aims to optimise risk-adjusted return at the aggregate level, recognising diversification and correlation effects, where material.
- Geographic focus: Resolution Life’s business strategy is focused on acquiring or reinsuring life insurance companies in mature markets, particularly Asia, Australasia, Europe, the UK and the US.
- In-force business focus: Resolution Life’s business strategy is primarily focused on acquiring or reinsuring closed blocks

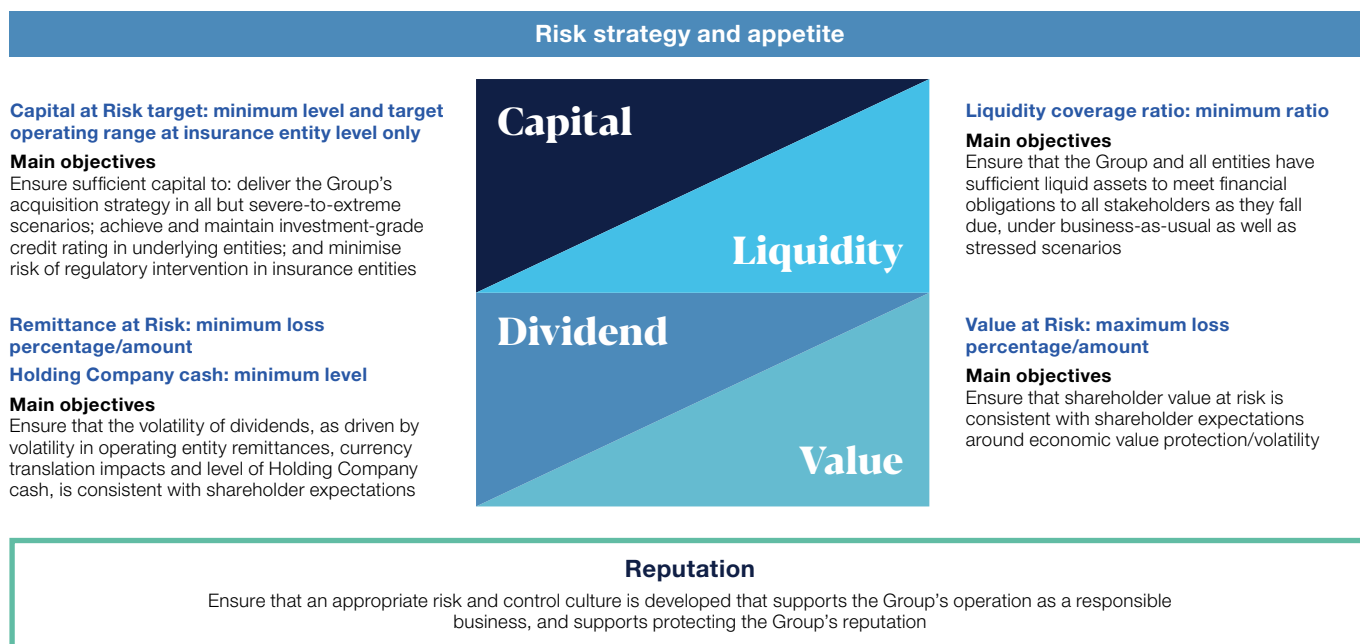
of business (closed books). In 2024 Resolution Life added flow reinsurance business to its capabilities in response to the needs of the primary life insurance industry in both Asia and the US.

- The risk strategy ensures that each business, once owned, is managed to optimise risk-adjusted returns within Group approved risk limits. Each business will deliver policyholder commitments in a secure and well capitalised environment. Businesses set solvency risk buffers and manage risks within tolerance to meet risk appetite and retain the freedom to pursue their strategy.
- Resolution Life considers the risk profile of each operating subsidiary (including that of insurance companies it may potentially acquire), taking into account its characteristics and for regulated businesses, the available regulatory and economic capital and any collateral requirements in the relevant insurance company.
- The derivation and allocation of risk limits will be made annually, and work will be undertaken within each business to demonstrate that it is operating within limits and that it is able to meet the core risk appetite metrics, given its actual risk profile.
- Operational risk should be minimised and/or mitigated, taking into account the cost versus benefit of doing so.

Risk preferences support Resolution Life in setting the overarching risk appetite by providing the context for the Group’s allocation of risk capital and the level of the risk budget and risk tolerance levels. Risk preferences are linked to the overarching risk strategy principles and describe the types of risks that Resolution Life prefers and those that it seeks to avoid or minimise. They also help the Group to articulate the level of risk exposure to target in respect of any risk.



Governance structure



Resolution Life's risk appetite has been set by reference to the Group's business and risk strategy, including its risk preferences and the need for risk appetite to balance the expectations of all Group stakeholders. It has been designed to capture the various risk and stakeholder lenses. These are set out in the diagram below, together with the main objective for each metric. The risk appetite supports strategic decisions and day-to-day risk management. It provides a mechanism for monitoring and managing risk in order to deliver Resolution Life's business strategy. As such, the risk appetite and supporting limits and targets are an important filter that is applied to the Group's acquisition strategy.

The Group's risk appetite, including risk limits and risk tolerance limits, may evolve over time and is reviewed and approved annually by the Board as part of strategic and business planning processes.

The impact of new transactions on Resolution Life's risk profile is evaluated against the risk appetite so that Resolution Life is not exposed to risks which are either undesirable or outside the risk appetite agreed with the Board. The Group actively manages risk in the acquired businesses within the same risk appetite to deliver the value anticipated at underwriting.

Risk management processes

The Group Risk Management Framework sets out the minimum requirements in respect of the key risk management processes. Resolution Life seeks to ensure this is fully and effectively embedded across the Group.

Risk identification

Resolution Life has processes to maintain a catalogue identifying all reasonably foreseeable and relevant risks facing the business. It also has processes in place to regularly evaluate the potential impact of all the identified risk types.

Risk measurement/assessment

Resolution Life has processes to evaluate and measure all identified risks, both qualitatively and, where appropriate quantitatively, regularly throughout the year. The measurement process includes an evaluation or comparison of the risk exposure to the stated risk appetite tolerances.

The risk wheel below sets out how Resolution Life measures and manages its material risks. Resolution Life measures and reports on risk exposures with relevant metrics, reported in a consistent format and on a regular basis. This provides a sound basis for monitoring the Group's risk profile in relation to its risk appetite. Trends as well as the absolute risk level are important indicators.

Stress and scenario testing is performed at least annually, and the impact on key metrics from new transactions is an integral part of the deal analysis process.

Risk management (evaluation and response)

Risk evaluation occurs through regular review of risk exposures in relation to the risk appetite, discussion by senior management, and consideration of the optimal risk return positioning. Risk exposures are considered on a gross basis, prior to risk mitigation, as well as net of risk mitigation. This is because risk mitigation often results in transformation of risk, in contrast to risk elimination. Where risk exposures are outside risk appetite, nearing appetite limits or deteriorating quickly, appropriate risk response and risk mitigation measures are approved and implemented.

Governance structure

The appropriate risk mitigation response is developed from discussion and consideration of alternative strategies, including consideration of cost versus reward. Common risk management strategies include:

- Hedging
- Asset-liability management actions
- Repositioning of the investment portfolio or changing allocation of new assets
- Allocation of additional risk capital
- Product management or re-pricing actions
- Business portfolio management through reinsurance, acquisition or divestitures
- Maintenance of a liquidity cushion.

Risk monitoring

Risk exposures are monitored on an ongoing basis. Where appropriate, control points are established for heightened monitoring, and limits are established that should not be breached. The risk management system includes early warnings or triggers that allow timely consideration of, and adequate response to, material risks. Key risk indicators are used to monitor risk on a day-to-day basis.

Resolution Life reports risks on an ongoing basis in line with risk appetite, Group standards and policies, so that risks can be identified and managed proactively and without undue delay. Risk monitoring and reporting is carried out by the responsible managers in the first line of defence, with appropriate oversight and assurance from the second and third lines of defence.

