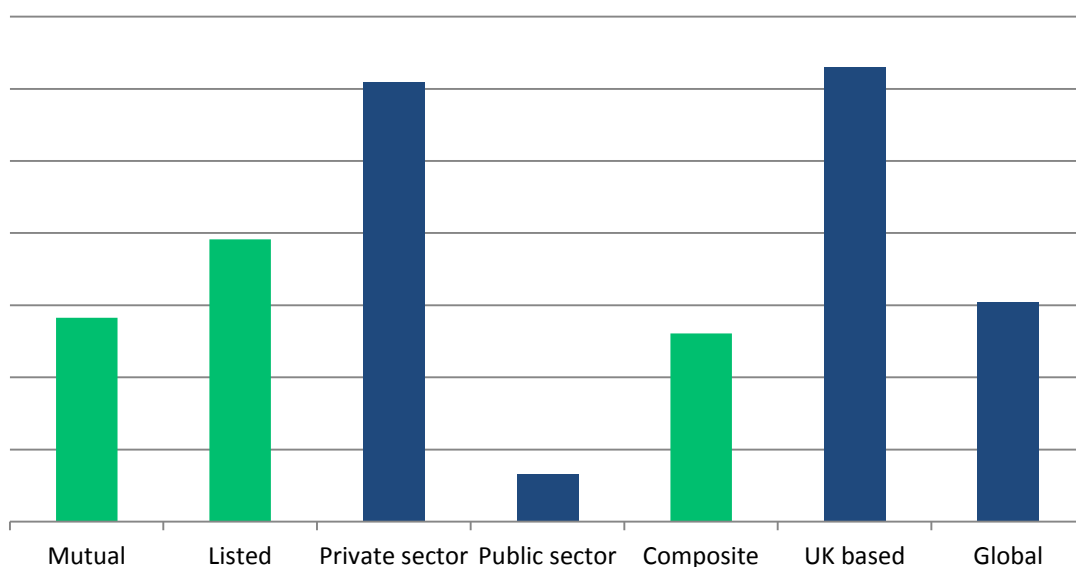


Introduction

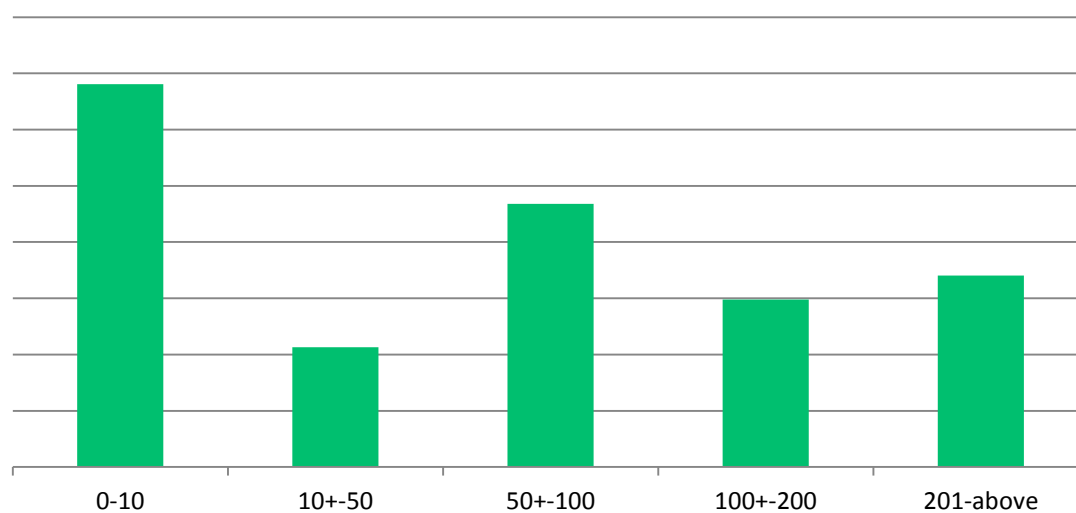
During 2017 the Risk Appetite working party sent out a questionnaire via the IFOA to life insurers. The anonymised results were returned by the IFOA to the working party. The graphs below visually summarise the anonymised results received. The graphs are presented here without commentary to invite the reader to form his/her own view.

