Prysmian Re Company dac

Solvency and Financial Condition Report ("SFCR") for the financial year ended 31 December 2022

Contents

Executive Summary

The new, harmonized EU-wide regulatory regime for Insurance Companies, known as Solvency II, came into force with effect from 1 January 2016. The regime requires new reporting and public disclosure arrangements to be put in place by (re)insurers.

This report covers the Business and Performance of the Company, its System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management.

Company Background

Prysmian Re Company dac is a company incorporated in Ireland and authorised by the Central Bank of Ireland to carry out the following classes of non-life reinsurance business:

- Fire and Natural Forces;
- Other Damage to Property;
- Employers' Liability and General Liability;
- Credit

The Company is a non-life reinsurance captive whose principal activity is the undertaking of reinsurance business in respect of the general liability, UK employers' liability, credit and property damage/business interruption risks of Prysmian S.p.A.

Business and Performance

The Company's financial year end is 31st December each year. The Company booked pre-tax profits of €276,166 in the year ended 31st December 2022 (2021: €257,943). The profits have been driven by a positive underwriting performance on the business written in the year.

System of Governance

The Company is subject to the the Central Bank of Ireland's Corporate Governance Requirements for Captive Insurance and Captive Reinsurance Undertakings 2015. The corporate governance principles of the Company are implemented via the following Corporate Governance Framework:

- Board of Directors
- Outsourced Service Providers
- Internal Control Framework
- Risk Management Framework
- Compliance Function
- Audit – Internal & External

Outsourced Activities

The following is a list of the important outsourced operational functions together with the jurisdiction in which the service providers of such functions or activities are located:

Critical Outsourcing Arrangements				
Outsourced Provider	Service Outsourced	Internal/External	Jurisdiction	Outsourcing Oversight
Marsh Management Services (Dublin) Limited	Captive Manager	External	EU	Chairman (PCF-3)
	Compliance Function			
Mazars	Internal Audit Function	External	EU	
KPMG	Head of Actuarial Function	External	EU	

Risk Profile

The following table outlines the material risks to which the Company is exposed as well as the undiversified capital charge associated with the risks.

Risk	Capital Charge 2022 € '000	Capital Charge 2021 € '000
Market Risk	17,953	19,744
Counterparty Default Risk	671	328
Non-Life Underwriting Risk	12,997	12,751

These risks are described in further detail in Section C of this report.

Valuation for Solvency Purposes

The Company's assets and liabilities, under Solvency II methodology, are valued at best estimate. This differs in some respects from the GAAP valuations for financial statements. In particular, the technical provisions for the Solvency II balance sheet represent the present value of future claim payments. A risk margin is also included in technical provisions, which represents the cost of holding the solvency capital requirement. Section D of the SFCR shows the comparison between the Solvency II balance sheet and the Financial Statements.

Capital Management

The objective of own funds management is to maintain, at all times, sufficient own funds to cover the SCR and MCR with an appropriate buffer. As part of own funds management, the Company prepares ongoing annual solvency projections and reviews the structure of own funds and future requirements. The business plan, which forms the basis of the ORSA contains a three year projection of funding requirements and helps focus actions for future funding.

The Company is a single shareholder entity whose ordinary shares are fully paid up. It has no debt financing nor does it have plans to raise debt or issue new shares capital over the three year time horizon used for business planning.

At the end of 2022, the Company had a surplus of assets over liabilities of €30.8m (2021: €29.2m) on a solvency II valuation basis. This compares to a SCR requirement of €25.2m (2021: €26.6m) and indicates a solvency cover ratio of 122% (2021: 110%). The MCR coverage ratio is 487% (2021: 440%).

A BUSINESS and PERFORMANCE

A.1 Business

A.1.1 Name and legal form of the undertaking

Prysmian Re Company dac (hereinafter “the Company”) is incorporated in the Republic of Ireland and is a private company limited by shares.

A.1.2 Name of the Supervisory Authority responsible for the financial supervision of the undertaking

The Company is regulated by the Central Bank of Ireland (CBI). The CBI can be contacted at:

Central Bank of Ireland, PO BOX 559, New Wapping Street, North Wall Quay, Dublin 1, Ireland.

A.1.3 External auditor of the undertaking

The independent auditors of the Company are:

Ernst & Young, Chartered Accountants, Ernst & Young Building, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

A.1.4 Holders of Qualifying Holdings in the Undertaking

The Company is wholly owned by Draka Holding B.V., a company incorporated in the Netherlands.

A.1.5 Legal Structure of the Group

The ultimate parent undertaking is Prysmian S.p.A., a company incorporated in Italy.

A.1.6 Material lines of business and geographical areas

The Company is a non-life reinsurance captive whose principal activity is the undertaking of reinsurance business in respect of the general liability, UK employers’ liability, credit and property damage/business interruption risks of Prysmian S.p.A.

The material geographical areas in which the Company operates are the European Union/ European Economic Area (“EU/EEA”)

A.1.7 Significant Business events during the reporting period

No material events occurred during the year that would merit disclosure.

A.2 Underwriting Performance

The premium income written by the Company is derived from the coverage of the non-life reinsurance risks of Prysmian Sp.A. and its subsidiaries.

The Company writes the following lines of business: Property Damage & Business Interruption, General Liability and U.K. Employers' Liability and Credit. For the purposes of capital reporting these are categorised as:

Class of Business as per Irish GAAP	Solvency II Class of Business
Property Damage/Business Interruption	Non-proportional property reinsurance
General Liability	Non-proportional casualty reinsurance
UK Employers' Liability	Non-proportional casualty reinsurance
Credit	Non-proportional property reinsurance

The Company has determined that the Euro ("€") is the functional currency.

The tables below show a summary of the technical (underwriting) account for the year ended 31 December 2022 by material Line of Business and Geographical areas (based on Irish GAAP):

Underwriting performance for the main Solvency II Lines of Business and Geographical areas.

EU/EEA	Property Damage/Business Interruption	General Liability/UK Employers' Liability	Credit	Total
	€'000	€'000	€'000	€'000
Written Premiums	3,237	2,493	4,496	10,226
Earned Premiums	3,236	2,339	3,861	9,436
Claims Incurred	(2,236)	(285)	(1,076)	(3,596)
Underwriting Expenses	(3,940)	(1,469)	-	(5,408)
Allocated Investment Return	(112)	(42)	-	(154)
Net Technical Result	(3,052)	543	2,785	278

31/12/2021

EU/EEA	Property Damage/Business Interruption	General Liability/UK Employers' Liability	Credit	Total
	€'000	€'000	€'000	€'000
Written Premiums	3,109	2,183	2,630	7,922
Earned Premiums	3,250	2,158	2,630	8,038
Claims Incurred	(4,492)	(2,190)	(353)	(7,035)
Underwriting Expenses	(506)	(208)	(99)	(813)
Allocated Investment Return	5	3	4	12
Net Technical Result	(1,743)	(237)	2,182	202

A.3 Investment Performance

A.3.1 Income and expenses arising by asset class

The Company has an investment strategy which complies with the requirements of "the prudent person principle".

As at 31 December 2022 the Company's investment portfolio comprised the following material asset classes:

Asset Class	31/12/2022		31/12/2021	
	Amount €'000	% of portfolio	Amount €'000	% of portfolio
Cash at bank and in hand	10,002	22%	4,897	11%
Fixed Deposits	-	-	-	-
Treasury bond	11,054	24%	11,145	26%
Intercompany deposit	24,751	54%	27,237	63%
Total	45,807	100%	43,279	100%

The table below sets out the investment returns by asset class:

Asset Class	31/12/2022	31/12/2021
	Total €'000	Total €'000
Cash and fixed deposits	-	-
Treasury bond	(154)	12
Intercompany deposit	-	-
Total	(154)	12

A.3.2 Gains and losses recognised directly in equity

No gains and losses have been recognised directly in equity.

A.3.3 Investments in securitisation

There are no investments in securitisation.

A.4 Performance of Other Activities

A.4.1 There have been no other significant activities undertaken by the company other than its reinsurance and related activities.

A.5 Any Other Information

On 11 March 2021, the World Health Organization officially declared COVID-19, the disease caused by the novel coronavirus, a pandemic. Management is closely monitoring the evolution of this pandemic, including how it may affect the economy and the general population. Management has not yet determined the financial impact of these events.

B SYSTEM of GOVERNANCE

B.1 General information on the system of governance

B.1.1 Role and responsibilities of the administrative, management or supervisory body and key functions

The Company is classified as a Low Risk firm under the Central Bank of Ireland's risk-based framework for the supervision of regulated firms, known as PRISM or Probability Risk and Impact System and is subject to the Central Bank of Ireland's Corporate Governance Requirements for Captive Insurance and Captive Reinsurance Undertakings 2015.