Risk reporting

The overall assessment of risks and the related action plans are reported to the Board Risk Committee (BRC), the Board and senior management, using qualitative and quantitative indicators. The documented risk escalation process ensures risk issues are reported within established reporting cycles, and for urgent risk issues to be reported as needed outside them.

To enable effective monitoring by the executive policy owners, Resolution Life maintains a comprehensive process for reporting on all material risks to the BRC, including a comparison of risk exposures to the risk limits, which include early-warning indicators, and reporting on breaches.

Each executive policy owner certifies annually to the RLGH Board or a delegated committee whether the Group is, in his or her opinion, in material compliance with the requirements of the policy within his or her area of responsibility.

Emerging risks

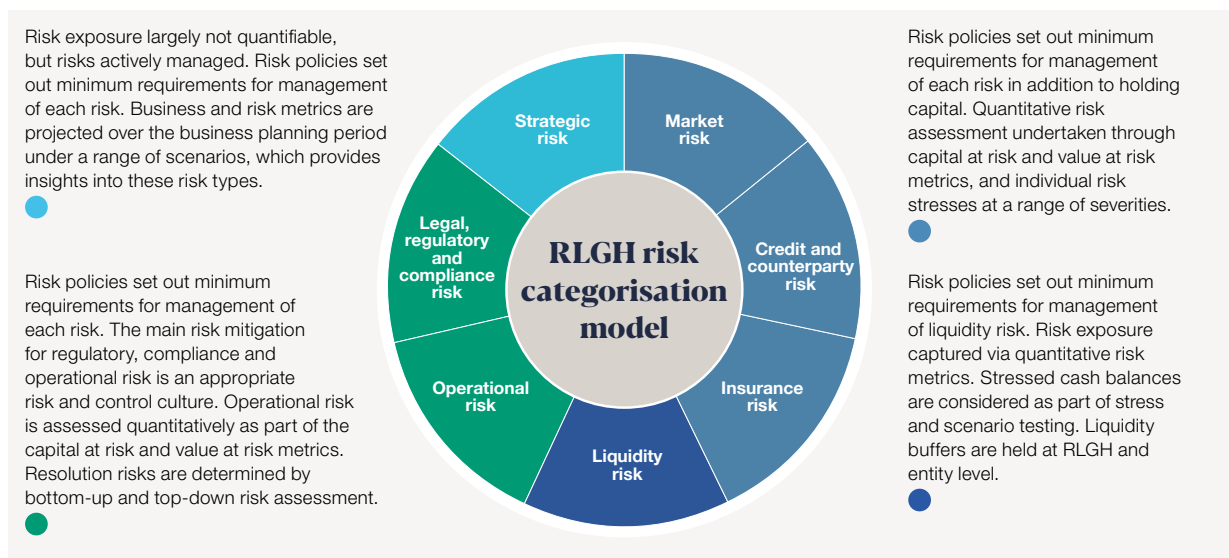
The Group regularly considers emerging risks by working closely with functions to identify horizon risks (regulatory change, new laws, factors affecting policyholder behaviour, etc.) which might impinge on Resolution Life over the planning period. A virtual 'emerging risk radar' is used to brainstorm and share a long list across businesses, from which topics are chosen for further assessment and a deep dive on a regular basis.

Risk culture

The Group promotes a strong risk and control culture, with good risk behaviours that include risk awareness and discipline, transparency and clear accountabilities.

A strong risk culture supports embedding an appropriate risk appetite, such that risk is given careful consideration in all decision-making processes. In addition, a strong risk culture encourages the challenging of all assumptions, calculations and results in a business process.

Risk categorisation at Resolution Life



Governance structure

2.5.2 How risk management and solvency self-assessment systems are implemented and integrated into the Group's operations

Risk strategy is implicit in the Group's business strategy and the Group solvency self-assessment (GSSA) brings this out more explicitly. The GSSA is an integral part of the Group's existing business management, risk management, business planning and decision-making processes. The GSSA includes all the ongoing processes for risk identification, risk assessment and measurement, risk management, risk monitoring and risk reporting that are in place across the Group. Transactions and material projects are evaluated using the risk and value metrics to ensure an efficient allocation of capital.

Capital and other risk exposure metrics, methodology and results are challenged and reviewed as part of the GSSA. This includes the regulatory capital, liquidity, earnings and cash flow profiles and value delivery over the business planning horizon. This allows the Group to view risk through different lenses and shows which risks impact our one-year view differently from multi-year creeping risks, and longer-term capitalised balance sheet risks.

Stress and scenario testing at Group and entity level is determined with reference to the Group's overall strategy, and the macro-economic environment that the Group operates in. The results relative to risk appetite are integral to decision making.

The Group's most material risks are reported as 'top risks' and each has an assigned executive owner. Risk mitigation and action plans are considered regularly at the BRC.

2.5.3 Relationship between the solvency self-assessment, solvency needs, and capital and risk management systems of the insurance group

The GSSA considers three elements that are aligned with its risk, capital and liquidity management frameworks. The three elements are:

- Ensuring that each insurance entity is sufficiently capitalised to meet its local and Group statutory solvency and liquidity requirements on an ongoing basis and under reasonably foreseeable but severe scenarios in line with the Group's appetite. The assessment is supported by annual entity-level stress testing, covering all core quantitative risk appetite metrics, as well as a Group-level solvency, liquidity and value at risk assessment. We also prepare a Reverse Stress Testing and Recovery Plan, which is refreshed at least annually.
- Ensuring appropriate capital fungibility to avoid trapped capital; and sufficient Group holding company liquidity to meet holding company expenses and debt servicing, and support the Group's dividend policy.
- Ensuring sufficient capital and funding to support the Group's growth agenda. This element is strategic in nature and does not pose a capital and liquidity risk that needs to be assessed through stress and scenario testing.

2.5.4 Group solvency self-assessment approval process

The GSSA is performed by the Group Risk function with contributions from other functions and the life entities. The Group operates a series of management oversight committees which together provide governance over all steps in the GSSA process. The Board is responsible for oversight of the GSSA procedures and their embedding throughout the organisation as well as governance of the GSSA report, which documents the outcome and results of the GSSA processes to support Board decision making. The GSSA is reviewed and approved by the Board at least annually, or earlier if there is a significant change in risk profile.

2.6 Internal controls

2.6.1 Internal control system

Resolution Life's internal control system is designed to provide reasonable assurance that its operations are effectively controlled, it is compliant with applicable laws and regulations, and its financial reporting is reliable. The Board is ultimately responsible for overseeing the adequacy and effectiveness of the risk management and internal control system. In practice, the oversight and management of the internal control system necessarily involves participation of the Board, the Audit Committee, the Board Risk Committee, senior management, finance, risk, compliance, legal, line managers, internal audit and various committees.

Primary responsibility for ensuring day-to-day oversight of the internal control system lies with senior management and key functions holders (e.g. risk, compliance). The Group promotes the importance of appropriate controls by:

- Ensuring that staff members are aware of their role in the internal control system (for example through communication and training)
- Ensuring a consistent and adequate implementation of the internal control system across Resolution Life (for example, through a partnership between the first and second line functions, the Risk and Control Self-Assessment process and life entities' attestations to Group policies)
- Continually reviewing the adequacy of the internal control system through various mechanisms (e.g. risk and control self-assessments, internal control over financial reporting assessments, controls testing)
- Establishing, monitoring and reporting mechanisms for decision-making processes.

Please see section 2.5 (Risk management and solvency self-assessment) for a description of the internal control system relating to the risk function.

Governance structure

2.6.2 Compliance function

The Board retains ultimate responsibility for compliance; however, the day-to-day responsibility for compliance lies with the Chief Compliance Officer.

The Chief Compliance Officer ensures:

- Effective relationships with key regulators and industry groups in order to anticipate and manage new regulatory, legislative and industry developments applicable to the Group
- Implementation of appropriate policies and procedures, and monitoring of existing policies and procedures. This is to ensure compliance with regulatory and legislative obligations (including delivering training to employees, at least once a year, to keep employees up to date on new or updated policies and guidelines)
- Providing compliance risk management expertise, to ensure business initiatives maintain compliance whilst achieving business objectives.