To all who contributed, a big thank you from the Risk Appetite working party.
For questions, please contact the Working Party chair at Roelof.Coertze@gmail.com

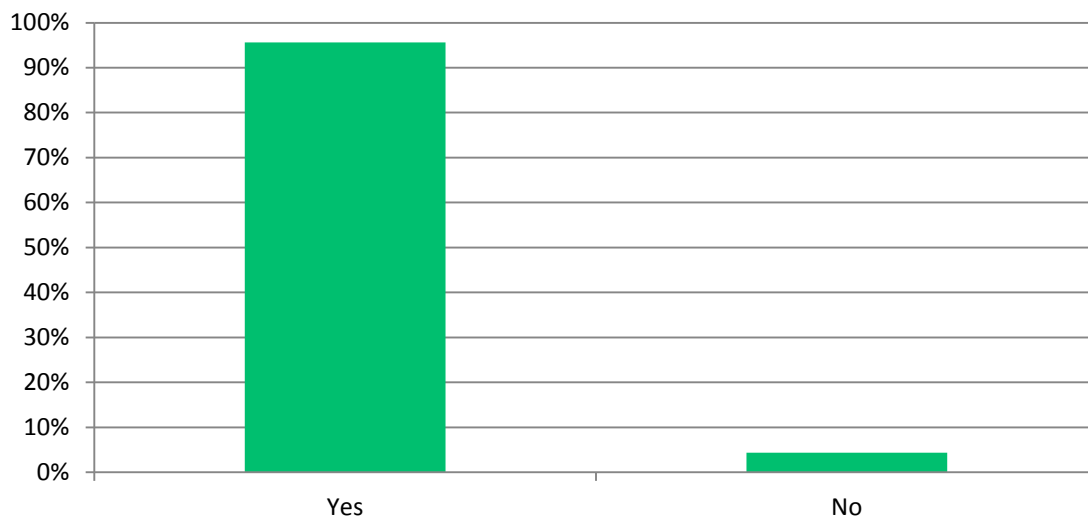
Attributes of survey respondents



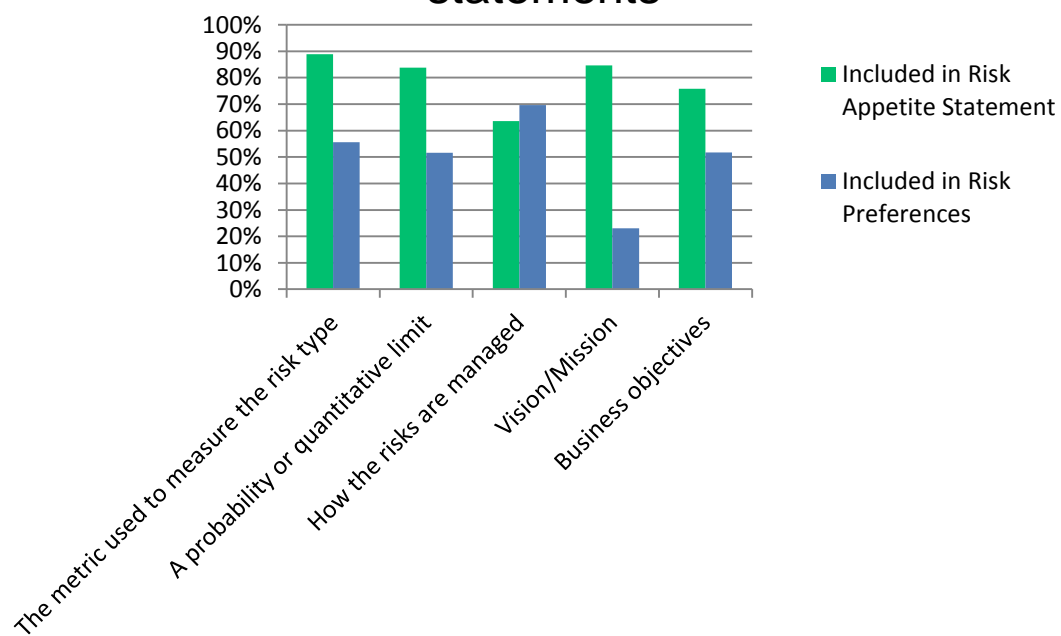
Size of Company based on Assets under Management (in £ billion)