Board of Directors:

The Company's Board of Directors carries responsibility for the effective, prudent and ethical oversight of the business and set it business strategy and risk appetite. The Board of Directors is also responsible for ensuring that risk and compliance are properly managed in the company.

The current composition of the Board of Directors is as follows:

G. Zancan (Chairman)

A. De Felice

H. Perez Gargallo

J. Sessions

G. Connell

Independent Control Functions:

The Company has established the four key control functions in line with Solvency II requirements: risk management, actuarial, compliance and internal audit. These functions, each possessing distinct responsibilities, are tasked with providing oversight of and challenge to the business and for providing assurance to the Board in relation to the Company's control framework.

Risk Management Function

The role of the Company's risk management function is to identify and evaluate the major risks facing the Company and to facilitate the implementation of the risk management system. The Board of Directors has appointed the Prysmian Group Chief Risk Officer, who is also a member of the Board of Directors, to undertake this role. The roles and responsibilities of the risk management function are set out within the risk management policy.

Compliance Function

In order to effectively monitor and report on the Company's requirement to be in compliance with all applicable laws and regulatory requirements the Board of Directors has outsourced the compliance function to the Captive Manager, Marsh Management Services (Dublin) Limited ("the Manager") and an employee of the Manager has been appointed as Compliance Officer. The Compliance Officer reports to the Board.

Actuarial Function

To ensure compliance with Solvency II obligations, the role of the Head of Actuarial Function ("HoAF") is outsourced to a third party provider. The HoAF reports to the Board.

Internal Audit Function

The internal audit function is outsourced to the Manager. The scope of internal audit activities includes the examination and evaluation of the effectiveness of the internal control, risk management and governance systems and processes of the entire licensed entity, including the Company's outsourced activities. The Internal Audit function reports to the Board.

B.1.2 Material changes in the system of governance that have taken place over the reporting period.

No material changes took place over the reporting period.

B.1.3 Remuneration policy for the administrative, management or supervisory body and employees

B.1.3.1 Remuneration policy for the administrative, management or supervisory body and employees

The Company does not have any employees. Day to day running of the Company is handled by the Manager under a third party administrative agreement.

Hence the Company's remuneration policy refers only to the remuneration of non-group executive directors should circumstances dictate that it is necessary to appoint external Executive Directors to the Board.

The Board of Directors of the Company includes Group Directors who are remunerated via their service agreements with Prysmian group companies.

B.1.3.2 Material transactions during the reporting period with shareholders, with persons who exercise a significant influence on the undertaking, and with members of the administrative, management or supervisory body

As a captive reinsurer, the principal activity of the Company is the provision of reinsurance to primary international insurance companies in respect of Property and Business Interruption, General Liability, U.K. Employers Liability and Credit risks of the Prysmian group.

The Company did not enter into any transactions with key management personnel in the Prysmian Group during the year ended 31 December 2022.

There is a credit agreement in place with Prysmian Treasury Milano S.r.l and the loan balance to the Company as at 31 December 2022 was €24.7m (2021: €27.2m).

B.2 Fit and Proper requirements

B.2.1 Requirements for skills, knowledge and expertise

On 1 October 2010, Part 3 of the Central Bank Reform Act 2010 introduced a harmonised statutory system for the regulation by the CBI of persons performing Controlled Functions (‘CFs’) and Pre-Approval Controlled Functions (‘PCFs’) in regulated financial service providers.

On 1 December 2011 the CBI issued the Fitness & Probity Standards under Section 50 of the Central Bank Reform Act 2010 which all persons performing Controlled Functions or Pre-Approval Controlled Functions should, at a minimum, comply with.

Guidance for (Re)Insurance Undertakings on the Fitness & Probity Amendments 2015 further assist companies in complying with their obligations brought in by the Solvency II (European Union (Insurance and Reinsurance) Regulations 2015 S.I. 485 of 2015).

The Company has adopted a Fitness and Probity Policy (reviewed by the Board on an annual basis) with the purpose of ensuring that:

- persons holding key positions within the Company are assessed in terms of their fitness and probity in relation to a proposed role and on an ongoing basis;
- effective procedures are in place to undertake this assessment;
- the results of such an assessment are documented;
- the Board is satisfied that it can conclude that persons holding key positions are fit and proper;
- responsibility is assigned to ensure fitness and probity is monitored on a continuous basis;
- approval is sought from the Central Bank of Ireland (‘CBI’) prior to the appointment of persons performing Pre-Approval Control Functions.

B.2.2 Process for assessing the fitness and the propriety of the persons who effectively run the undertaking or have other key functions

The Policy outlines the procedures that must be followed for assessing the fitness and probity of persons performing CFs and PCFs while also stipulating the requirements for instances when either of these functions are outsourced to a regulated or unregulated entity.

It also focuses on the documentation, controls and governance that are required to be in place to ensure compliance with the abovementioned Regulations.

This is achieved in the main by means of internal checklists, documentary evidence of qualifications proving suitability for the role in question, references, regulatory authority, companies’ office and police authority checks and self-certifications from the applicant in the form of Curricula Vitae and the CBI Individual Questionnaires.

B.3 Risk management system including the own risk and solvency assessment

B.3.1 Risk management system

The Company's risk management system is set out as follows:

1. The Board sets the Company Strategy.
2. The Board sets the Risk Strategy. The Risk Strategy describes and addresses the management of all material risks that the Company is exposed to in pursuit of the Company Strategy.
3. The Board sets the Risk Appetite. The Risk Appetite sets out the desired level of risk and the maximum level of variation from its risk appetite that it is willing to accept.
4. The Board has approved a Risk Policy and other individual risk policies necessary for the implementation of it Risk Strategy, consistent with its Risk Appetite.

The Company uses the Standard Formula to assess the solvency and capital requirements.

The Company performs an Own Risk and Solvency Assessment ("ORSA") at least annually. The main purpose of performing the ORSA is to ensure that the Company engages in a process of assessing all risks inherent in the business and determining the corresponding capital needs.

In order to ensure effective risk governance, the system has been designed to identify, assess, manage and monitor and report exposure to risk. This is a continuous process subject to continuous review and development.

<u>Identify</u>

The board reviews the risk profile of the Company at least annually and the Risk Management Function reviews the risk profile on an ongoing basis to ensure that the material risks of the Company are identified and recorded in the risk register.

<u>Assess</u>

Risks identified in the risk register are then quantified by the Board with input from the Risk Management Function and tolerances are established through the development of a risk appetite statement.

<u>Manage</u>

The Board determines the minimum standards to be maintained by the Company in order to manage the risks in a way that is consistent with its risk appetite by developing suitable individual risk policies.

<u>Monitor/Report</u>

Monitoring and reporting to the Board is undertaken at least quarterly from a number of sources including the Risk Management Function, Compliance Officer and the Internal Audit Function.

Findings from the development of the risk register are considered by the Board in the preparation of the annual internal audit plans.

The result is a risk management strategy, which is led by the Board of Directors whilst being embedded in the Company's business systems, strategy and policy setting processes and the activities of the Company.

B.3.2 Implementation of the Risk management system

The Company recognises the need to have appropriate governance, monitoring and reporting processes and procedures which enable the Company to identify, assess, manage, monitor and report the risks it is or might be exposed to.

Responsibility for risk management is spread throughout the Company and the wider Prysmian group. Appropriate internal reporting procedures and feedback loops ensure that information on the risk management framework is actively monitored and managed by all relevant functions and the Board.

The Company adopts a “3 lines of defence” approach for the overall governance of its risk management system.

The Board of Directors is ultimately responsible for the risk management framework and internal control, including approval of the Company strategy and business planning.

<u>1st Line of Defence – Day to Day:</u>

Operations – the Manager: The Manager provides day to day operations, accounting, financial reporting and administrative support services and company secretarial and regulatory reporting services on an outsourced basis to the Company.

<u>2nd Line of Defence – Oversight:</u>

Risk Management Function (“RMF”): The RMF is responsible for the oversight of the ongoing development, implementation and operation of the risk management framework, strategy, related resource plan and making recommendations to the Board thereon.

Compliance Function: The Compliance Function is recognised as a key part of the Company’s internal control system which should identify, assess, monitor and report on the compliance risk exposure of the Company. The Compliance Function also shares its responsibilities with other Company Functions which are responsible for their specific areas.

In order to help achieve its compliance objective the Board has appointed a Compliance Officer. The role of the Compliance Officer is set out in the Company’s Board approved Compliance Policy.