The Group's compliance framework ensures there is effective oversight of the activities of the Group, taking into consideration the nature, scale and complexity of its business. This includes:

- Compliance with all laws, standards and regulations that apply to our business, including the BMA Group Supervision Rules 2011 and related regulations
- Providing the insurance entities with clear guidance on the requirements and principles they should adopt in their own local Compliance Frameworks and policies
- Embedding compliance management into business processes and controls
- Exercising effective oversight of all functions
- Ensuring adequate resources to implement the Compliance Management Framework
- Striving to constantly find ways to improve our compliance procedures.

The Board Audit Committee and Board Risk Committee receive quarterly updates from the Group's legal and compliance functions in respect of monitoring the Group's compliance activities. Such reporting is designed to provide the committees with sufficient comfort that the Group has complied with all requisite regulatory and legal requirements; and, where necessary, to highlight any occasions on which the Group may have deviated (in a material and/or non-material manner) from such requirements.

2.7 Internal audit

The internal audit function provides independent, risk-based, objective assurance and advice to the Board and senior management, that management is doing the right thing, in the right way, to protect our customers, the company and stakeholders. Internal audit's mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight. The audit coverage is aligned to strategic business objectives. The internal audit function leverages common methodology, policies and procedures and is subject to quality assurance standards. The standards are amendable to address applicable local requirements.

Internal audit has free and unrestricted access to all records, data, information, physical properties, and personnel pertinent to conducting any engagement and has direct access to the Board through the Board's Audit Committee. To ensure internal audit remains independent, internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgement. Internal audit's responsibilities are outlined in the Internal Audit Charter, as approved by the Board Audit Committee.

The Chief Auditor has the responsibility to:

- At least annually, submit a risk-based plan to the Board and senior management for review, and approval by the Board
- Ensure Internal Audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards
- Assist the Audit Committee in fulfilling its oversight responsibilities as defined in the Audit Committee Charter
- Report the results of assurance and advisory services
- Report significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Board.

Governance structure

2.8 Actuarial function

The key roles and responsibilities of the actuarial function include:

- Overseeing the estimation of policyholder obligations, including assessing the adequacy of methodologies and assumptions for regulatory and financial reporting, including Economic Balance Sheet and US GAAP reporting on a Group consolidated basis
- Assisting in the completion of regulatory filings
- Assisting with the pricing and deal underwriting processes
- Contribution to the effective implementation of the Risk Management Framework.

The production of GAAP financials is supported by advice from suitably qualified professionals, both internal and external to the Group. Actuarial assumptions are set by local actuaries appointed under the terms of local regulations and approved by the local boards. Consistent assumptions will generally be used for both local and Group reporting, as adjusted for the requirements of the relevant reporting basis. Oversight of those assumptions at the Group level, and evaluation of appropriateness for use in determining the relevant portions of the Economic Balance Sheet and BSCR, is provided by the Group Valuation Actuary. The Approved Actuary is external to the Group, providing further independence and objectivity.

2.9 Outsourcing

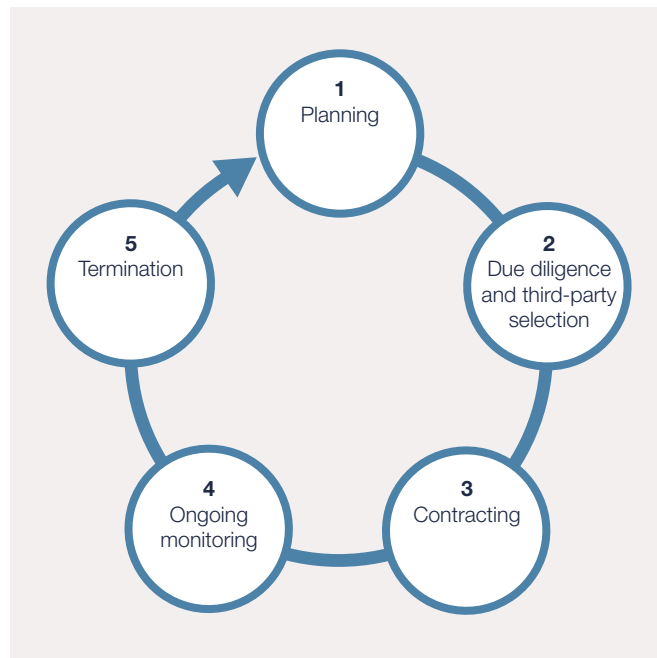
2.9.1 Key functions and outsourcing guidelines

Resolution Life has chosen to outsource some of its operational functions and activities in order to take advantage of economies of scale and external expertise. The Group maintains oversight of these outsourced functions and activities in line with its Outsourcing and Third-Party Risk Management policy (TPRM), which is owned by the Chief Operating Officer (COO). The following key functions and activities have been outsourced or partially outsourced (either not across all the Company, or only partially at local level):

- Investment management
- IT infrastructure
- Operations

Resolution Life has adopted a global Outsourcing and Third-Party Risk Management policy, which establishes a consistent and prudent risk management framework in relation to the management of outsourcing arrangements and ensuring compliance with relevant regulatory requirements. The policy covers the entire outsourcing lifecycle including assessments and due diligence both internally with the business owners and external vendor assessments which enables us to identify vendor tiering to understand the level of risk exposure to the company. The TRPM process is under continuous improvement.

Third-party lifecycle



2.9.2 Material intra-group outsourcing

There are intercompany service agreements in place between Resolution Life Group companies that enable the insurance entities to access services provided by functional areas across other parts of the Group. The service agreements are in line with the Group’s Outsourcing and Third-Party Risk Management policy, hence ensuring that there is oversight and clear accountability for services provided in line with the wider risk management frameworks at both local and Group levels. The agreements are regularly reviewed.

The service agreements mainly pertain to support with activities such as:

- Assisting with R&D and market awareness in key markets
- Providing due diligence support and advice on new reinsurance transactions
- Collecting and analysing information on the performance of portfolio investments
- Assisting in connection with other research, operational and administrative matters relating to life entities
- Advising on M&A and related activities
- Providing other strategic advice.

2.10 Any other material information

There is no other material information to report.

Risk profile

3

The Group has a diversified risk profile, with increasing geographic diversification and a good split between insurance and market risk. Within each category of insurance and market risk there is a balanced mix of the different types of risks.

While our overall risk exposure and its geographical spread has increased, the capital resources held against it have also grown, such that we remain within our risk preferences and appetite. In general, we have increased our exposure to the broad risk types that already existed within our portfolio, achieving a better balance across them, rather than exposing the Group to new risks.

All our insurance entities maintained surplus capital consistently within the conservative ranges we set to make sure we stay well capitalised throughout the economic cycle. We generated profits that were used to fund new transactions and support dividend payments.

3.1 Principal risk types

The Chief Risk Officer works with each function to ensure that we properly identify, assess and manage all material risks. The Chief Risk Officer updates the risk profile and submits it to the Board's Risk Committee and the Board regularly, as part of the risk report.

Resolution Life is exposed to three main types of risks:

- Risks that are actively taken as part of insurance or asset management operations which are quantifiable and where capital is held to back the risk exposure. These largely include insurance, market (including investment credit) and counterparty risk. While the Group holds capital for operational risk, the key mitigation is strong processes and controls.
- Risks that we don't explicitly hold capital for but that we monitor and control, given their significance. These largely include liquidity (although the Group holds liquidity cash buffers and has access to revolving credit facilities to ensure that liquidity risk is appropriately managed and mitigated), regulatory and compliance, M&A and transaction, refinancing, strategic and sustainability risk.
- Reputational risk which is not considered a separate risk category but rather represents a possible consequence of any risk type, aside from the potential financial and compliance impact.

