

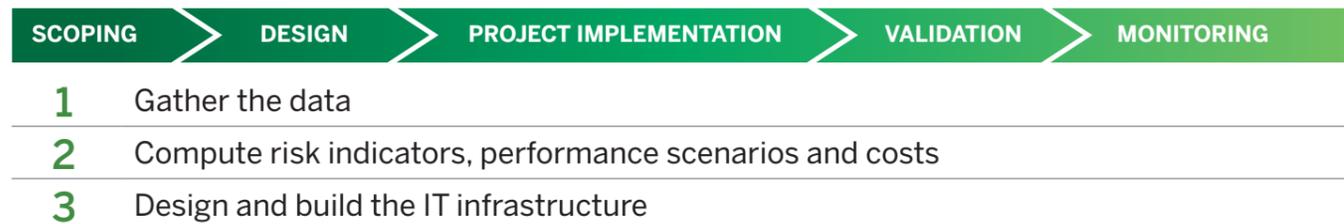
Implementing PRIIPs requirements

Introduction

Companies preparing to implement PRIIPs (Packed Retail and Insurance-based Investment Products) requirements face significant challenges in these areas:

TIMING	products can only be sold from 1 January 2018 if key information documents (KIDs) have been provided
INTERPRETING	PRIIPs rules
GATHERING	data on past performance, cost allocations, credit ratings, risk profile, etc.
CATEGORISING	products and funds to determine their risk and reward profile
BUILDING	and validating calculation engines and simulation models needed to produce the summary risk indicator (SRI)
USING	proxies for funds lacking data
DEVELOPING	governance structures to assess appropriateness of risk ratings, determination of recommended holding periods and target customers, and signoff of complete KIDs
IMPROVING	document management systems
ACQUIRING	skills to prepare clear, concise KIDs in the appropriate language for the target market

The overall PRIIPs project

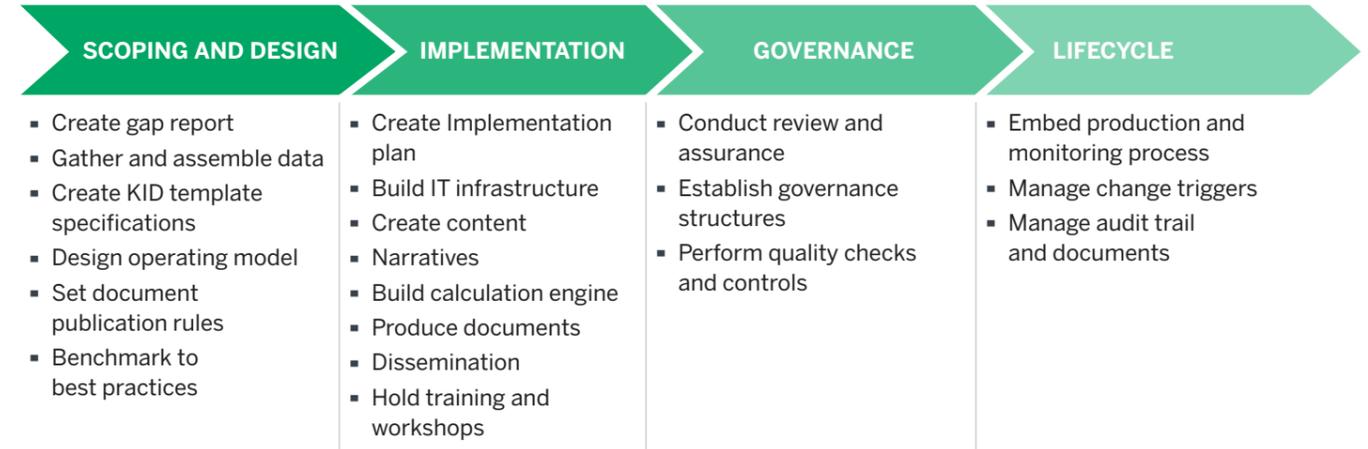


Our approach

A full-service implementation to meet your requirements

We offer a full suite of PRIIPs services adapted to your specific needs	Our services include consultancy advice and assistance with KID calculations and production including project management	We can also provide a full implementation service including the development of the required IT infrastructure for KID production	Fully flexible: pick and choose the modules you require
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Elements of our service: a modularised approach