<u>3rd Line of Defence – Independent Assessment:</u>

Internal Audit Function: The Board has established an Internal Audit Function that is an independent function within the Company with a remit to examine and evaluate the functioning, effectiveness and efficiency of the internal control system and other elements of the system of governance of the Company.

The responsibilities of the Internal Audit function are set out in the Company’s Board approved Internal Audit Policy. The Internal Audit Function reports to the Board.

External Audit: The Board recognises that the independent external auditor has an important role in the effectiveness of the governance and risk management systems of the Company. The Company is required by law to appoint an external auditor on an annual basis.

Actuarial Function: The role of the Actuarial Function is outsourced to third party provider via the terms of a written SLA.

B.3.3 ORSA

B.3.3.1 ORSA process

The Company prepares an ORSA on an annual basis and on an ad-hoc basis, if circumstances materially change. The objective of the ORSA process is to enable the Board to assess its capital adequacy in light of the assessments of its risks and the potential impacts of its risk environment, and to enable the Company to make appropriate strategic decisions.

The ORSA process is a rolling project plan of how the ORSA is completed, the interaction and contributions from different stakeholders, the process timetable, the audit trail and the monitoring and reporting cycle.

The Company has adopted the following approach for the conduction of the ORSA process:

Risk Management System: Board puts in place an effective risk management framework comprising of strategies, tolerances, policies, governance, monitoring and reporting procedures necessary to identify, measure, monitor, manage and report, on a continuous basis, the risks to which the company is or could be exposed in pursuing its Company strategy.

Risk Identification: Board initiates an organised identification of all actual risks as well as emerging risks, taking into account the Company's strategy and business planning horizon.

Risk Appetite: Appetites and tolerance limits for the risks identified are set by the Board, which provide a basis for allocating risk capacity against the Company's exposure to particular risk categories.

Current Business Activities, Risk Profile, Capital and Solvency: Analysis of the current business activities, risk profile (quantitative and qualitative), calculation and analysis of regulatory and economic capital, analysis of solvency margin cover and description and assessment of risk mitigation techniques.

Forecast Business Activities, Risk Profile, Capital and Solvency: Analysis of the forecast business activities, risk profile (quantitative and qualitative), calculation and analysis of regulatory and economic capital, analysis of solvency margin cover and description and assessment of risk mitigation techniques.

Stress and Scenario Analysis: Board assesses the effect of different stresses (including reverse stress testing) and scenarios.

Impact on Strategy: Output of the ORSA process is reviewed and challenged by the Board and is being continuously embedded into the Company strategy and system of governance.

B.3.3.2 ORSA review and approval process

The risk management process and ORSA is performed on an annual basis, after the SCR calculation or when there is a significant shift in The Company's business plan. The risk monitoring is performed on an on-going basis and the Risk Register is annually reviewed and updated during the ORSA review process.

The Board requires that the ORSA process produces meaningful reports on the adequacy of the Company's capital and that it includes risk sensitivities that can be used in shaping strategy and risk appetite.

The Board reviews the ORSA report and considers appropriate action for the business such as:

- Decisions in relation to capital;
- Reassessment of risk profile and appetite;
- Additional risk mitigation actions;
- Reassessment of investment strategy.

Under the following circumstances, a non-scheduled ORSA shall be performed immediately (in addition to the scheduled ORSA):

- Significant change in the risk profile of the Company which can be defined as a major change to the business strategy/business activity/insurance program etc. (i.e. business activities other than the Company's current underwriting activity)
- Significant changes to Non-Financial matters - Operational/Regulatory and Legal/Strategic/Group Risks.
- Significant changes in Other categories - Capital Shortage Risks/quality of capital etc.

B.3.3.3 Statement explaining how the undertaking has determined its own solvency needs given its risk profile and how its capital management activities and its risk management system interact with each other.

The Company determines the solvency capital and assesses the overall solvency needs using the Solvency II standard formula.

A three year base case projection of the Solvency II Balance Sheets and Solvency Capital Requirements position is produced using the standard formula, as well as actuarial assumptions. The results are subjected to a range of scenario testing that is reviewed by management and challenged by the Board and, where appropriate, potential management actions are noted and conclusions drawn

The Company has sufficient capital to meet its base case SCR for its current and projected business activities over the 3 year business planning horizon. The Company also exceeds its strategic minimum SCR coverage over the period.

The results of the ORSA show that the Company has sufficient eligible capital own funds to:

• Maintain a comfortable margin over its Overall Solvency Needs for its current and projected business activities over the business planning horizon;
• Continue to meet internal and regulatory solvency targets for capital management;
• Continue its business on a going concern basis over the business planning horizon.

B.4 Internal Control System

B.4.1 Description of the internal control system

The Board of Directors is ultimately responsible for the internal control framework, including approval of the Company strategy and business planning. Board level controls include the Board charter, Company policies, reports and minutes of Board meetings.

The Internal Control Framework of the Company has three other elements, as previously detailed in section B3.2:

First line of defence: "Day to day" operations and associated controls/
Second Line of defence: oversight from Compliance, Risk Management functions

3rd Line of Defence – Independent Assessment, internal audit and actuarial functions (and also external audit).

B.4.2 Implementation of the compliance function

The Board of the Company has ultimate responsibility for its compliance objective.

To help achieve this aim the Board has established a Compliance Function, staffed by an appointed Compliance Officer, to supplement not supplant, the responsibilities of the Board to ensure compliance with legislation and applicable requirements.

The role of the Board appointed Compliance Officer is to:

- assist the Board with ensuring ongoing compliance with legislation and applicable requirements;
- enhancing the Company's awareness of compliance matters;
- monitor the Company's compliance with (re)insurance legislation and applicable requirements and guidelines;
- document any breaches identified, how they were addressed and whether any third party reporting of the breach is required;
- ensure that the Board is kept informed of any amendment to the applicable regulations, legislation and guidelines or the addition of any new requirements and the potential impact on the Company;
- provide opinions, recommendations, supervision and independent controls;
- provide reasonable assessment of the effectiveness and consistency of the internal processes used to control the compliance of the Company's operations and protect its reputation.

The Compliance Officer presents a Compliance Officer report to the Board at each board meeting which outlines the following:

- Details of regulatory correspondence with the Company
- Details of regulatory developments
- Details of which controls were tested since the last report and the results of the tests
- Conclusions and recommendations on the Company's compliance with reinsurance legislation and guidelines.

B.5 Internal audit function

B.5.1 Implementation of the internal audit function

The Company has outsourced its Internal Audit Function to the Manager. The internal audit function possesses a remit to examine and evaluate the functioning, effectiveness and efficiency of the internal control system and all other elements of the system of governance.

To this end, the Internal Audit Function is mandated to:

- establish, implement and maintain an audit plan setting out the audit work to be undertaken in the upcoming years, taking into account all activities and the complete system of governance of the Company;
- take a risk-based approach in deciding its priorities;
- report the audit plan to Board of Directors;

- issue recommendations based on the result of work carried out in accordance with (a) above, and submit a written report on its findings and recommendations to the Board of Directors on at least an annual basis.

B.5.2 Independence of the internal audit function

The internal audit function provides independent and objective assurance services, via an Internal Audit Agreement between the Manager.

B.6 Actuarial function

The role of the Actuarial Function is outsourced to third party provider, KPMG, via the terms of a written SLA.

The key role of the Head of Actuarial Function (HoAF) is to provide the following services:

- Opinion on Underwriting Policy
- Opinion on Technical Provisions
- Opinion on Reinsurance Arrangements
- Contribution to the Risk Management System
- Contribution to calculation of capital requirements
- Opinion on the ORSA process

B.7 Outsourcing

The Company has established an Outsourcing Policy which sets out the requirements for identifying, justifying and implementing material outsourcing arrangements. This Policy has been adopted by the Company and includes following:

- Definition of outsourcing and critical outsourcing;
- Risk Mitigation strategies;
- Board and Management responsibility;
- Due Diligence;
- Business Continuity Management (BCM);
- Contractual Arrangements;
- Management and control of the Outsourcing Relationship;
- Intra-Group Outsourcing;
- Final approval

The Company's outsourcing arrangements are subject to annual review and the findings of the report, along with the Outsourcing Policy are reviewed by the Board.