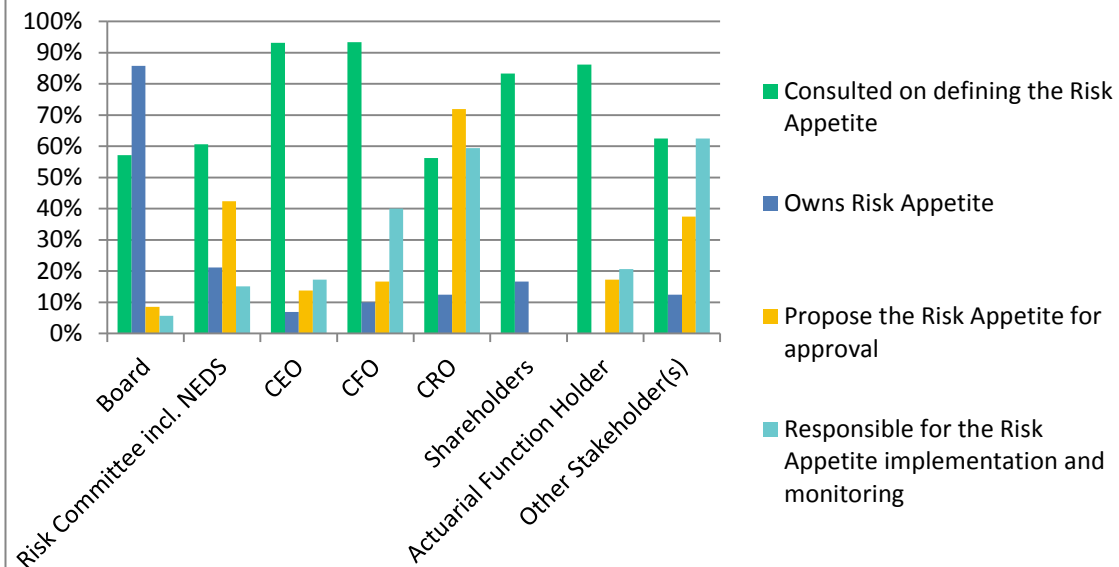
Does your firm have defined Risk Appetite statements?



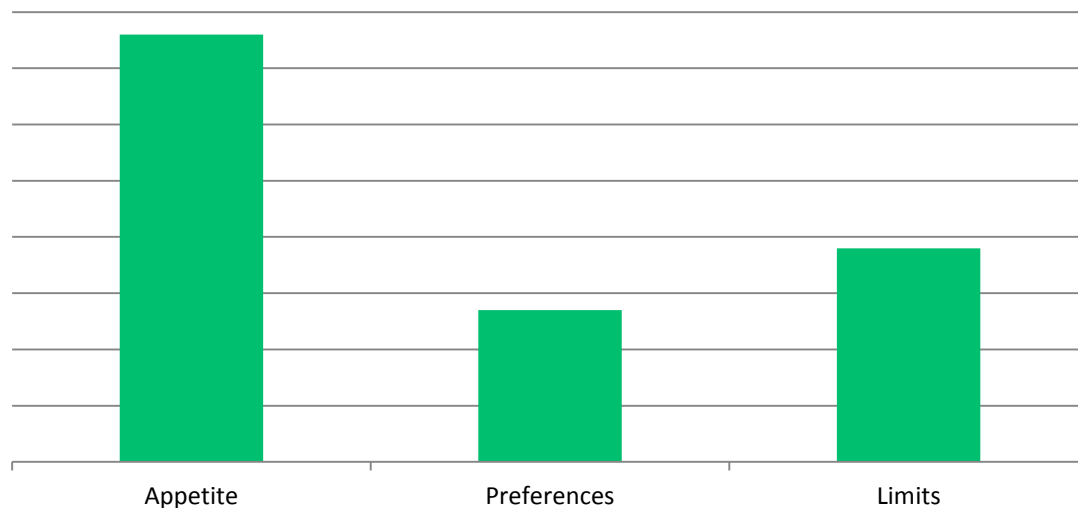
Elements included in Risk Appetite statements