Risk profile

3.2 Risk mitigation

Insurance and asset management risks

Our risk appetite allocation specifically identifies insurance risk, financial market risk and counterparty and investment credit risks as measurable and quantifiable. These risks are defined as follows:

Risk type	Risk preference	Key mitigation
<p>Insurance risk arises from coverage provided for mortality (death), longevity (annuity) and morbidity (illness and disability) in acquired closed books of business. In addition to potential shock events (such as a severe pandemic), it includes underlying risks inherent in life and health contracts that arise because mortality, morbidity or lapse experience deviate from expectations.</p>	<p>We accept insurance risks as these are risks that are inherent in building an insurance book. We set target risk preferences measured as prospective value at risk according to our skills in underwriting and pricing.</p> <p>Limits have been set that reflect the Company's preferences for not having significant risk concentrations. As such, the Company does not have an appetite to be disproportionately exposed to any individual insurance risk type.</p>	<ul style="list-style-type: none"> • Underwriting books of life insurance businesses prior to acquisition. • Recruitment and investment in the skills and modelling capabilities which understand insurance risk. • The Company does not have any concentration of demographic risk across its businesses, given geographic diversification and expected diversification between mortality and longevity risks. • Regular risk exposure monitoring, reporting and escalation processes are in place, allowing for potential remediation actions to be undertaken if required. • Strong claims management and reinsurance are a standard element of our risk framework. • At Group level, as we continue to grow, we expect diversification between different types and geographic locations of insurance risk to increase.
<p>Financial market risk represents the potential impact on assets or liabilities that may arise from movements in financial market prices or rates, such as equity prices, credit spreads, hedge fund prices, real estate prices, commodity prices or foreign exchange rates. Financial market risk originates from two main sources: investment activities, and the sensitivity of the economic value of liabilities to financial market fluctuations.</p>	<p>We actively seek some market risks as part of insurance and asset management operations. We set target risk preferences measured as prospective value at risk.</p>	<ul style="list-style-type: none"> • Risk appetites set to limit exposures to key market risks. • Active asset management and use of derivatives to hedge portfolios against adverse market movements (for example, protective puts) or to reduce the reinvestment risk (for example, by using forwards, swaps, forward starting swaps or swaptions). • Active asset and liability duration matching.
<p>Financial market risk – interest rate levels and volatility: The long-dated liabilities in the portfolios contribute to interest rate risk, in particular when they cannot be fully matched by available investments due to long maturities. However, we cannot eliminate the risk entirely and the Group's profitability may be adversely affected by interest rate levels and volatility. The Group may be required to reinvest assets in securities bearing lower interest rates, which in turn could compress its interest margins and decrease profitability.</p> <p>Conversely, the Group may be required to liquidate fixed income investments at a time when market prices for those assets are depressed because of increases in interest rates.</p>	<p>We have a low appetite for interest rate risk.</p>	<ul style="list-style-type: none"> • Imposition of constraints on the amount of investment risk that can be taken. Those constraints operate at different levels, and will have been developed on a bottom-up basis, but are also tested top down to make sure implications at an entity level are well understood. • Each insurance subsidiary will operate within defined investment guidelines which reflect the particular circumstances of the business it has written historically, or which has been added by way of transactions. For example, for Resolution Re, it will have agreed investment guidelines for the collateral accounts with each of the counterparties under their respective re-insurance agreements. Each collateral account will then be monitored to ensure compliance with the investment guidelines. • The Group has set a 'capital at risk' appetite for each entity to ensure that there is sufficient capital to deliver an appropriate buffer over regulatory solvency requirements when considered in isolation.

Risk profile

Operational risks

Risk type	Risk preference	Key mitigation
<p>Operational risk arises from unintended effects, either financial or non-financial such as additional regulatory oversight, resulting from inadequate or failed internal processes, people and systems or from external events. This includes legal risk.</p>	<p>We have limited appetite for operational risk and will seek to ensure that such risk is controlled through the application of the three lines of defence (first line, risk and compliance, internal audit). Within the first line it is expected that each function will operate a risk and control self-assessment process through which it will ensure that the residual risk is reduced to acceptable levels – i.e., balancing the cost of implementing further controls against the benefit and risk reductions achieved.</p>	<ul style="list-style-type: none"> • Maintenance of a strong control environment to limit these risks as far as possible. • Where we outsource some of our operations, we undertake thorough due diligence in advance of appointment and then have a strong oversight programme. • Preparation for potential operational risk events is regularly carried out through both tabletop and drill exercises.

Other significant risks

Risk type	Risk preference	Key mitigation
<p>Investment credit risk arises from investment and treasury activities, structured transactions and reinsurance.</p>	<p>We seek investment credit risk as it is a natural part of building up an asset portfolio to support life insurance liabilities. Our investment managers actively leverage the structural investment advantages credit portfolios confer against long-dated, relatively illiquid liabilities, enabling us to earn investment returns. We set target risk preferences measured as prospective value at risk.</p>	<ul style="list-style-type: none"> • Fixed-income portfolios should be diversified across different issuers, asset types, industries, maturities, credit ratings and geographies. • Maximum limits will be set around the level of permitted concentration to single entities, individual asset classes, individual industries and credit ratings, to ensure a well-balanced and diversified portfolio. • Working closely with outsourced investment management partners to make investments in order to generate an adequate risk-adjusted return. • Credit risk hedging. • Credit risk management to monitor and assess credit risk.
<p>Counterparty risk reflects the potential financial loss that may arise due to the diminished creditworthiness or default of counterparties of Resolution Life or of third parties.</p>	<p>We work with strongly rated and stable counterparties, and diversify counterparty exposures where appropriate.</p>	<ul style="list-style-type: none"> • Concentration risk exposure to counterparties through investment assets is limited through the investment guidelines. • Reinsurance counterparty exposure is limited under the counterparty risk exposure policies of each of the businesses. • Derivative counterparty risk exposures are limited by the operation of central clearing and daily settlement.
<p>Liquidity risk represents the possibility that, despite holding liquidity capital buffers throughout the Group, Resolution Life would be unable to meet expected and unexpected cash flow and collateral needs without affecting either daily operations or our financial condition.</p>	<p>We have a very low appetite for insufficient liquidity to meet our obligations to customers, suppliers and other stakeholders.</p>	<ul style="list-style-type: none"> • Liquidity capital buffers are held throughout the Group. Each legal entity of the Group manages liquidity risk locally and Group head office manages the overall holding company liquidity risk. • The minimum requirements for managing and mitigating liquidity risk take into account the following: <ul style="list-style-type: none"> – Maintenance of minimum liquidity coverage ratios and minimum levels of liquid assets to deliver financial obligations to all stakeholders even under stress scenarios – Compliance with regulatory requirements – Rating agency requirements – Short-term and longer-term liquidity needs of the business. • Maintaining committed borrowing facilities from banks. • Commercial paper issuance. • Conservative management in aligning asset and liability cash flows.

