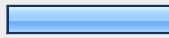

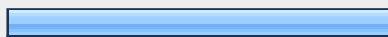

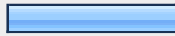
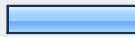
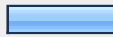
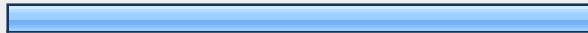
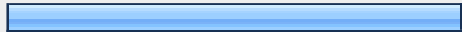
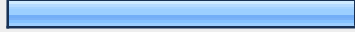


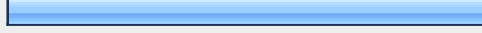

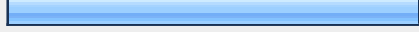


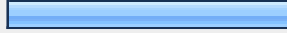
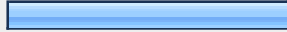


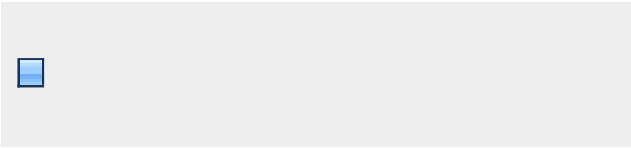
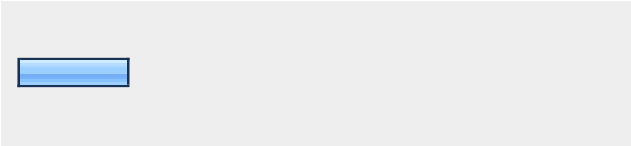
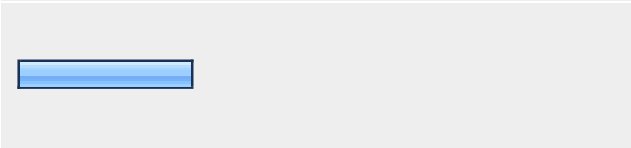
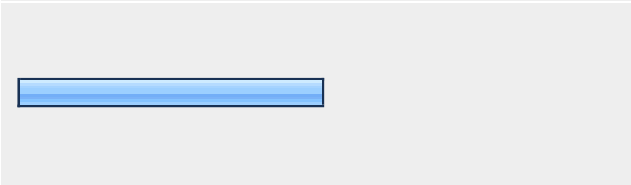
Solvency II SIG Survey on Use Test and Value Drivers of Solvency II

1. How clearly has your organisation understood the Use Test under Solvency II?			
		Response Percent	Response Count
We have not yet addressed the Use Test		26.7%	8
We are currently seeking advice on how to proceed		10.0%	3
We have a working group or project team addressing the Use Test		63.3%	19
We have carefully evaluated the situation and have a clearly set strategy		0.0%	0
		answered question	30
		skipped question	1



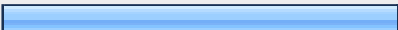
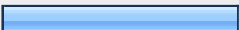
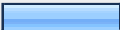
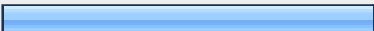

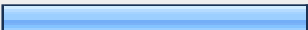



2. What stage is your evaluation of how to address the Use Test?			
		Response Percent	Response Count
Considering how to respond		34.5%	10
Evaluating options		27.6%	8
Waiting for further guidance		20.7%	6
First-cut scope agreed		17.2%	5
Strategy set		0.0%	0
		answered question	29
		skipped question	2

3. What elements do you anticipate will be in your organisation's Use Test submission?

		Response Percent	Response Count
Capital allocation and management		96.4%	27
Business strategy setting		75.0%	21
Corporate planning and budgeting		57.1%	16
Catastrophe risk assessment and aggregates process		82.1%	23
Asset/liability management		71.4%	20
Reinsurance purchase		78.6%	22
Corporate insurance purchase		7.1%	2
Investment management		67.9%	19
Product development/pricing		67.9%	19
Performance management and compensation		46.4%	13
Developing or testing of risk mitigation strategies		46.4%	13
Merger and acquisition evaluation		46.4%	13
	Other (please specify)		3
	answered question		28
	skipped question		3




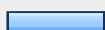
4. How can your organisation's stance towards Solvency II be best described?			
		Response Percent	Response Count
Solvency II is an unnecessary distraction, it offers no business opportunities		3.6%	1
It is a regulatory requirement we need to fulfil whilst minimising impact on the business		17.9%	5
It is an opportunity to review some risk and compliance related activities and strength controls		28.6%	8
We see Solvency II as an opportunity to fundamentally review and enhance the way we run our business		50.0%	14
	Other (please specify)		1
	<i>answered question</i>		28
	<i>skipped question</i>		3



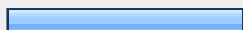

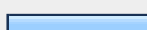
5. What benefits has your organisation identified within its business case for resourcing its Solvency II programme? (Tick all that are relevant)

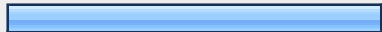
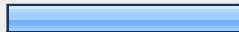