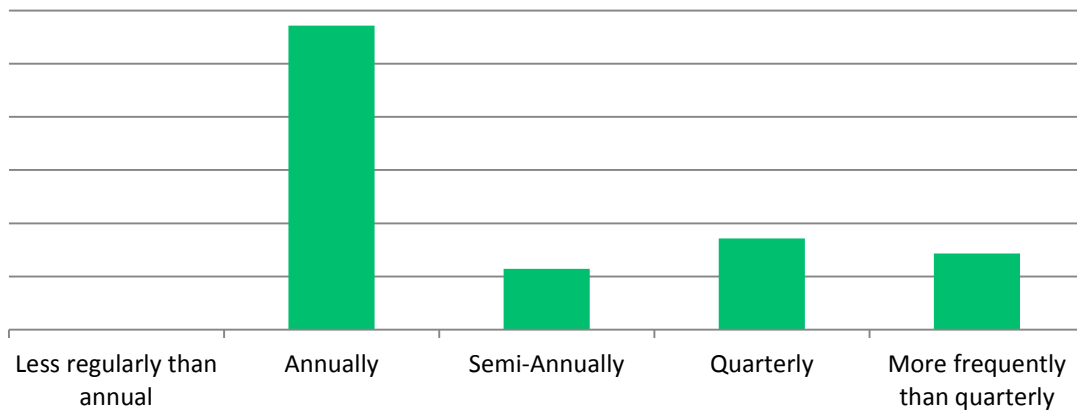
Governance of Risk Appetite



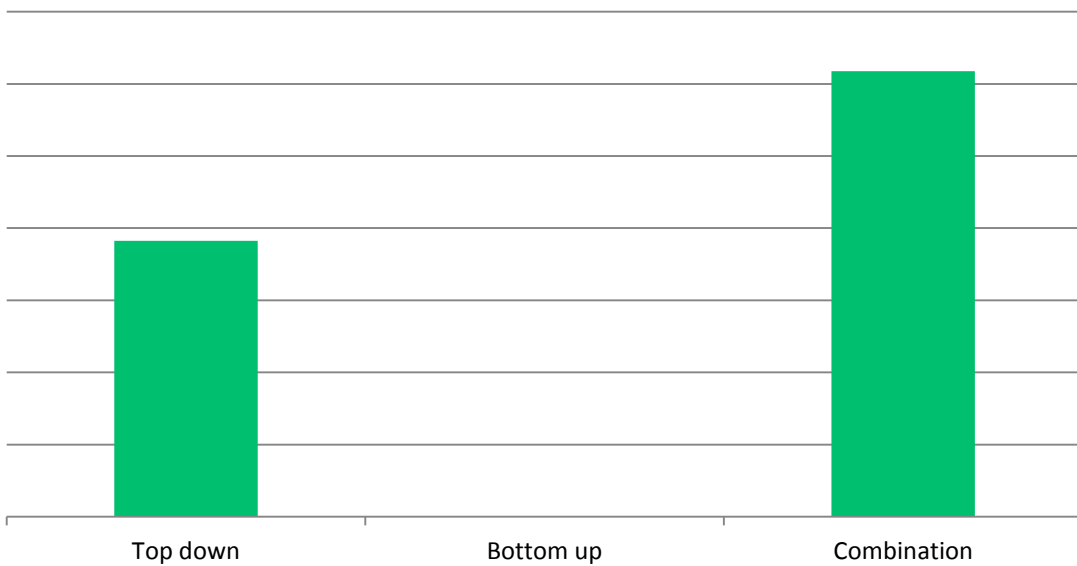
Relative levels of discussion with the regulator



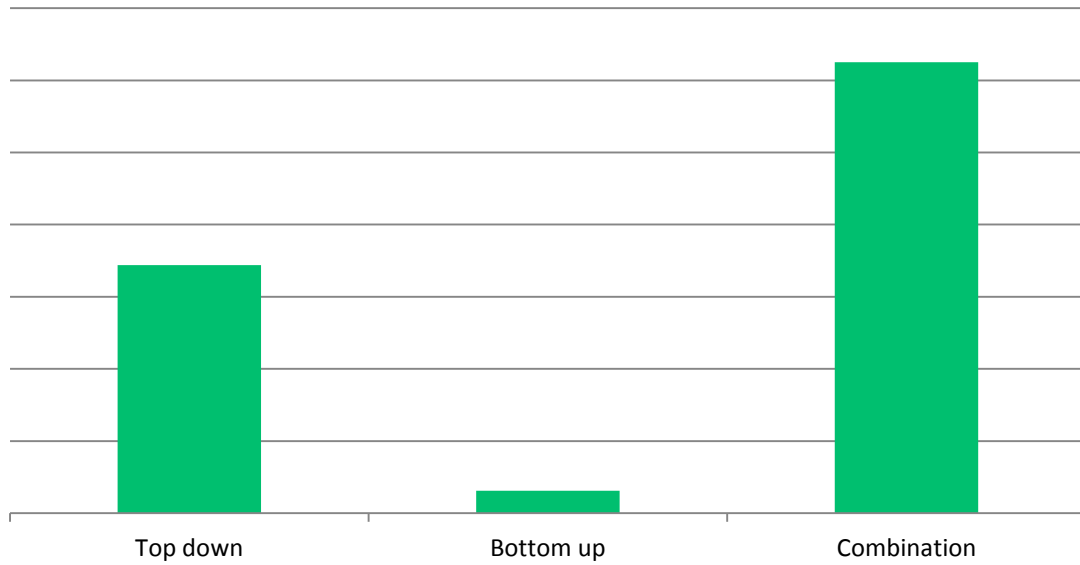
Relative frequency of discussions with the Board