Risk profile

Risk type	Risk preference	Key mitigation
<p>Regulatory and compliance risk arises from non-compliance with existing laws, regulatory and legal requirements or lack of preparation on future changes to laws (including tax) and regulations in the jurisdictions in which we operate.</p>	<p>We are committed to complying with all laws, standards and regulations that apply to our business, including the BMA Group Supervision Rules 2011 and related regulations. We aim to follow best practices in areas of accountability, transparency and business ethics. Good environmental, social and governance (ESG) considerations form an integral part of market standards. At the core of these efforts are integrity issues and the reputation risk the Group faces in its activities.</p> <p>We have no appetite for deliberate non-compliance with existing and upcoming laws, standards and regulations that apply to its businesses. We acknowledge that in rare circumstances unintended non-compliance may arise. Any breaches should be escalated quickly, and appropriate remedial or disciplinary action should be taken according to the relevant procedures if breaches are identified. In addition, root cause analysis will be performed to identify any process or control enhancements that may be required.</p>	<ul style="list-style-type: none"> • Open, transparent and regular dialogue with regulators and advisors together with investors in order to ensure compliance with regulatory and legal requirements and expectations. • Participation in regulatory and industry working groups. • Compliance with all laws, standards and regulations that apply to our business, including the BMA Group Supervision Rules 2011 and related regulations. • Providing the businesses with clear guidance on the requirements and principles they should adopt in their own local compliance frameworks and policies. • Embedding compliance management into business processes and controls. • Exercising effective oversight of all Group functions.
<p>M&A risk: Given the nature of our business model, acquisitions and transactions are effectively the Group’s new business. We are exposed to M&A and transaction risk which includes uncertainty or loss arising from not fully understanding or appreciating the size, scope and complexities of businesses that we acquire. The risk relates to transactions and is short term in nature. After acquisition, the risk migrates to strategic and/or operational execution risk.</p>	<p>We have very low appetite for material reputational and financial risk arising from M&A activity. As such, we apply strong controls and governance.</p>	<ul style="list-style-type: none"> • Risk oversight of this activity is supported by a centre of excellence comprising highly skilled staff and leading advisory teams.
<p>Strategic risk represents the possibility that poor strategic decision making, execution or response to industry changes or competitor actions could harm our competitive position and thus our franchise value.</p>		<ul style="list-style-type: none"> • Robust annual strategic planning process. • Strong governance and gatekeeping surrounding key business decisions and investments. • Group-wide enterprise risk management processes considering strategic and emerging risks on a regular basis.
<p>Sustainability risk comprises the environmental, social and ethical risks that may arise from individual business transactions or the way we conduct our operations.</p>		<ul style="list-style-type: none"> • We have a clear sustainability governance structure and a robust risk management framework in place. This includes a Sustainability Policy and Responsible Investment Policy, and ESG considerations integrated into the M&A checklist and when onboarding new suppliers or renewing existing contracts. • We are signatories to the United Nations-supported Principles for Responsible Investment and engage frequently with our asset managers, including conducting an annual formal review to understand how they consider sustainability and manage risks in their investment process. • We conduct horizon scanning and produced our first report aligned with recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), undertaking climate scenario analysis.
<p>Refinancing risk represents the risk that we are not able to refinance the full quantum of the ongoing debt funding amount we utilise on appropriate terms and pricing.</p>		<ul style="list-style-type: none"> • Resolution Life ensures debt maturity dates are dispersed and maintains strong relationships with banking partners. • Resolution Life continually explores all funding opportunities, not restricted to debt capital markets.

Risk profile

3.3 Material risk concentrations

Resolution Life has policies governing risk concentrations in relation to counterparties, credit quality and asset classes. Adherence to these policies is monitored by the Board Risk Committee and the Board. The Group is compliant with these policies and has not determined any material risk concentrations.

3.4 Investment in assets in accordance with the prudent person principle

The prudent person principle as outlined in the BMA's Insurance Code of Conduct, provides that a Bermuda-registered insurer, in determining the appropriate investment strategy and policy, may only assume investment risks that it can properly identify, measure, respond to, monitor, control and report, while taking into consideration its capital requirements and adequacy, short-term and long-term liquidity requirements, and policyholder obligations.

One of Resolution Life's fundamental investment principles is to invest in diversified, high quality, fixed income assets and value-enhancing assets that reflect the nature, duration of our liabilities in line with capital and risk targets. This process incorporates our commitment to environmental and social responsibility to ensure policyholder commitments are met while contributing to the overall growth and profitability of the Group. These principles are captured in our Asset Liability Management policy, Derivative Use policy SAA policy, Credit policy and Group's Responsible Investment policy which have been adopted by the Board. The Chief Financial Officer, Chief Investment Officer and Head of Investment Risk, as policy owners, report to the Board on the Group's compliance with these policies on an annual basis.

The risk appetite framework establishes allowable asset risk, exposures and limits for investment-related asset classes. These are approved annually by the BRC and provide the ultimate portfolio constraints on the Group's assets.

To implement its investment strategy, Resolution Life employs the services and expertise of external investment management strategic partners who are bound by comprehensive investment management agreements and investment guidelines for asset classes and limits. Compliance with these guidelines is reported on at least a quarterly basis by the investment managers.

3.5 Stress testing and sensitivity analysis to assess material risks

Resolution Life produces a business plan annually which will typically be of at least five years' duration. As part of the risk management process, the risk team will identify and consider the material risks associated with the strategic objectives and business plan.

Having identified these risks, the insurance entities undertake stress and scenario planning at least annually. This supports the Group's objective of demonstrating that they are operating in accordance with the agreed risk metrics and helps determine the risk budgets and risk limits which will be applied to each insurance entity from that moment on.

Resolution Life's risk appetite is approved annually by the Board. The risk appetite specifies the maximum allowable economic loss for each risk type individually and for various combinations of risk types, assuming a series of pre-defined loss scenarios with pre-defined severity levels. The risk appetite and tolerance limits allow for correlation and diversification effects.

The Group stress-testing policy describes the stress scenarios that require stress testing to be performed. The stress scenarios are designed to assess the most material risks faced by the Group and ensure that it remains within its overall risk capacity as set by the Board. Risk capacity is measured by evaluating the impact of predefined stresses on the Group's capital, liquidity and dividend capacity positions.

It is expected that in the normal course of business, risk stresses will be applied to each of the components of the risk taxonomy for which capital is held.

When updating and changing the business plan annually, insurance entities consider any anticipated change in their risk profile. They may also need to include scenario analysis over the duration of the business plan in order to consider the prospective impact of such changes. These scenarios may either be set in the Group instructions (e.g. as a result of identifying a likely global macroeconomic risk, such as inflation), or may simply be required locally for the local board or regulators.

Risk limits and stress testing are considered at three severity levels:

- a) **Adverse stress scenario** – This scenario measures the impact of an 'average recession/stress' period on all risk measures. This may be thought of as a 1 in 10 scenario. For economic risks, the scenario is calibrated to the average recession/stress period. For mortality and other non-market risks, the shock is also calibrated to the 1 in 10 level, although the calibration is more approximate. The scenario is assumed to occur over a 12-month period.
- b) **Severe stress scenario** – This scenario measures the impact of a more severe recession/stress period on all risk measures. This may be thought of as a 1 in 40 scenario (similar to the 2008-2009 period). For mortality and other non-market risks, the shock is also calibrated to the 1 in 40 level, although the calibration is more approximate. The scenario is assumed to occur over a 12-month period.
- c) **Extreme stress scenario** – This scenario is meant to measure the impact of a scenario 'as bad or worse' than we've ever experienced, on the capital measure only. This may be thought of as a 1 in 200 scenario for both economic and non-market risks. The scenario is assumed to occur over a 12-month period.

In connection with supporting the Group's strategy, Resolution Life has put in place certain debt financing arrangements which require Resolution Life to satisfy certain debt covenants on an ongoing basis.

Similarly, albeit even more remote, there are recapture triggers which may potentially be invoked in the event of covenant breaches which are enshrined in agreements under which we have accepted reinsurance liabilities. This counterparty protection is generally well out of the money and below the risk limits that we have set for our 1 in 40 stresses. Nonetheless, the level of such covenants and the financial consequences of a breach are well understood and monitored on an ongoing basis.

3.6 Any other information

There is no other material information to report.

Solvency valuation

4

4.1 Valuation bases, assumptions and methods to derive the value of each asset class

The economic valuation principles outlined in this document are to measure assets and liabilities on a fair value basis. Fair value is the price the Group would receive when selling an asset or paying to transfer a liability in an orderly transaction between market participants as at the measurement date. The hierarchy for inputs used in determining fair value maximises the use of observable inputs and minimises the use of unobservable inputs, by requiring that observable inputs be used when available.

The Group uses the following valuation methods and assumptions to determine fair value for assets held directly and assets supporting funds withheld at interest.

4.1.1 Publicly traded securities

The fair values of publicly traded securities are based on prices obtained from the Group's investment managers, which have been validated against independent pricing services. The investment managers obtain market quotations for identical securities in an active market, or similar securities in an active market, or identical securities in an inactive market. In certain instances, the investment managers will apply their own proprietary internal model which is based on observable market inputs for determining the fair value of securities that are not actively traded.

The investment managers maintain a price source hierarchy which prioritises market prices obtained in active and reliable primary markets. To validate the prices supplied by the investment managers, the Group's review process includes a comparison of prices obtained from independent pricing sources for the same investments. Where the price comparison exceeds the Group's pricing tolerance limits, the Group will obtain additional price quotes to determine which price is an outlier and select the price that most accurately reflects market values. Where the pricing comparison exceeds the tolerances and there is no further tertiary source available, the more conservative price is selected.