The following is a list of the important outsourced operational functions together with the jurisdiction in which the service providers of such functions or activities are located:

Critical Outsourcing Arrangements				
Outsourced Provider	**Service Outsourced**	**Internal/External**	**Jurisdiction**	**Outsourcing Oversight**
Marsh Management Services (Dublin) Limited	Captive Manager	External	EU	Chairman (PCF-3)
	Compliance Function			
Mazars	Internal Audit Function	External	EU	
KPMG	Head of Actuarial Function	External	EU	

B.8 Assessment of the adequacy of the system of governance of the insurance or reinsurance undertaking to the nature, scale and complexity of the risks

The Company has assessed its corporate governance system and has concluded that it effectively provides for the sound and prudent management of the business, which is proportionate to the nature, scale and complexity of operations of the Company.

B.9 Any other material information regarding the system of governance of the Company

No material changes regarding the system of governance of the Company took place, aside from the fact that certain functions, including actuarial function, internal audit function and risk management functions were finalised and approved by the CBI in line with Solvency II requirements.

C RISK PROFILE

C.1 Underwriting risk

C.1.1 Key underwriting risks

Non-Life underwriting risk at 31 December comprises 52% of the undiversified basic SCR.

The key underwriting risks to which the Company is exposed to are set out below:

Non-life premium and reserve risk

Underwriting risk arises from two sources – premium risk (pricing) and adverse claims development (reserve risk).

For a non-life reinsurer, underwriting risk is the risk arising from non-life reinsurance obligations in relation to the perils covered and the processes used in the conduct of business.

There are a number of material risks that are considered as a result of the Company's reinsurance underwriting. For premium risk, the Company has considered the risk of underpricing of premiums resulting in higher loss ratios than expected.

For reserve risk, the Company has considered the risk of over- and under-reserving of actual and expected claims. The Board of Directors have approved a Loss Reserving and IBNR Policy that sets out the standards and requirements in relation to the establishment of technical provisions. The Company has no appetite for the setting of technical provisions below the actuarial best estimate of technical provisions

Non-life catastrophe risk

The risk of a major natural or man-made catastrophe event occurring, while not listed in the Company's risk register, is considered as part of the overall underwriting strategy. This includes a board approved reinsurance programme structure which sets the risk retention limits for the Company for each risk written for each underwriting period. Currently the overall risk retention limit is set at a low level thereby mitigating exposure to catastrophe losses. The catastrophe risk charge for the Company is derived from the combination of charges across the lines of business written and is considered a conservative approach to the risk.

C.1.2 Material risk concentrations

The Company seeks to avoid concentration of risks by accepting reinsurance of risks which are sourced across several countries worldwide and across a number of lines of business.

C.1.3 Assessment and risk mitigation techniques used for underwriting risks

The Company monitors and controls risks via various methods, including:

- Having in place clear underwriting and reserving philosophies and procedures and controls in relation to pricing and reserving;
- Diversifying reinsurance risk through ongoing review and management
- Engaging an insurance intermediary to negotiate appropriate contracts;
- Assessing reinsurance risks with quality underwriting and claims expertise and information;
- Retaining risk within an approved risk appetite and solvency requirements;
- Transferring risk if required, through reinsurance/retrocession with high credit quality entities;
- Experienced Risk Management team used to gauge the group's risk progress
- Monitoring changing environment and market conditions that effect risk;
- The ORSA includes stress and scenario testing which is used to assess the risks under stressed conditions;
- Independent opinion on the reasonableness and adequacy of the overall underwriting policy is provided by the Head of Actuarial Function on an annual basis.

C.2 Market risk

C.2.1 Material market risks

Market risk is the risk arising from the level of volatility of market prices of financial instruments. Exposure to market risk is measured by the impact of movements in the level of financial variables such as stock prices, interest rates, real estate prices and exchange rates. Market risk is arrived at using the assumptions and calculations methods contained in the Standard Formula.

Investment objectives are outlined in the Company's Investment and Asset Liability Policy.

The table below outlines the material components of the market risk module as at 31 December 2022.

Market Risk sub-module	€'000 2022	€'000 2021
Concentration	17,903	19,671
Spread	1,294	1,650
FX	147	111
Interest Rate	57	159

Concentration Risk: the risk that excessive exposure to counterparty will impact on the solvency of Company.

Concentration risk of €17.9m is the most significant market risk charge and arises from the treasury bond of €11.1m (Moody's Baa2 rating) and the intercompany balance of €24.7m with Prysmian Treasury Milano S.r.L. (no rating).

Spread Risk: the sensitivity of the value of investments, primarily bonds and deposits in respect of the Company, to changes in the level or in the volatility of credit spreads. Spread risk is linked to the credit rating of assets held and the effect of a market change in the credit curve.

Interest rate risk: the risk that the Company is exposed to lower returns or loss as a direct or indirect result of fluctuations in the value of, or income from, specific assets arising from changes in underlying interest rates.

Interest and spread risk are not considered largely material given the nature and structure of the Company's investments. The Company has allocated an interest rate charge of €57k and a spread risk charge of €1,294k.

Currency risk: the risk that the Company is exposed to higher or lower returns as a direct or indirect result of fluctuations in the value of, or income from, specific assets or liabilities arising from changes in underlying exchange rates.

Currency risk is considered largely material given the nature and structure of the Company's investments. The Company has allocated an FX risk charge of €147k.

C.2.2 Material Risk Concentrations

Market risk concentration arises in respect of the inter-company loan (no rating) and the treasury bond (Baa2 rating).

C.2.3 Prudent person principle applied to market risks

The high quality and conservative investments are a consequence of the investment assets being prudently invested, taking into account the liquidity requirements of the business and the nature and timing of the insurance liabilities.

C.2.4 Assessment and risk mitigation techniques used for market risks

The Company monitors and controls market risks via various methods, including:

- Compliance with the Investment and Asset Liability Policy as approved by the Company's Board of Directors;
- Retaining risk within an approved risk appetite and solvency requirements;
- Monitoring changing environment and market conditions that affect risk;
- Hedging against its foreign exchange exposure;
- The ORSA includes stress and scenario testing which is used to assess the risks under stressed conditions.

C.3 Credit risk

C.3.1 Material credit risks

Credit risk at 31 December comprises 3% of the undiversified basic SCR.

Credit risk is the risk that the Company is exposed to lower returns or loss if another party fails to perform its financial obligations towards the Company.

The counterparty default risk module in the Standard Formula is driven by cash at bank and reinsurance receivables. The capital charge is not material as the majority of its receivables are within 90 days and the cash at bank are of a low value

C.3.2 Material Risk Concentrations

The Company is not exposed to any material credit risk concentrations.

C.3.3 Prudent person principle applied to credit risks

Counterparties are selected by taking into account the credit rating and reputation of each entity. Credit ratings are used as a way of properly identifying and managing the risk attached to a counterparty.

C.3.4 Assessment and risk mitigation techniques used for credit risks

The Company monitors and controls credit risks via various methods, including:

- Minimum rating criteria for the placing of deposits and opening of bank accounts, in line with the Investment and Asset Liability Policy;
- Monitoring the credit ratings of counterparties;
- Reporting of cash, investment and liquidity positions takes place monthly as part of the Company’s management accounts reporting process;
- Retaining risk within an approved risk appetite and solvency requirements;
- The ORSA includes stress and scenario testing which is used to assess the risks under stressed conditions.

C.4 Liquidity risk

C.4.1 Material liquidity risks

Liquidity risk refers to the risk that undertakings are unable to realise investments and other assets in order to settle their financial obligations when they fall due.

It is the Company’s policy that liquidity and concentration risk is minimised as much as possible.

The Company has considered the risk of a lack of liquidity available to pay insurance liabilities in its risk register. No specific allocation of capital is considered necessary for this risk.

The Company’s cash in-flow is generated from premium income. Its cash out-flow consists mainly of claims payments and a small volume of administration expenses.

C.4.2 Prudent person principle applied to liquidity risks

The investment assets are prudently invested taking into account the liquidity requirements of the business and the nature and timing of the insurance liabilities.

C.4.3 Assessment and risk mitigation techniques used for liquidity risks

The Company monitors and controls risks via various methods, including:

- Compliance with the Liquidity and Concentration Policy as approved by the Company's Board of Directors;
- Retaining risk within an approved risk appetite and solvency requirements;
- The Manager monitors cash movements and performs cash flow forecasting which are regularly reported to the Company;
- Reporting of cash, investment and liquidity positions takes place monthly as part of the Company's management accounts reporting process.

C.5 Operational risk

C.5.1 Material operational risks

Operational risk is the risk of loss resulting from failed internal processes, people and systems or from external events. Operational risks which can result in losses include internal fraud. External fraud, employments practices, system failures and disregard of company policies.

The Company has considered a number of operational risks arising out of its activities in its risk register. For example, the Company has considered the risk of fraud arising from the misappropriation of Company funds, the risk of being overly reliant on key personnel and the risk that there is an inadequate business plan in place.