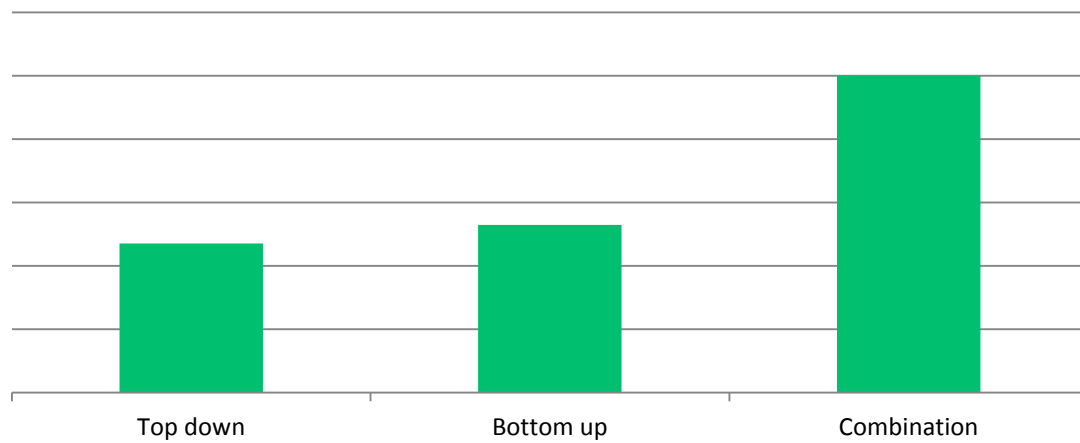
How Risk Appetite is set



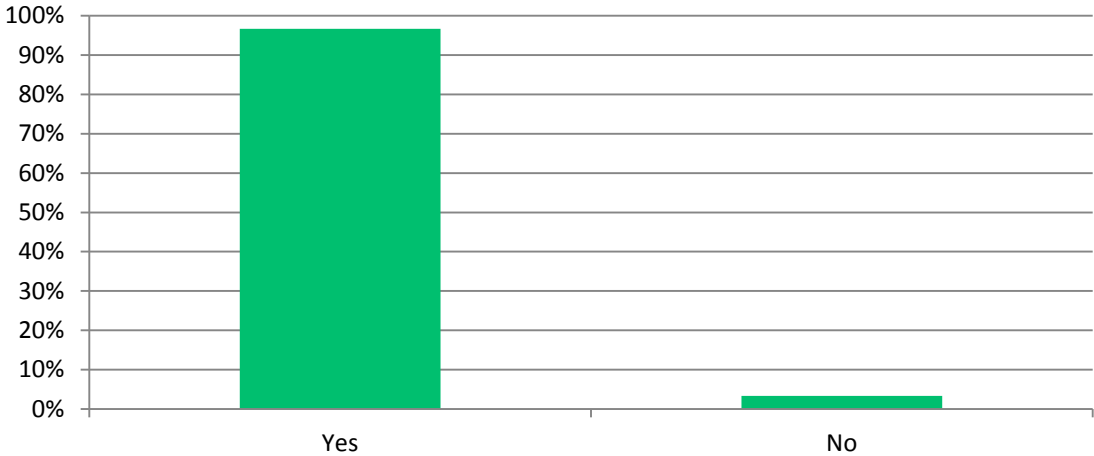
How Risk Preferences are set



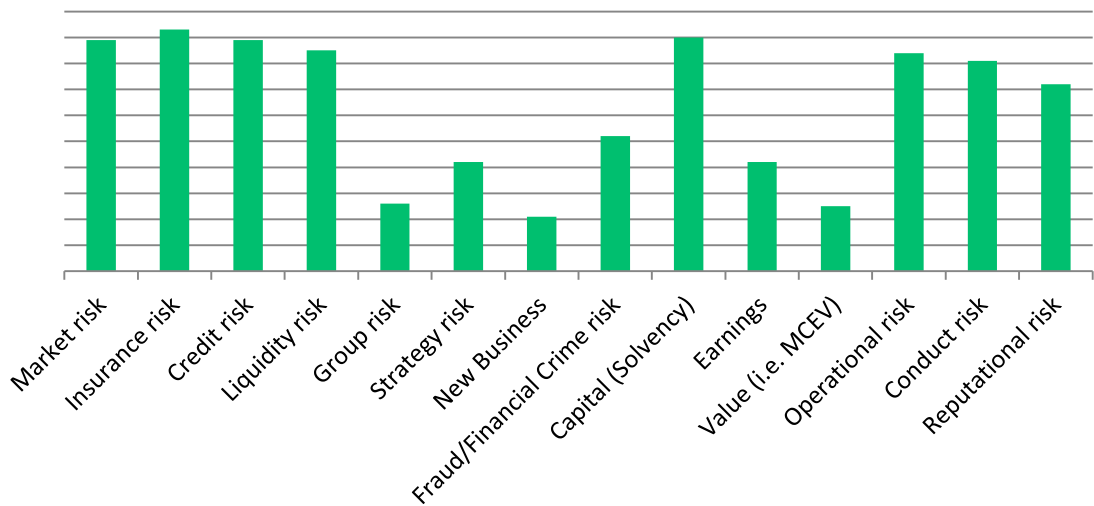
How Risk Limits are set



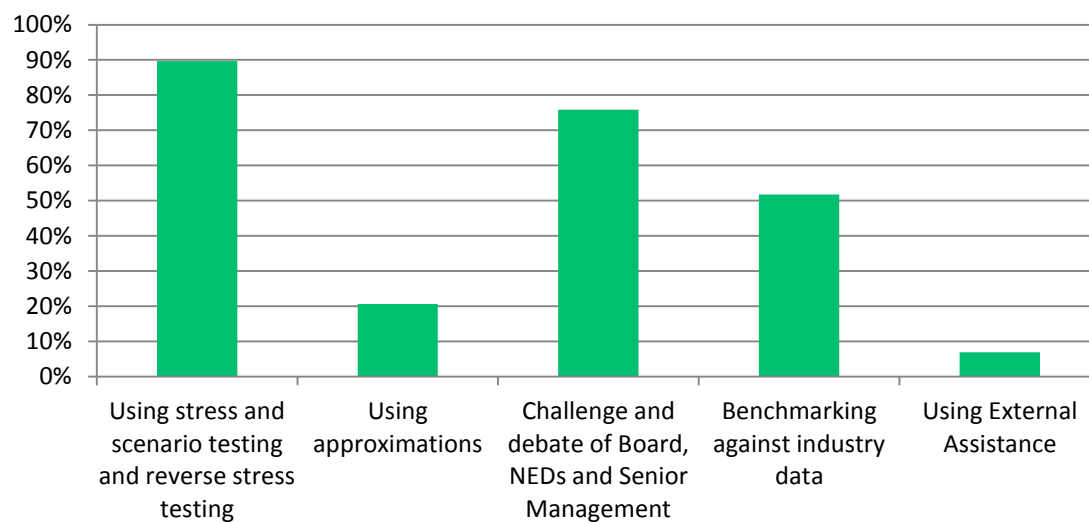