The Group's management reviews and approves the pricing comparison each quarter.

Solvency valuation

4.1.2 Non-publicly traded securities

The fair value of non-publicly traded securities, which include commercial mortgage loans, private placements and alternative investments, are determined using generally accepted valuation methodologies and inputs, and assumptions appropriate to each security. For example, the valuation of commercial mortgage loans is based on a discounted cash flow valuation approach, where the cash flows used in the calculation consider the regular interest, amortisation and prepayment provisions of the loan.

4.1.3 Investment funds

Certain of the Group's investment funds are priced based on market-accepted valuation models and use significant unobservable inputs, which include material non-public financial information, estimated future cash flows and demographic assumptions.

4.1.4 Cash and cash equivalents

This category includes cash on hand, amounts due from banks, and certain money market securities, held in the ordinary course of business with maturities of three months or less when purchased. The carrying amount of cash equals fair value. The fair value of cash equivalents is based on quoted market prices.

4.1.5 Derivative instruments

The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted market prices (current bid or offer price). The fair value of financial instruments not traded in an active market (e.g. over-the-counter derivatives) is determined using valuation techniques. Valuation techniques include net present value techniques, option pricing models, discounted cash flow methods, and comparison to quoted market prices or dealer quotes for similar instruments. The models use a number of inputs, including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying instruments. Some derivative contracts are significantly cash collateralised, thereby minimising both counterparty risk and the Group's own non-performance risk.

4.1.6 Segregated assets

The assets held in separate accounts are reported at the fair values of the underlying investments in the segregated accounts. The underlying investments include investment funds, short-term investments, equities, cash, fixed maturities and derivatives.

4.2 Valuation of Technical Provisions

Technical Provisions represent the value of in-force liabilities as at 31 December 2024, which are calculated in line with the Economic Balance Sheet valuation principles as set out in Schedule XXV of the Group Solvency Rules. The Technical Provisions are the sum of a Best Estimate Liability (BEL) and a Risk Margin (RM). The BEL is intended to represent an average expectation of insurance cash flows, both inflows and outflows, while the RM reflects an allowance for the risk of uncertainty inherent in the best estimate cash flows and is intended to reflect the compensation that an insurer requires to bear this risk.

As at 31 December 2024 and 2023, the Technical Provisions are as follows, which for presentational purposes also include policyholder balances and other similar segregated account balances:

\$m	2024	2023
Gross of Reinsurance BEL	60,608	63,341
Reinsurance Recoverable	(2,197)	(2,543)
Net of Reinsurance BEL	58,411	60,798
Risk Margin	790	757
Total	59,201	61,555

The BEL is computed according to the Group Solvency Rules, inclusive of recent updates introduced in 2024. Under the Group Solvency Rules, there are different methods that can be employed, the Scenario Based Approach (SBA), and the Standard Scenario. The BEL is computed on both a gross and net of reinsurance basis. Note that valuation of reinsurance receivables is covered in [section 4.3](#).

Regardless of the method employed, the same types of cash flows are used in determining the BEL:

- Future policyholder premiums
- Benefit payments to cedants, policyholders, and beneficiaries, including an allowance for any discretionary benefits
- Various expenses (administrative, claims management, acquisition, investment, overhead).

RLUS and Res Re primarily used the BMA's Scenario Based Approach, using best estimate cash flows over the lifetime of each contract and the projected performance of the respective assets and liabilities under eight interest rate stress scenarios. Under this approach, the BEL for each scenario is defined as the market value of assets required to fully and exactly defease expected liabilities. The SBA is most appropriate for blocks of business with a well-defined asset/liability management programme, allowing for use of the asset portfolios backing the liabilities to be projected in accordance with local investment practices. The discount rates are defined based upon both the existing asset pools as well as reinvested assets throughout the projection. The reported BEL is set as the largest of the BELs determined for each scenario. Aggregation for each operating entity incorporates fungibility restrictions across businesses within each operating entity. RLA employs the 'standard scenario' approach, which represents a liability-only model utilising discount rates supplied by the BMA.

Solvency valuation

The risk margin is calculated using the cost of capital approach and a risk-free discount rate term structure.

The BEL and RM for the Group are the sums of the BEL and RM from the individual operating entities.

4.3 Recoverables from reinsurance contracts valuation bases

Reinsurance recoverables are calculated using the same principles as those used to calculate the gross reserves. The cash flows underlying the recoverable are based on unbiased prevailing assumptions and take into account future cash flows needed to settle future insurance obligations. In addition, per the BMA guidance, an explicit addition to BEL is required to reflect the probability of reinsurer default and the associated loss given such default.

4.4 Valuation bases, assumptions and methods of other liabilities

All the following are held using US GAAP principles:

- Financial liabilities (collateral held, deposits, repurchase agreements and borrowings).
- Insurance and reinsurance payables. These payables relate to claims arising out of insurance and reinsurance operations and other operational payables.
- Other accounts such as accounts payable, accruals, tax payable, deferred tax assets/liabilities.

Deferred tax assets/liabilities use US GAAP principles, adjusted for BEL differences and assumption differences to arrive at the deferred tax assets/liabilities for EBS reporting.

Bermuda enacted a Corporate Income Tax (CIT) Act on 27 December 2023. The enacted law introduces a 15% corporate income tax on Bermuda businesses that are part of multinational enterprise groups with annual revenue of €750 million or more. The effective date for the CIT is 1 January 2025, and it is expected to apply to Resolution Life's Bermudian entities. Accounting standards require the effects of changes in tax laws or rates to be recognised for deferred tax purposes from the period in which the law is enacted, regardless of the effective date of the tax. As such, this has been reflected in the Group's financial statements. The BMA has, however, given firms the option not to reflect the impact of the CIT in the Bermudian statutory statement or Economic Balance sheet at year-end 2024, and Resolution Life has adopted this approach.

4.5 Other information to report

There is no other material information to report.

Capital management

5

5.1 Eligible capital

5.1.1 Capital management policy

Resolution Life's primary capital management objectives are to prudently manage its capital resources in order to meet regulatory capital requirements, ensure payment of policyholder and other obligations in defined stress scenarios, and generally to maintain the confidence of stakeholders.

The BMA has established rules for the Minimum Solvency Margin (MSM) as well as for the Enhanced Capital Requirements (ECR) via the promulgation of its Insurance Prudential Standards.

The Group recognises that, in order to maintain the confidence of stakeholders and to effectively pursue its business strategy, it will need to maintain capital in excess of the minimum regulatory capital requirements.

The Group needs to maintain minimum operating capital at a level of more than 120% of the ECR at all times. The Group aims, however, to maintain operating capital at levels significantly higher than the 120% threshold, which ensures a high likelihood that this minimum will continue to be met even after stress events as set out within the Group risk appetite and stress-testing policies.

The Board-approved target operating capital ranges allow the Group to operate within a range which it believes would be considered reasonable for a regulated life insurance group.

The Group recognises that capital provides a buffer that is expected to absorb variations in experience. Actual capital ratios may fall below the target level during and following periods of stress, and target capital levels are set accordingly. For business planning purposes, capital needs are determined through stress testing under the pre-defined stress-test scenarios described in the Group's risk appetite and stress-testing policy. For each pre-defined stress-test scenario, the Group is required to meet minimum capital levels after such a scenario. Resolution Life performs stress testing on a regular basis and reports the forecasted level of capital and capital ratios to the Board Risk Committee. If a potential breach of the target capital levels were anticipated, remedial strategies will be activated.

Capital management

5.1.2 Categorisation of eligible capital

The BMA has a three-tiered capital system to assess the quality of capital resources that an insurance group has available to meet its capital requirements. The tiered capital system classifies all capital instruments into one of three tiers based on their 'loss absorbency' characteristics, with the highest quality capital classified as Tier 1 capital and lesser quality capital classified as either Tier 2 capital or Tier 3 capital. Only Tier 1 and Tier 2 capital are admissible to cover the Minimum Solvency Margin (MSM), whereas all tiers of capital are admissible to cover the ECR, subject to percentage admissibility limits defined by the BMA.