For such non-quantifiable risks, the Company has set a strategic surplus (target) of 15% as a prudent buffer to the Standard Formula calculation.

Operational risks are also addressed in the capital requirement as an addition to the BSCR to the extent that they have not been explicitly covered in other risk modules. The operational risk capital charge as at 31 December 2022 is €315k.

C.5.2 Assessment and risk mitigation techniques used for operational risks

The Company monitors and controls operational risks via various methods, including:

- Identifying and analysing risk through a disciplined risk assessment process;
- Mitigating or avoiding risks that do not fit within the Company's business objectives;
- Implementing a robust system of internal controls and procedures;
- Segregation of duties;
- Monitoring and internal reporting;
- Outsourcing its management to an experienced management company;
- Setting a strategic surplus target of 15% above the SCR;
  Commitment of effective corporate governance.

C.6 Other material risks

The Company has included a range of non-quantifiable risks in its ORSA process. Documented associated actions exist for each of these risks and they are reviewed on a quarterly basis by the Board of Directors.

Sample risks include:

- Regulatory and Compliance;
- Loss of key personnel;
- Outsourcing.

The Company has no appetite for regulatory risk. It is the objective of the Company to be at all times in compliance with Insurance Acts and Regulations, and with Guidelines issued by the insurance supervisory authority and other applicable legislation in accordance with good corporate governance and codes of conduct.

The Board was satisfied that the Company has a succession plan in place and in the event that a director resigns or intends to resign the parent Company will provide a replacement nominee for that position as soon as possible.

It was further considered whether ORSA should seek to model a failure of an outsourced provider. While the Board recognises that the Company operates on a basis of an outsourced model, whereby the day to day operations and number of key functions are outsourced, the Board is satisfied that all outsourcing agreements include an appropriate period notice.

This would provide the Company with sufficient time to find an alternative professional services provider. Additionally, performance of outsourced providers is reviewed on an annual basis and such review would flag any potential deficiencies of the individual service provider.

The Board considers that these non-quantifiable risks that are not captured by the standard model are covered by the application of a specified strategic solvency target.

C.7 Amount of expected profit included in future premiums as calculated in accordance with Article 260(2)

The Company has included expected profit in future premium of €4,110k (2021: €1,885k).

C.8 Stress and sensitivity tests

The Company's ORSA contains three scenarios and a reverse stress test. Stress testing is based on the largest risks per the Company's risk register, which have been determined to be:

1. the impact of a downgrade in the rating of bank/investment counterparties (one-step downgrade);
2. the impact of a 100% loss ratio across all lines of business in all projection years;
3. breach of annual aggregates across a number of lines of business in all projection years

Robust risk mitigation practices and remediation plans are in place to address these risks.

As a part of 2022 ORSA the Company considered a reverse stress test by examining events that could cause the available capital to fall below the SCR at a point in time.

One of the largest components of the Company's SCR is the charge associated with the Company's underwriting risk. Significant adverse claims activity could cause the Company to be in breach of its solvency coverage requirements. However, this is considered unlikely given the historical claims activity.

Additionally, the Company has the ability to improve its solvency cover by increasing premium in response to adverse claims activity, requesting additional capital from the sole shareholder or by transferring funds from the intercompany deposit to an entity with a better credit rating.

The results of the stress testing evidence that the Company is well capitalised at present and will have sufficient own funds to meet its overall solvency needs throughout the projection period. No further general management actions are required outside of the existing reporting and monitoring controls are in place.

The Board also noted the Company's reliance on its Parent Company to support its capital base should it be required.

C.9 Any Other Information

The Company has identified all material risks through its risk register and there is no other material information regarding the risk profile of the Company that warrants disclosure.

D VALUATION for SOLVENCY PURPOSES

D.1 Assets

D.1.1-2 Local GAAP and Solvency II Valuations

The table below sets out the value of the Company's material assets as at 31 December 2022:

	31/12/2022		31/12/2021	
	Assets per GAAP	Assets per Solvency II	Assets per GAAP	Assets per Solvency II
	Total €'000	Total €'000	Total €'000	Total €'000
Cash at bank and in hand	10,002	10,002	4,897	4,897
Fixed Deposits	-	-	-	-
Treasury bond	11,055	11,055	11,145	11,145
Intercompany deposit	24,751	-	27,237	-
Other Mortgages and Loans	-	24,751	-	27,237
Reinsurance Receivables	8,720	-	3,958	-
Deferred Acquisition Costs	-	-	229	-
Other assets	273	273	665	665
Total assets	54,801	46,081	48,131	43,944

The Company's assets are recognised and valued using the following principles:

Cash at bank and in hand

Cash and cash equivalents are carried at cost.

Fixed Deposits

Short term deposits held with credit institutions with an original maturity date no later than 3 months These investments are recorded at fair value.

Intercompany deposit

Valued at the amount held at year end.

Adjustment for solvency purposes relates to the re-class to "Other Mortgages and Loans".

Deferred acquisition costs

Commissions, which are related to the acquisition of new insurance contracts and the renewal of existing insurance contracts, are deferred in the balance sheet to the extent that they are attributable to premiums unearned at the balance sheet date.

Adjustment for solvency purposes relates to the removal these deferred acquisition costs as there is no concept of deferred acquisition costs in Solvency II; future acquisition cost cash flows are valued in Solvency II technical provisions.

D.2 Technical Provisions

D.2.1 Local GAAP and Solvency II Valuations

The table below shows an analysis of the technical provisions as at 31 December 2022:

Insurance Class	31/12/2022		31/12/2021	
	TPs per GAAP	TPs per Solvency II	TPs per GAAP	TPs per Solvency II
	€'000	€'000	€'000	€'000
Fire and Other Damage to Property				
Best estimate of liabilities (BEL)	9,806	6210	9,963	9,033
Risk margin	-	836	-	864
General Liability				
Best estimate of liabilities (BEL)	5,639	(184)	5,539	2,716
Risk margin	-	204	-	319
Credit				
Best estimate of liabilities (BEL)	3,941	2,496	2,292	1,128
Risk margin	-	320	-	108
Total technical provisions	19,386	9,843	17,794	14,168

The GAAP accounts of the Company include provisions for claims incurred and claims incurred but not reported, which consider all reasonably foreseeable best estimates. An unearned premium reserve is also included, relating to gross premiums written that have not yet expired by the end of the financial period by reference to the full term of the insurance policies to which such premiums written relate.

The Solvency II technical provisions are made up of a best estimate of the claims, premiums and expenses cash flows that are discounted to give an estimate of the provisions. A risk margin is then added.

A number of adjustments were made to the GAAP provisions in order to obtain the Solvency II technical provisions. Key points to note are as follows:

Cash-flows and discounting: Cash-flows have been discounted using the Euro risk free yield curve as at 31 December 2022 as published by the European Insurance and Occupational Pensions Authority ("EIOPA").

Solvency II classes of business: Classes of business have been allocated to Solvency II line of business on the following basis:

Class of Business as per Irish GAAP	Solvency II Class of Business
Property Damage/Business Interruption	Non-life proportional property reinsurance
General Liability	Non-life proportional casualty reinsurance
UK Employers' Liability	Non-life proportional casualty reinsurance
Credit	Non-life proportional property reinsurance

Inclusion of unearned business: The expected claims on unearned business have been calculated using an expected loss ratio applied to the unearned premium reserve.

Expenses: An allowance has been made for claims handling expenses.

Risk Margin

The risk margin has been calculated separately by determining the cost of providing an amount of eligible own funds equal to the Solvency Capital Requirement necessary to support the insurance and reinsurance obligations

The annual cost of capital is taken to be 6% of the capital estimated at each future point.

D.2.2 Uncertainty associated with the value of Technical Provisions

All estimates of unpaid loss reserves are inherently uncertain. The key areas of uncertainty of the technical provisions are driven by the uncertainty of the underlying booked reserves.

The best estimate projections of future claim payments are based upon the Company's historical experience. It is possible that the historical data will not necessarily be predictive of future claim development.

In determining the Solvency II technical provisions, assumptions are made about future experience, however, actual experience could have a significant effect on actual results.

D.2.3 Solvency II and local GAAP valuation differences of Technical Provisions by material line of business

See analysis in Section D2.1.

D.2.4 The Company does not apply the matching adjustment referred to in Article 77b of Directive 2009/138/EC.

D.2.5 The Company does not use the volatility adjustment referred to in Article 77d of Directive 2009/138/EC.

D.2.6 The Company does not apply the transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC.