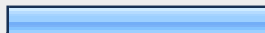
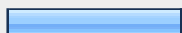
		Response Percent	Response Count
Regulatory compliance		65.4%	17
Reduce Regulatory Capital requirements		42.3%	11
Better allocation/use of capital leading to improved profitability		65.4%	17
Enhanced credit rating		38.5%	10
Enhanced access to capital		19.2%	5
More informed decision making leading to avoidance of unprofitable business		61.5%	16
Reduced annual cost of risk leading to more stable earnings		15.4%	4
Improved organisational performance/return on capital employed		50.0%	13
Strengthen business platform to support future growth strategies		38.5%	10
Increased transparency of risk positions with key internal and external stakeholders		69.2%	18
Creation of a risk culture		57.7%	15
	Other (please specify)		2
	<i>answered question</i>		26
	<i>skipped question</i>		5

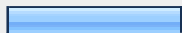
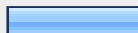
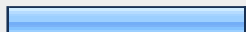

6. To what extent has your organisation quantified the benefits case?			
		Response Percent	Response Count
Clearly quantified	<input type="checkbox"/>	3.7%	1
Partially quantified	<input type="checkbox"/>	14.8%	4
Quantification ongoing	<input type="checkbox"/>	44.4%	12
Not quantified at all currently	<input type="checkbox"/>	29.6%	8
Don't believe quantification is possible or meaningful	<input type="checkbox"/>	3.7%	1
There is no benefit case, Solvency II is a regulatory burden	<input type="checkbox"/>	3.7%	1
		<i>answered question</i>	27
		<i>skipped question</i>	4

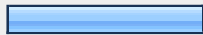
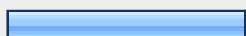
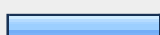

7. To what extent has your organisation established processes to track and deliver the benefits case?			
		Response Percent	Response Count
process established and operating	<input type="checkbox"/>	3.7%	1
Process being designed/implemented	<input type="checkbox"/>	18.5%	5
Planning to develop a process	<input type="checkbox"/>	59.3%	16
No process will be established	<input type="checkbox"/>	18.5%	5
		<i>answered question</i>	27
		<i>skipped question</i>	4

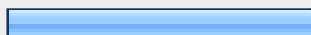


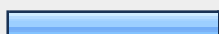

8. To what extent has your organisation established processes to track and deliver the benefits case?			
		Response Percent	Response Count
Process established and operating		7.7%	2
Process being designed/implemented		15.4%	4
Planning to develop a process		61.5%	16
No process will be established		15.4%	4
		<i>answered question</i>	26
		<i>skipped question</i>	5

9. To what extent has your organisation sought to learn from other companies what benefits were actually realised from other regulatory programmes such as Basel II or Sarbanes-Oxley compliance?			
		Response Percent	Response Count
We do not believe that this is relevant		11.5%	3
We do not believe that this comparison is possible		19.2%	5
We have captured internal learning from within our wider parent organisation		38.5%	10
We have actively engaged with such organisations and have failed to discover any useful learning points		7.7%	2
We have actively engaged with such organisations and have found useful learning points		23.1%	6
		<i>answered question</i>	26
		<i>skipped question</i>	5

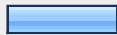
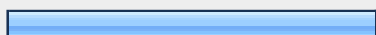


10. What does your organisation perceive to be the major threats associated with Solvency II implementation?			
		Response Percent	Response Count
Diversion of resources from income-generating activities		61.9%	13
Increased reliance on models diluting expert judgment		38.1%	8
Risk-based metrics unintended consequences and undesirable outcomes		23.8%	5
Regulatory constraints 'level the playing field' and damage competitive advantage		42.9%	9
Closer management of prudential margins may lead more volatility of results		28.6%	6
		Other (please specify)	6
		<i>answered question</i>	21
		<i>skipped question</i>	10

11. Organisational headcount			
		Response Percent	Response Count
1 to 100		28.6%	8
101 to 500		21.4%	6
501 to 5,000		39.3%	11
5,001 to 50,000		10.7%	3
50,001+		0.0%	0
Don't know		0.0%	0
		<i>answered question</i>	28
		<i>skipped question</i>	3

12. Organisation turnover			
		Response Percent	Response Count
Up to £200m		32.1%	9
£200m to £1bn		39.3%	11
£1bn to £5bn		25.0%	7
More than £5bn		3.6%	1
Don't know		0.0%	0
		answered question	28
		skipped question	3

13. Domicile of organisation's overall headquarters			
		Response Percent	Response Count
UK		50.0%	13
Other EU		3.8%	1
Switzerland		3.8%	1
North America/Caribbean		34.6%	9
Asia/Middle East/Africa		7.7%	2
		Other (please specify)	3
		answered question	26
		skipped question	5

14. Headcount of risk function (ERM related resources, excluding compliance, audit, actuarial, legal etc)

		Response Percent	Response Count
1		17.9%	5
2 to 5		60.7%	17
6 to 10		14.3%	4
11 or more		7.1%	2
		answered question	28
		skipped question	3