Available capital has been adjusted to reflect, where applicable, the limited accessibility of the assets. As at 31 December 2024 and 2023, Resolution Life's eligible capital was categorised as shown in the table below:

Eligible capital	2024 (\$m)	2023 (\$m)
Tier 1	5,431	5,088
Tier 2	748	247
Tier 3	0	0
Total Eligible Capital	6,180	5,335

At 31 December 2024, Resolution Life's eligible capital was primarily categorised as Tier 1, the highest quality capital, mainly consisting of common share capital and share premium, and statutory surplus. Tier 2 capital of \$748m related to three subordinated debt instruments, and assets in excess of liabilities held within trust structures in RLUS.

As at 31 December 2024, the Group's eligible capital for its MSM and ECR was categorised as follows:

	MSM Limit	ECR Limit	MSM, \$m	ECR, \$m
Tier 1	80% (min)	60% (min)	5,431	5,431
Tier 2	20% (max)	40% (max)	748	748
Tier 3		15% (max)	0	0
			6,180	6,180

Under the percentage admissibility limits for the ECR defined by the BMA as at 31 December 2024, the Group has unused incremental Tier 2 capacity available of \$404m and unused incremental Tier 3 capacity available of \$432m.

5.1.3 Eligible capital that is subject to transitional arrangements

No eligible capital is subject to transitional arrangements.

5.1.4 Factors affecting encumbrances on the availability and transferability of capital to meet the ECR

The Group has a number of reinsurance agreements which operate with collateral requirements and a ring-fenced participating long-term insurance fund in RLA. Encumbrances have been allowed for in respect of these in line with BMA requirements when determining the eligible capital available to meet the ECR.

5.1.5 Identification of ancillary capital instruments approved by the BMA

As at 31 December 2024, \$329m of Tier 1 capital related to long-term investment credit approved by the BMA as ancillary capital.

The following debt facilities were also approved by the BMA as being Tier 2 ancillary capital:

- A\$300m (c.\$204m) 15 year Tier 2 subordinated debt facility issued by AMP Life Limited in December 2020, with a first call date five years from issuance. As at 31 December 2024, the facility contributed \$107m to the Tier 2 ancillary amount.
- \$123m 15 year subordinated debt facility issued by Security Life of Denver Insurance Company Ltd in January 2021, with a first call date five years from issuance. As at 31 December 2024, the facility contributed \$123m to the Tier 2 ancillary amount.
- \$500m tier 2 listed debt was issued by Group in July 2024. The note matures in 2031. As at 31 December 2024, the facility contributed \$495m to the Tier 2 ancillary amount.

5.1.6 Differences in shareholder equity as stated in the financial statements versus the available capital and surplus

A reconciliation between the total equity balance as per the Group's US GAAP financial statements and total eligible own funds as at 31 December 2024 is shown below. The most significant differences are due to the impact of employing economic-based technical provision valuation techniques, the reclassification of subordinated liabilities, the non-admissibility of deferred acquisition costs, and the adjustments to fair value basis in accordance with Economic Balance Sheet valuation techniques of certain assets not on a fair value basis under US GAAP.

Amounts in millions of USD	2024	2023
US GAAP total shareholder equity	8,263	8,794
Reclassification of non-controlling interests	(237)	(741)
Non-admitted assets net of tax	(619)	(616)
Debt instruments approved as statutory capital	720	253
Insurance and financial asset and liabilities valuation differences	7,270	7,254
Non-admissibility of deferred acquisition costs and value of business acquired	(9,748)	(10,283)
Net deferred tax on valuation differences	606	802
Other	(75)	(128)
Eligible own funds on an EBS basis	6,180	5,335

Capital management

5.2 Regulatory capital requirements

The table below shows the Group's regulatory capital requirement as at 31 December 2024.

Regulatory capital requirements	\$m
BSCR	2,880
MSM	1,336
ECR	2,880

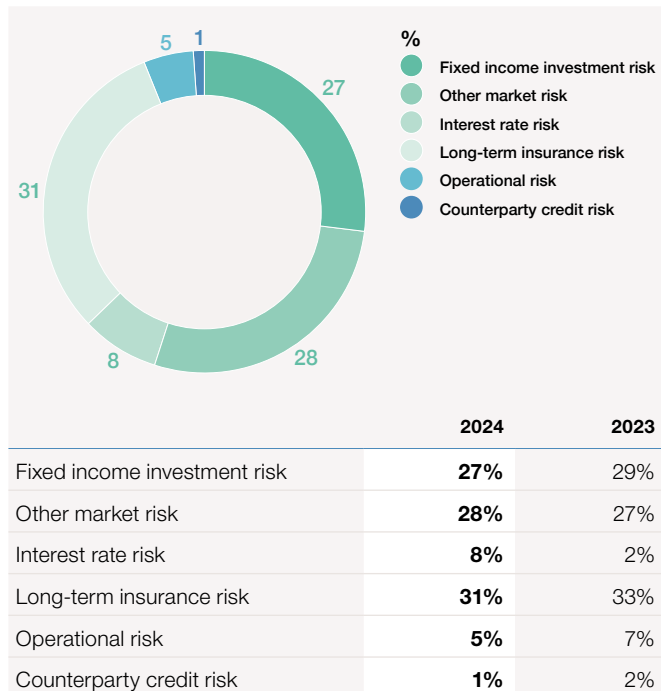
The ECR is determined based on the maximum of the MSM and the Bermuda Solvency Capital Requirement (BSCR).

The MSM is assessed as the aggregate MSM for each of the qualifying entities in the Group. The MSM for each qualifying entity is given by the minimum solvency requirements, calculated in accordance with the local regulatory capital regime.

Resolution Life uses the BMA BSCR model to determine the ECR. The BSCR regime is a risk-based assessment of capital requirements. The capital requirements are calculated by applying factors of stresses to a measure of exposure, where those factors or stresses are prescribed by the BMA. The capital requirements are then aggregated using a correlation matrix to allow for covariance between risk factors. The correlation factors used are prescribed by the BMA. The BSCR model includes risk modules for market, credit, property & casualty (P&C) insurance, long-term insurance and operational risk. Resolution Life does not write any P&C risk, and as such the P&C risk module is not used. The Group applies the 2019 and 2024 versions of the capital regime to determine the solvency requirements.

The chart below shows the composition of the Group's undiversified ECR by BSCR risk category as at 31 December 2024.

Undiversified ECR by risk



The largest component of the undiversified ECR is market risk, which is dominated by fixed income risk. Other market risks include equity, property and concentration risk. There are only low levels of interest rate risk in the ECR.

Long-term insurance risk is the second-largest component and covers mortality, longevity, morbidity, variable annuity guarantee and other long-term risks. Operational risk and credit risk represent smaller proportions of the overall undiversified ECR.

5.2.1 Identification of any non-compliance with the MSM and the ECR

Not applicable.

5.2.2 Description of the amount and circumstances surrounding the non-compliance, the remedial measures and their effectiveness

Not applicable.

5.2.3 Where the non-compliance is not resolved, a description of the amount of the non-compliance

Not applicable.

5.2.4 Approved internal capital model

Not applicable. The Group has not applied to use an internal capital model to determine its regulatory capital requirements.

5.2.5 Capital coverage ratio

The table below shows the Group's capital coverage ratio as at 31 December 2024.

EBS solvency position, \$m	2024		2023	
	MSM	ECR	MSM	ECR
Eligible capital	6,180	6,180	5,335	5,335
Capital requirement	1,336	2,880	1,427	2,952
Coverage ratio	463%	215%	374%	181%

At the reporting date, the capital coverage ratio comfortably exceeds the minimum solvency target level set by the BMA (120% of ECR).

5.3 Any other material information

There is no other material information to report.