D.2.7 The Company does not apply the transitional deduction referred to in Article 308d of Directive 2009/138/EC.

D.2.8 Recoverables from reinsurance and special purpose vehicles

There were no recoverables or special purpose vehicles as at 31 December 2022 (2021: € Nil).

D.2.9 Material changes in relevant assumptions made in the calculation of technical provisions

There are no material changes in the relevant assumptions made in the calculation of the technical provisions compared to the previous reporting period.

D.3 Other liabilities

Other liabilities at 31 December 2022 were €5,385k (2021: €552k) and are composed of losses payable, tax payable and accrued expenses.

There were no differences between the Local GAAP and Solvency II valuations.

D.4 Alternative Methods for Valuation for other liabilities

The Company does not use any alternative methods for valuation.

D.5 Any Other Information

There are no other material matters in respect of the valuation of assets and liabilities.

E CAPITAL MANAGEMENT

E.1 Own funds

E.1.1 Objective, policies and processes for managing own funds

The objective of own funds management is to maintain, at all times, sufficient own funds to cover the SCR and MCR with an appropriate buffer. As part of own funds management, the Company prepares ongoing annual solvency projections and reviews the structure of own funds and future requirements. The business plan, which forms the basis of the ORSA contains a three year projection of funding requirements and helps focus actions for future funding.

The Company is a single shareholder entity whose ordinary shares are fully paid up. It has no debt financing nor does it have plans to raise debt or issue new shares capital over the three year time horizon used for business planning.

The medium-term capital management plan set by the Board is as follows:

- Own funds to be maintained at an agreed level in excess of the SCR, target solvency margin cover is currently set at 115% of the SCR;
- Dividends will not be paid or will be deferred if doing so would cause the Company to breach its legal and regulatory requirements or fall below the abovementioned target SCR cover;
- The Company's own funds are primarily invested in in cash or cash equivalents and in an intercompany loan advanced via the terms of a credit agreement in line with the Board approved Investment and Asset Liability Policy.

E.1.2 Own funds analysed by tiers

An analysis of own funds is shown below:

Date	Description	Tier 1 €'000	Total €'000
1 January 2022	Opening balance comprising: Ordinary share capital Reconciliation Reserve	 20,000 9,224	 20,000 9,224
	Movement in the Reconciliation reserve for the year ended 31 December 2022	1,591	1,591
31 December 2022	Closing balance	30,815	30,815
	Represented by:		
	Ordinary share capital	20,000	20,000
	Reconciliation reserve (comprising retained earnings and Solvency II adjustments)	10,815	10,815
	Total Basic own funds after deductions	30,815	30,815

The Company's ordinary share capital and reconciliation reserve are all available as tier 1 unrestricted own funds as per Article 69 (a)(1) of the Delegated Regulation. The positive reconciliation reserve equals the excess of assets over liabilities less other basic own fund items, as at the reporting date. There are no foreseeable dividends or own shares held.

The Company has no tier 1 restricted own funds and no tier 2 or tier 3 own funds.

E.1.3 Eligible amount of own funds to cover the Solvency Capital Requirement, classified by tiers

The eligible amount of own funds to cover the Solvency Capital Requirement is €30.9m (2021: €29.2m). This is comprised of Tier 1 unrestricted Basic Own Funds of €30.9 (2021: €29.2m)

E.1.4 Eligible amount of own funds to cover the Minimum Capital Requirement, classified by tiers

The eligible amount of own funds to cover the Minimum Capital Requirement is €30.9m (2021: €29.2m). This is comprised of Tier 1 unrestricted Basic Own Funds of €30.9m (2021: €29.2m).

E.1.5 Difference between equity as shown in the financial statements and the Solvency II value excess of assets over liabilities

Reconciliation of Basic Own Funds to Equity as per financial statements as at 31 December 2022	
	€'000
Solvency II - Basic Own Funds	30,815
Total Equity as per financial statements	30,027
Difference:	788
<u>Represented by:</u>	
Difference between Net Technical Provisions and BEL	10,865
Risk Margin	(1,360)
Reinsurance receivables	(8,718)
Deferred Acquisition Costs	-
Difference:	788

E.1.6 None of the Company's own funds are subject to the transitional arrangements referred to in Articles 308b(9) and 308b(10) of Directive 2009/138/EC.

E.1.7 There are no ancillary own funds items.

E.1.8 No deductions are applied to own funds and there are no material restrictions affecting their availability and transferability.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Amount of Solvency Capital Requirement and Minimum Capital Requirement

The table below shows the total SCR and MCR at 31 December 2022:

	€'000 2022	€'000 2021
SCR	25,276	26,575
MCR	6,319	6,644

The final amount of the SCR remains subject to supervisory assessment.

E.2.2 Solvency Capital Requirement split by risk modules

The table below shows the SCR components by risk module (using the Standard Formula) at 31 December 2022.

SCR Overview	EUR'000 2022	EUR'000 2021
Market risk	17,953	19,744
Counterparty default risk	671	328
Non-life underwriting risk	12,997	12,751
Diversification	-6,660	-6,634
Basic Solvency Capital Requirement	24,961	26,189
Operational risk	315	386
Solvency Capital Requirement	25,276	26,575

E.2.3 Simplified calculations are not used for any of the risk modules or sub-modules.

E.2.4 The Company does not use undertaking specific parameters in its computation.

E.2.5 The Minimum Capital Requirement is calculated using the Standard Formula specifications.

The table below shows the inputs into the MCR calculation as at 31 December 2022

MCR Overview	EUR'000 2022	EUR'000 2021
Linear MCR	3,221	3,655
SCR	25,276	26,575
MCR cap	11,374	11,959
MCR floor	6,319	6,644
Combined MCR	6,319	6,644
Absolute floor of the MCR	1,200	1,200
Minimum Capital Requirement	6,319	6,644

E.2.6 There were no material changes to the Solvency Capital Requirement and to the Minimum Capital Requirement over the reporting period.

E.3 Any use of the equity risk sub-module in the calculation of the Solvency Capital Requirement.

The Company has not opted to use the duration-based equity risk sub-module set out in Article 304 of Directive 2009/138/EC.

E.4 Internal model information.

The Company applies the Standard Formula model and does not use an internal model to calculate the Solvency Capital Requirement.

E.5 Non compliance with the Minimum Capital Requirement and significant non-compliance with the Solvency Capital Requirement.

There were no breaches of the Solvency Capital Requirement (and hence the Minimum Capital Requirement) over the reporting period.

E.6 Any other information.

There are no other material matters in respect of the valuation of capital management.

F Templates

The following QRTs are appended overleaf.

QRT ref	QRT Template name
S.02.01	Balance Sheet
S.05.01	Premiums, claims and expenses
S.05.02	Premiums, claims and expenses by Country
S.17.01	Technical Provisions
S.19.01	Non-Life insurance claims
S.23.01	Own Funds
S.25.01	Solvency Capital Requirement – for undertakings on Standard Formula
S.28.01	Minimum Capital Requirement

S.02.01.02
Balance sheet

		Solvency II value
Assets		**C0010**
Intangible assets	**R0030**	
Deferred tax assets	**R0040**	
Pension benefit surplus	**R0050**	
Property, plant & equipment held for own use	**R0060**	
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	11,055
Property (other than for own use)	**R0080**	
Holdings in related undertakings, including participations	**R0090**	
Equities	**R0100**	
Equities - listed	**R0110**	
Equities - unlisted	**R0120**	
Bonds	**R0130**	11,055
Government Bonds	**R0140**	
Corporate Bonds	**R0150**	11,055
Structured notes	**R0160**	
Collateralised securities	**R0170**	
Collective Investments Undertakings	**R0180**	
Derivatives	**R0190**	
Deposits other than cash equivalents	**R0200**	
Other investments	**R0210**	
Assets held for index-linked and unit-linked contracts	**R0220**	
Loans and mortgages	**R0230**	24,751
Loans on policies	**R0240**	
Loans and mortgages to individuals	**R0250**	
Other loans and mortgages	**R0260**	24,751
Reinsurance recoverables from:	**R0270**	
Non-life and health similar to non-life	**R0280**	
Non-life excluding health	**R0290**	
Health similar to non-life	**R0300**	
Life and health similar to life, excluding health and index-linked and unit-linked	**R0310**	
Health similar to life	**R0320**	
Life excluding health and index-linked and unit-linked	**R0330**	
Life index-linked and unit-linked	**R0340**	
Deposits to cedants	**R0350**	
Insurance and intermediaries receivables	**R0360**	
Reinsurance receivables	**R0370**	
Receivables (trade, not insurance)	**R0380**	274
Own shares (held directly)	**R0390**	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	
Cash and cash equivalents	**R0410**	10,002
Any other assets, not elsewhere shown	**R0420**	
Total assets	**R0500**	46,081