Do you have Risk Appetite limits?



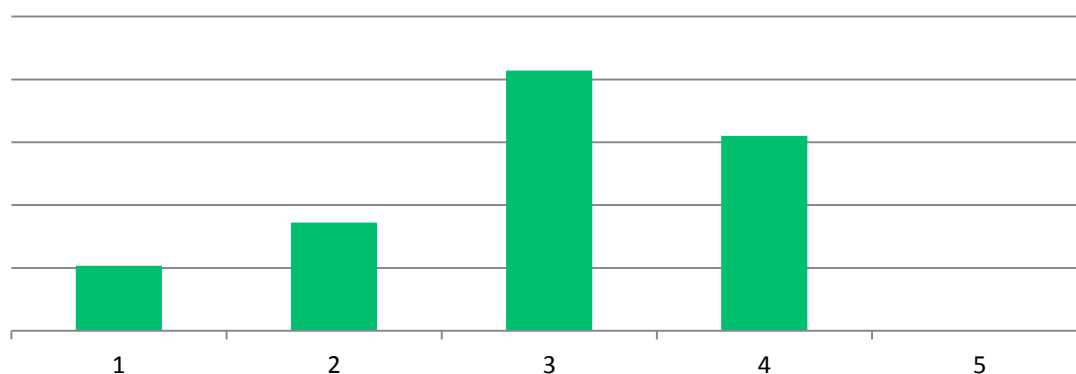
Relative level of elements included in the Risk Appetite Framework



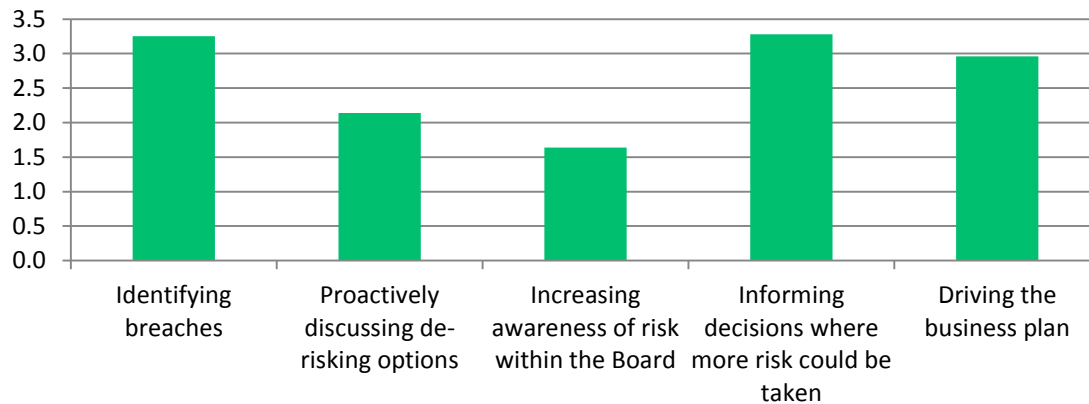
How quantitative Risk Limits are calibrated for use in monitoring exercises