The KID

GAP ANALYSIS	<ul style="list-style-type: none"> Conduct a gap analysis and develop a road map to successful implementation Benchmark to peers
DATA	<ul style="list-style-type: none"> Gather data Classify products and funds Assess data quality
RISK	<ul style="list-style-type: none"> Compute each PRIIP's SRI by identifying and analysing the risk class of a PRIIP Set each PRIIP's risk and reward profile
PERFORMANCE	<ul style="list-style-type: none"> Produce performance tables Illustrate insurance events
COST	<ul style="list-style-type: none"> Analyse cost allocations and develop cost disclosure tables Set biometric costs
MONITORING	<ul style="list-style-type: none"> Review ongoing appropriateness of SRI and the performance scenarios in light of emerging experience Manage change triggers
REVIEW	<ul style="list-style-type: none"> Review completed KIDs Create test bed Measure consistency & quality control

IMPLEMENTATION

- Data analytics
- Models and systems
- Testing

Post implementation operational challenges

LIFECYCLE	GOVERNANCE	AUTOMATION
<ul style="list-style-type: none"> Monitoring ongoing appropriateness of KIDs Creating teams to manage KID lifecycle 	<ul style="list-style-type: none"> Establishing effective governance Linking to product oversight and governance 	<ul style="list-style-type: none"> Automating KID production for new and existing products/funds Streamlining internal processes Managing dissemination, including KID website

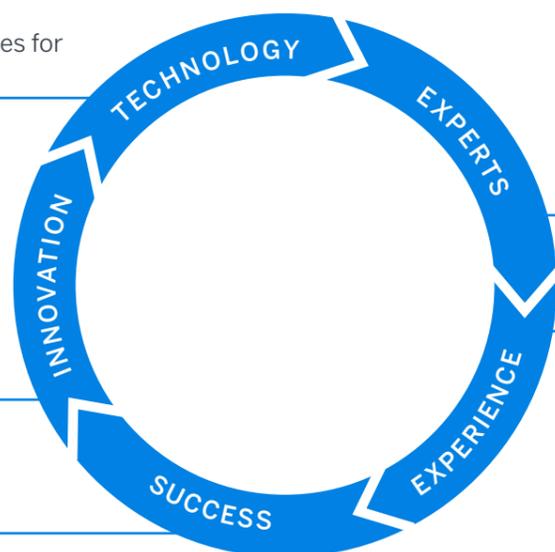
Our extensive experience in the PRIIPs market	Followed PRIIPs developments since their inception.	Informed views on how to best address challenging aspects of PRIIPs regulations.	Ongoing involvement with industry bodies where PRIIPs is a current hot topic.
	Held ongoing client discussions to explore options on how to best meet their individual compliance requirements.	Published analyses of each document prepared by the European Supervisory Authorities during the development phase of the PRIIPs regulations.	
	Involved in the development of tools to assist in producing risk ratings, performance scenarios and cost illustrations.	Presented widely on how best to meet the requirements of PRIIPs regulations.	
Thought leaders	Our consultants have produced an extensive body of insurance research, including regular PRIIPs updates, offering valuable insight into best practices and establishing us as thought leaders.		This experience equips us with strong benchmarking capabilities and deep understanding of insurance business operations.

Why Milliman?

Leading edge software, infrastructure and processes for the life insurance industry.

For nearly 70 years, Milliman has pioneered strategies, tools, and solutions worldwide. Our consultants provide access to deep market insights and company developments.

The leader in the provision of actuarial and risk management services.



Most of our senior consultants have more than 15 years of service with Milliman. We support professional growth and development of all employees and have very low turnover.

Extensive experience within the insurance industry:

- Advisors to over 80% of the world's leading insurers.
- Engaged by 44 of the top 50 insurers globally.
- Direct writers and reinsurers.
- Serve domestic and multinational companies.

KEY CONTACTS



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AT A GLANCE

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