S.02.01.02
Balance sheet

Liabilities		
Technical provisions – non-life	**R0510**	9,881
Technical provisions – non-life (excluding health)	**R0520**	9,881
TP calculated as a whole	**R0530**	
Best Estimate	**R0540**	8,521
Risk margin	**R0550**	1,360
Technical provisions - health (similar to non-life)	**R0560**	
TP calculated as a whole	**R0570**	
Best Estimate	**R0580**	
Risk margin	**R0590**	
Technical provisions - life (excluding index-linked and unit-linked)	**R0600**	
Technical provisions - health (similar to life)	**R0610**	
TP calculated as a whole	**R0620**	
Best Estimate	**R0630**	
Risk margin	**R0640**	
Technical provisions – life (excluding health and index-linked and unit-linked)	**R0650**	
TP calculated as a whole	**R0660**	
Best Estimate	**R0670**	
Risk margin	**R0680**	
Technical provisions – index-linked and unit-linked	**R0690**	
TP calculated as a whole	**R0700**	
Best Estimate	**R0710**	
Risk margin	**R0720**	
Contingent liabilities	**R0740**	
Provisions other than technical provisions	**R0750**	
Pension benefit obligations	**R0760**	
Deposits from reinsurers	**R0770**	
Deferred tax liabilities	**R0780**	
Derivatives	**R0790**	
Debts owed to credit institutions	**R0800**	
Financial liabilities other than debts owed to credit institutions	**R0810**	
Insurance & intermediaries payables	**R0820**	655
Reinsurance payables	**R0830**	
Payables (trade, not insurance)	**R0840**	4,730
Subordinated liabilities	**R0850**	
Subordinated liabilities not in BOF	**R0860**	
Subordinated liabilities in BOF	**R0870**	
Any other liabilities, not elsewhere shown	**R0880**	
Total liabilities	**R0900**	15,266
Excess of assets over liabilities	**R1000**	30,815

S.05.01.01.01 Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)

Z Axis:

				Line of Business for: accepted non-		Total
				Casualty	Property	
				C0140	C0160	C0200
Premiums written	Gross - Direct Business		R0110			0
	Gross - Proportional reinsurance accepted		R0120			0
	Gross - Non-proportional reinsurance accepted		R0130	2,525	7,550	10,075
	Reinsurers' share		R0140	0	0	0
	Net		R0200	2,525	7,550	10,075
Premiums earned	Gross - Direct Business		R0210			0
	Gross - Proportional reinsurance accepted		R0220			0
	Gross - Non-proportional reinsurance accepted		R0230	2,525	7,550	10,075
	Reinsurers' share		R0240	0	0	0
	Net		R0300	2,525	7,550	10,075
Claims incurred	Gross - Direct Business		R0310			0
	Gross - Proportional reinsurance accepted		R0320			0
	Gross - Non-proportional reinsurance accepted		R0330	285	3,312	3,597
	Reinsurers' share		R0340			0
	Net		R0400	285	3,312	3,597
Changes in other technical provisions	Gross - Direct Business		R0410			0
	Gross - Proportional reinsurance accepted		R0420			0
	Gross - Non- proportional reinsurance accepted		R0430			0
	Reinsurers' share		R0440			0
	Net		R0500	0	0	0
Expenses incurred			R0550	1,370	4,038	5,408
	Administrative expenses	Gross - Direct Business	R0610			0
		Gross - Proportional reinsurance accepted	R0620			0
		Gross - Non-proportional reinsurance accepted	R0630	1,178	3,524	4,702
		Reinsurers' share	R0640			0
		Net	R0700	1,178	3,524	4,702
	Investment management expenses	Gross - Direct Business	R0710			0
		Gross - Proportional reinsurance accepted	R0720			0
		Gross - Non-proportional reinsurance accepted	R0730			0
		Reinsurers' share	R0740			0
		Net	R0800	0	0	0
	Claims management expenses	Gross - Direct Business	R0810			0
		Gross - Proportional reinsurance accepted	R0820			0
		Gross - Non-proportional reinsurance accepted	R0830			0
		Reinsurers' share	R0840			0
		Net	R0900	0	0	0
	Acquisition expenses	Gross - Direct Business	R0910			0
		Gross - Proportional reinsurance accepted	R0920			0
		Gross - Non-proportional reinsurance accepted	R0930	192	514	706
		Reinsurers' share	R0940			0
		Net	R1000	192	514	706
	Overhead expenses	Gross - Direct Business	R1010			0
		Gross - Proportional reinsurance accepted	R1020			0
		Gross - Non-proportional reinsurance accepted	R1030			0
		Reinsurers' share	R1040			0
		Net	R1100	0	0	0
Other expenses			R1200			0
Total expenses			R1300			5,408

S.05.02.01.01 Home Country - non-life obligations

Z Axis:

			Home country
			Home country
			C0080
Premiums written	Gross - Direct Business	R0110	
	Gross - Proportional reinsurance accepted	R0120	
	Gross - Non-proportional reinsurance accepted	R0130	
	Reinsurers' share	R0140	
	Net	R0200	
Premiums earned	Gross - Direct Business	R0210	
	Gross - Proportional reinsurance accepted	R0220	
	Gross - Non-proportional reinsurance accepted	R0230	
	Reinsurers' share	R0240	
	Net	R0300	
Claims incurred	Gross - Direct Business	R0310	
	Gross - Proportional reinsurance accepted	R0320	
	Gross - Non-proportional reinsurance accepted	R0330	
	Reinsurers' share	R0340	
	Net	R0400	
Changes in other technical provisions	Gross - Direct Business	R0410	
	Gross - Proportional reinsurance accepted	R0420	
	Gross - Non-proportional reinsurance accepted	R0430	
	Reinsurers' share	R0440	
	Net	R0500	
Expenses incurred		R0550	4,702
Other expenses		R1200	
Total expenses		R1300	

S.05.02.01.02 Top 5 countries (by amount of gross premiums written) - non-life obligations

Z Axis:

			BRAZIL	FRANCE	ITALY	UNITED KINGDOM	UNITED STATES
			C0090 32	C0090 76	C0090 109	C0090 234	C0090 236
Premiums written	Gross - Direct Business	R0110					
	Gross - Proportional reinsurance accepted	R0120					
	Gross - Non-proportional reinsurance accepted	R0130	608	925	689	769	2,434
	Reinsurers' share	R0140					
	Net	R0200	608	925	689	769	2,434
Premiums earned	Gross - Direct Business	R0210					
	Gross - Proportional reinsurance accepted	R0220					
	Gross - Non-proportional reinsurance accepted	R0230	544	851	721	328	2,225
	Reinsurers' share	R0240					
	Net	R0300	544	851	721	328	2,225
Claims incurred	Gross - Direct Business	R0310					
	Gross - Proportional reinsurance accepted	R0320					
	Gross - Non-proportional reinsurance accepted	R0330		17	95	505	
	Reinsurers' share	R0340					
	Net	R0400	0	17	95	505	0
Changes in other technical provisions	Gross - Direct Business	R0410					
	Gross - Proportional reinsurance accepted	R0420					
	Gross - Non-proportional reinsurance accepted	R0430					
	Reinsurers' share	R0440					
	Net	R0500	0	0	0	59	0
Expenses incurred		R0550					
Other expenses		R1200					
Total expenses		R1300					

S.05.02.01.03 Total Top 5 and home country - non-life obligations

Z Axis:

			Non-life and Health non-SLT
			Total Top 5 and home country
			C0140
Premiums written	Gross - Direct Business	R0110	
	Gross - Proportional reinsurance accepted	R0120	
	Gross - Non-proportional reinsurance accepted	R0130	7,105
	Reinsurers' share	R0140	
	Net	R0200	7,105
Premiums earned	Gross - Direct Business	R0210	
	Gross - Proportional reinsurance accepted	R0220	
	Gross - Non-proportional reinsurance accepted	R0230	5,933
	Reinsurers' share	R0240	
	Net	R0300	5,933
Claims incurred	Gross - Direct Business	R0310	
	Gross - Proportional reinsurance accepted	R0320	
	Gross - Non-proportional reinsurance accepted	R0330	617
	Reinsurers' share	R0340	
	Net	R0400	617
Changes in other technical provisions	Gross - Direct Business	R0410	
	Gross - Proportional reinsurance accepted	R0420	
	Gross - Non-proportional reinsurance accepted	R0430	
	Reinsurers' share	R0440	
	Net	R0500	
Expenses incurred		R0550	4,761
Other expenses		R1200	
Total expenses		R1300	4,761