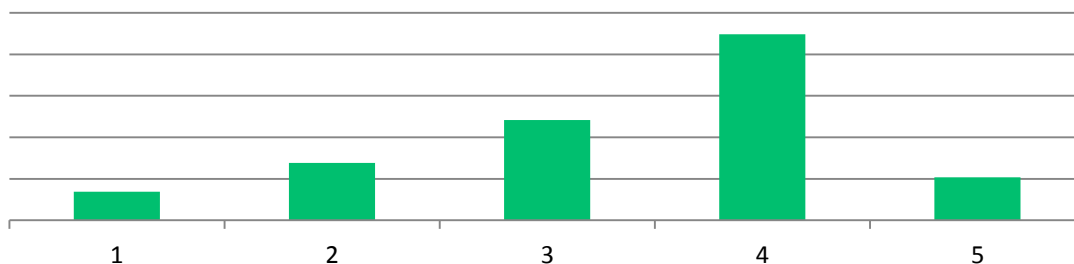
Respondents' views on the maturity of the tools used to monitor Risk Limits (1 being minimal, 5 being sophisticated)



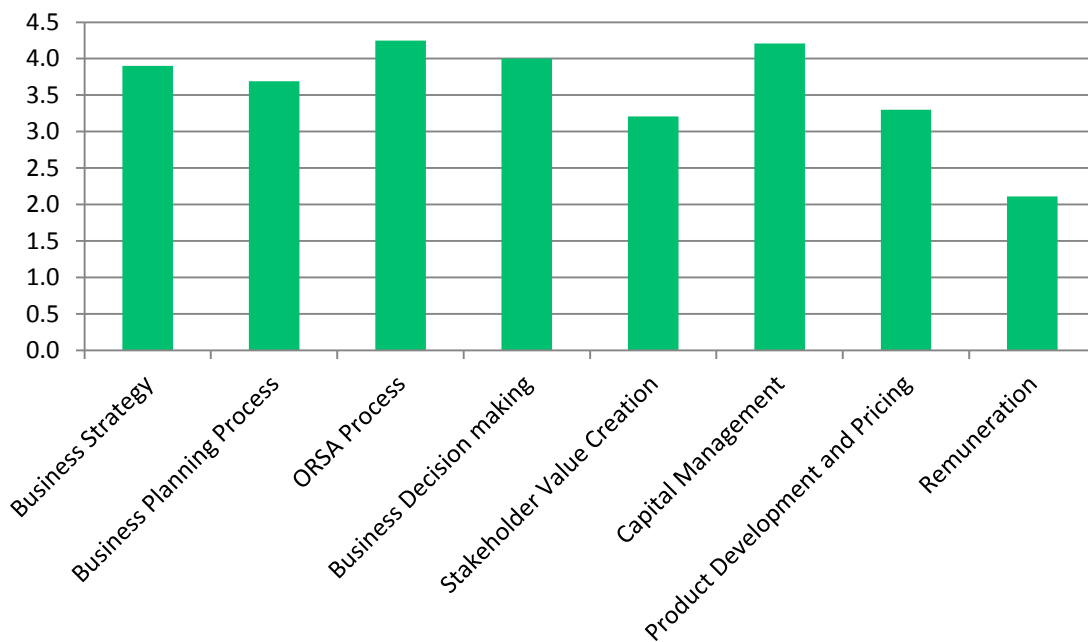
Respondents' average view on how successful has monitoring against the Risk Appetite statements been (1 being minimal, 5 being substantial)