Description of subsequent events

6

6.1 Other subsequent events

On 31 January 2025, the Resolution Life completed the acquisition of Suncorp Group's New Zealand life insurance company, Asteron Life New Zealand (Asteron Life) for \$231m. The acquisition will provide Resolution Life with significant scale and capability in the New Zealand market.

On 6 March 2025, the Group announced the signing of a reinsurance agreement with Protective Life Corporation's (Protective) insurance subsidiaries to reinsure blocks of in-force structured settlement annuities and secondary guarantee universal life business. Under the agreement, Protective will cede \$9.7bn in reserves and retain administration of the policies.

Declaration

We declare that to the best of our knowledge and belief, the information in this FCR fairly represents the financial condition of the Group in all material respects.



Clive Cowdery
Founder, Chairman and CEO
10 June 2025



Peter Grewal
Chief Risk Officer
10 June 2025

Glossary

Best Estimate Liability (BEL)

The BEL represents the expected present value of future cash flows related to insurance and reinsurance obligations in force at reporting date. The best estimate liability is calculated on a gross and net of reinsurance basis, i.e. with and without a deduction for a recoverable amount from reinsurance contracts.

Bermuda Solvency Capital Requirement

The BSCR regime is a risk-based assessment of capital requirements that an insurance company is to hold. The capital requirements are calculated by applying factors of stresses to a measure of exposure, where those factors or stresses are prescribed by the BMA. The capital requirements are then aggregated using a correlation matrix to allow for covariance between risk factors. The correlation factors used are prescribed by the BMA. The BSCR model includes risk modules for market, credit, property & casualty (P&C) insurance, long-term insurance and operational risk. Resolution Life does not write any P&C risk, and as such the P&C risk module is not used. The Group applies the 2019 and 2024 versions of the capital regime to determine the solvency requirements.

Designated Insurer

The Designated Insurer is the lead insurer for the members of the insurance group operating in Bermuda. The Designated Insurer has the duty to facilitate and maintain compliance by the Group with the BMA requirements, and thus is integral to the BMA's framework for group supervision.

Economic Balance Sheet

Capital regime promulgated by the BMA, where assets and liabilities are determined on a best-estimate fair market value basis.

Eligible Capital

Relates to the value of the Group's total statutory economic capital and surplus, as defined and calculated in accordance with Schedule XIV of the Group Prudential Standards, and is available to support the Company's Enhanced Capital Requirement (ECR).

Enhanced Capital Requirement

Maximum of BSCR and MSM.

Group solvency self-assessment

The GSSA is a governance, risk management and solvency assessment exercise with its findings documented in a report to the Board, and submitted to the BMA annually. The objective of the GSSA is to deliver a set of processes constituting a tool for decision making and strategic analysis for Board and management, in line with the BMA's Group Solvency Rules and Resolution Life's internal requirements.

Minimum Solvency Margin

The prescribed minimum amount by which the value of the assets of the Company must exceed the value of its liabilities.

Risk appetite

Risk appetite refers to the Group's relative desire to take specific risks in its pursuit of the objectives it deems to have value or reward. It comprises a set of qualitative principles and quantitative limits that establish the Group's risk preferences, risk tolerances and risk limits.

Risk Margin (RM)

The Risk Margin is an allowance for the risk of non-hedgeable uncertainty inherent in the best estimate cash flows, and is intended to reflect the compensation that an insurer needs to bear this risk.

Scenario Based Approach

An approach for determining the BEL using best estimate cash flows and the projected performance of the Group's assets under the most severe of eight interest rate stress scenarios. The SBA is most appropriate for blocks of business with a well-defined asset/liability management programme, allowing for use of the asset portfolios backing the liabilities to be projected in accordance with local investment practices. The discount rates are defined based upon both the existing asset pools as well as reinvested assets throughout the projection.

Standard Scenario Approach

An approach for determining the BEL that uses best estimate cash flows and a discount rate consistent with the BMA requirements. Such an approach is appropriate for blocks of business where asset/liability management is less pertinent.

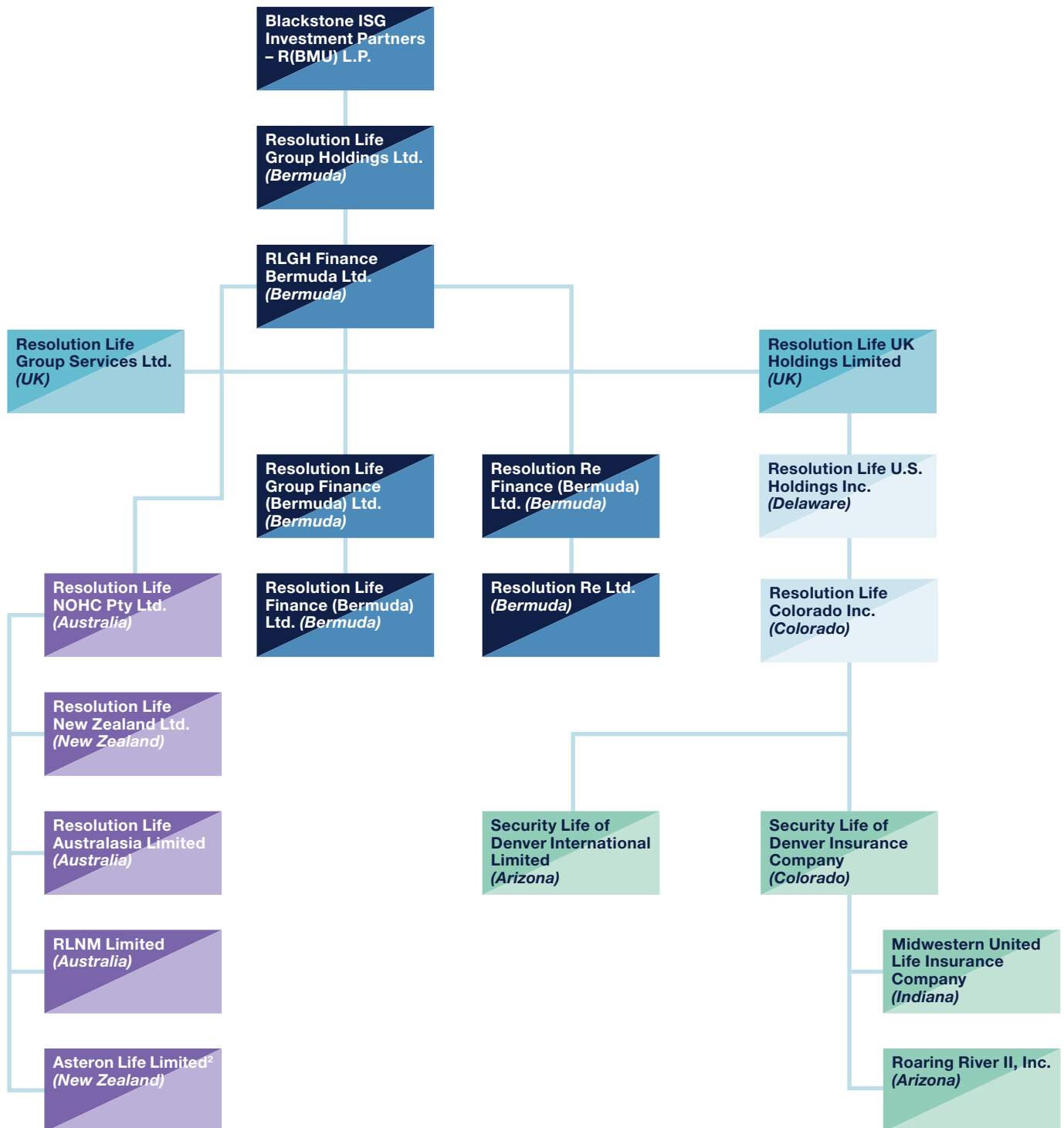
Technical Provisions

The sum of the BEL and the RM.

Appendix

Resolution Life Group Structure

Simplified Resolution Life Group Structure¹



1 Shareholdings indicate 100% ownership unless stated otherwise.

2 Acquisition of 100% of Asteron Life Limited closed on 31 January 2025.

Resolution Life

www.resolutionlife.com