S.17.01.02
Non-life Technical Provisions

		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0020	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**
Technical provisions calculated as a whole	**R0010**									
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	**R0050**									
Technical provisions calculated as a sum of BE and RM										
Best estimate										
Premium provisions										
Gross	**R0060**									
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0140**									
Net Best Estimate of Premium Provisions	**R0150**									
Claims provisions										
Gross	**R0160**									
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0240**									
Net Best Estimate of Claims Provisions	**R0250**									
Total Best estimate - gross	**R0260**									
Total Best estimate - net	**R0270**									
Risk margin	**R0280**									
Amount of the transitional on Technical Provisions										
Technical Provisions calculated as a whole	**R0290**									
Best estimate	**R0300**									
Risk margin	**R0310**									

S.17.01.02
Non-life Technical Provisions

		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0020	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**
Technical provisions - total										
Technical provisions - total	**R0320**									
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	**R0330**									
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	**R0340**									

S.17.01.02
Non-life Technical Provisions

		Direct business and accepted proportional reinsurance			Accepted non-proportional reinsurance				
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	**R0010**								
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	**R0050**								
Technical provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
Gross	**R0060**					-669		-803	-1,472
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0140**								
Net Best Estimate of Premium Provisions	**R0150**					-669		-803	-1,472
Claims provisions									
Gross	**R0160**					485		9,509	9,993
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0240**								
Net Best Estimate of Claims Provisions	**R0250**					485		9,509	9,993
Total Best estimate - gross	**R0260**					-184		8,706	8,521
Total Best estimate - net	**R0270**					-184		8,706	8,521
Risk margin	**R0280**					210		1,149	1,360
Amount of the transitional on Technical Provisions									
Technical Provisions calculated as a whole	**R0290**								
Best estimate	**R0300**								
Risk margin	**R0310**								

S.17.01.02
Non-life Technical Provisions

		Direct business and accepted proportional reinsurance							
		Legal expenses insurance	Assistance	Miscellaneous financial loss					
		C0110	**C0120**	**C0130**					
Technical provisions - total									
Technical provisions - total	**R0320**					26		9,855	9,881
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	**R0330**								
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	**R0340**					26		9,855	9,881

S.19.01.21
Non-life Insurance Claims Information

Total Non-Life Business

year / Underwrit	Z0010	

Gross Claims Paid (non-cumulative)
(absolute amount)

	Year	0	1	2	3	4	5	6	7	8	9	10 & +		In Current year	Sum of years
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		C0170	C0180
Prior	R0100											0	R0100	0	3,630
N-9	R0160	0	86	1,259	91	126	72	255	1	88	6		R0160	6	1,984
N-8	R0170	0	317	517	1,333	(7)	(420)	4	0	0			R0170	0	1,744
N-7	R0180	0	134	978	(198)	482	305	77	303				R0180	303	2,081
N-6	R0190	0	385	1,222	900	2,250	1,036	132					R0190	132	5,925
N-5	R0200	0	8	490	2	245	82						R0200	82	827
N-4	R0210	0	438	1,029	971	1,542							R0210	1,542	3,980
N-3	R0220	20	105	413	79								R0220	79	617
N-2	R0230	0	364	546									R0230	546	910
N-1	R0240	0	103										R0240	103	103
N	R0250	0											R0250	0	0
													Total R0260	**2,793**	**21,801**

S.19.01.21
Non-life Insurance Claims Information

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

	Year	0	1	2	3	4	5	6	7	8	9	10 & +
		Development year										
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
Prior	R0100											392
N-9	R0160	2,257	2,601	1,554	614	674	66	40	244	100	18	
N-8	R0170	2,225	2,699	1,173	613	251	99	0	16	11		
N-7	R0180	3,637	3,713	1,752	577	247	170	53	12			
N-6	R0190	1,773	4,837	1,353	521	1,713	194	47				
N-5	R0200	855	2,370	1,272	220	230	35					
N-4	R0210	6,737	2,683	3,776	3,122	1,402						
N-3	R0220	7,960	837	1,144	383							
N-2	R0230	1,217	2,747	1,036								
N-1	R0240	5,357	2,550									
N	R0250	4,946										

		Year end (discounted data)
		C0360
	R0100	367
	R0160	13
	R0170	10
	R0180	11
	R0190	37
	R0200	29
	R0210	1,297
	R0220	324
	R0230	933
	R0240	2,349
	R0250	4,624
Total	R0260	**9,994**

S.23.01.01
Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	**R0010**	20,000	20,000			
Share premium account related to ordinary share capital	**R0030**					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	**R0040**					
Subordinated mutual member accounts	**R0050**					
Surplus funds	**R0070**					
Preference shares	**R0090**					
Share premium account related to preference shares	**R0110**					
Reconciliation reserve	**R0130**	10,815	10,815			
Subordinated liabilities	**R0140**					
An amount equal to the value of net deferred tax assets	**R0160**					
Other own fund items approved by the supervisory authority as basic own funds not specified above	**R0180**					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	**R0220**					
Deductions						
Deductions for participations in financial and credit institutions	**R0230**					
Total basic own funds after deductions	**R0290**	30,815	30,815			
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	**R0300**					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	**R0310**					
Unpaid and uncalled preference shares callable on demand	**R0320**					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	**R0330**					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	**R0340**					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	**R0350**					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	**R0360**					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	**R0370**					
Other ancillary own funds	**R0390**					
Total ancillary own funds	**R0400**					

S.23.01.01
Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	30,815	30,815			
Total available own funds to meet the MCR	**R0510**	30,815	30,815			
Total eligible own funds to meet the SCR	**R0540**	30,815	30,815			
Total eligible own funds to meet the MCR	**R0550**	30,815	30,815			
SCR	**R0580**	25,276				
MCR	**R0600**	6,319				
Ratio of Eligible own funds to SCR	**R0620**	122%				
Ratio of Eligible own funds to MCR	**R0640**	488%				

		C0060	
Reconciliation reserve			
Excess of assets over liabilities	**R0700**	30,815	
Own shares (held directly and indirectly)	**R0710**		
Foreseeable dividends, distributions and charges	**R0720**		
Other basic own fund items	**R0730**	20,000	
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	**R0740**		
Reconciliation reserve	**R0760**	10,815	
Expected profits			
Expected profits included in future premiums (EPIFP) - Life business	**R0770**		
Expected profits included in future premiums (EPIFP) - Non- life business	**R0780**	4,111	
Total Expected profits included in future premiums (EPIFP)	**R0790**	4,111	

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0100
Market risk	R0010	17,953		
Counterparty default risk	R0020	671		
Life underwriting risk	R0030	0		
Health underwriting risk	R0040	0		
Non-life underwriting risk	R0050	12,997		
Diversification	R0060	-6,659		
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	24,961		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	315
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement excluding capital add-on	R0200	25,276
Capital add-on already set	R0210	
Solvency capital requirement	R0220	25,276
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirement for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

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

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCR_{NL} Result	**R0010**	3,221

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	**C0030**
Medical expense insurance and proportional reinsurance	**R0020**		
Income protection insurance and proportional reinsurance	**R0030**		
Workers' compensation insurance and proportional reinsurance	**R0040**		
Motor vehicle liability insurance and proportional reinsurance	**R0050**		
Other motor insurance and proportional reinsurance	**R0060**		
Marine, aviation and transport insurance and proportional reinsurance	**R0070**		
Fire and other damage to property insurance and proportional reinsurance	**R0080**		
General liability insurance and proportional reinsurance	**R0090**		
Credit and suretyship insurance and proportional reinsurance	**R0100**		
Legal expenses insurance and proportional reinsurance	**R0110**		
Assistance and proportional reinsurance	**R0120**		
Miscellaneous financial loss insurance and proportional reinsurance	**R0130**		
Non-proportional health reinsurance	**R0140**		
Non-proportional casualty reinsurance	**R0150**	-184	2,525
Non-proportional marine, aviation and transport reinsurance	**R0160**		
Non-proportional property reinsurance	**R0170**	8,706	7,550

Linear formula component for life insurance and reinsurance obligations

		C0040
MCR_L Result	**R0200**	

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

Overall MCR calculation

		C0070
Linear MCR	**R0300**	3,221
SCR	**R0310**	25,276
MCR cap	**R0320**	11,374
MCR floor	**R0330**	6,319
Combined MCR	**R0340**	6,319
Absolute floor of the MCR	**R0350**	1,200
		C0070
Minimum Capital Requirement	**R0400**	6,319