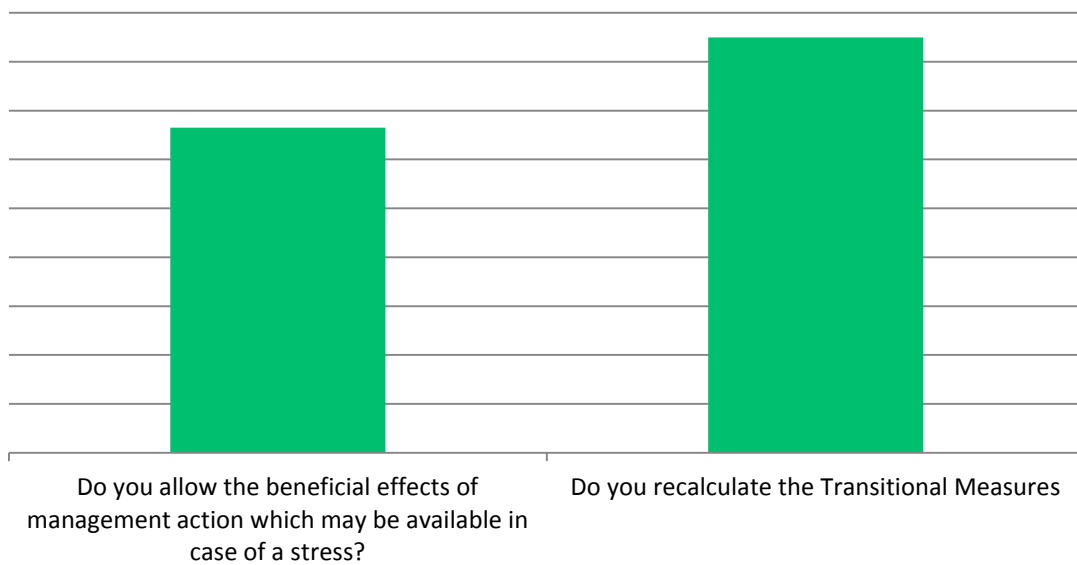
Respondents' view on how embedded Risk Appetites are within the business (1 only Senior Management know, 5 being Enterprise wide understanding and use of Risk Appetites)



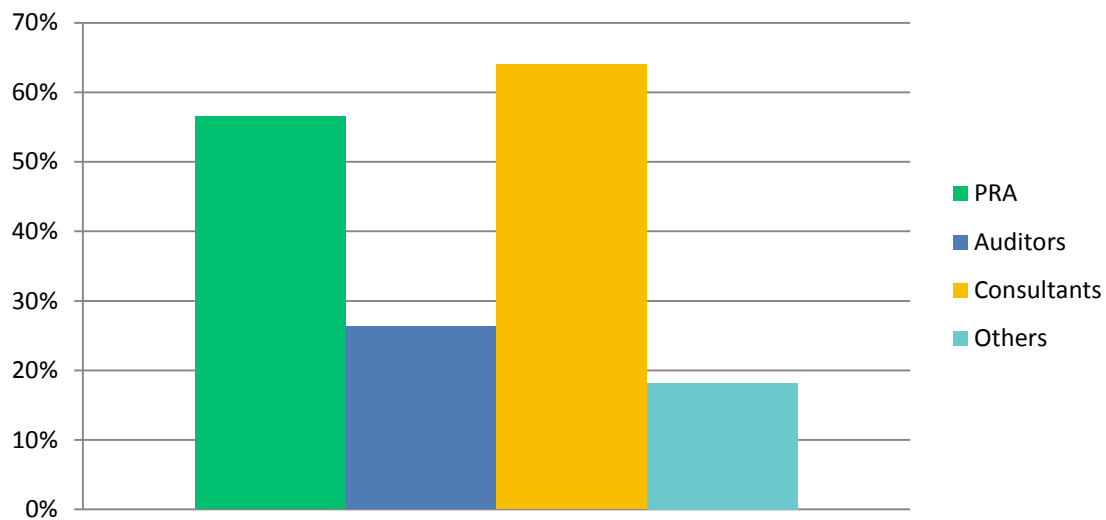
Respondents' weighted average view on how much Risk Appetite framework impacts activities (where 1=no impact at all, 5=high impact)



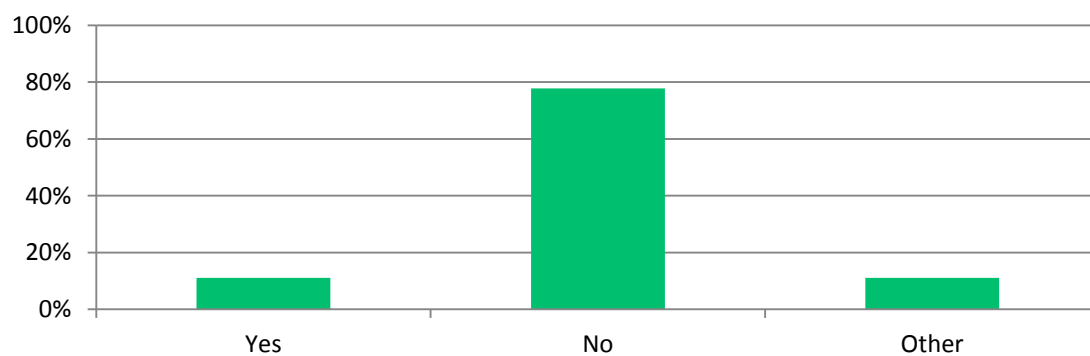
Allowing for Management Actions



Who has your Risk Appetite framework been independently assessed by?



Do you anticipate changes in the Risk Appetite statements or framework following the market volatility due to the decision of the United Kingdom to leave the EU?



Weighted average of areas of future development (1 not at all, 5-high improvement)

