Solvency and Financial Condition Report 2023

Saol Assurance DAC

Contents

Introduction

This is the first Solvency and Financial Condition Report in respect of **Saol Assurance Designated Activity Company (the Company)** which has been prepared in line with the relevant Solvency II regulations and the guidance provided by EIOPA.

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

The party with ultimate responsibility for all of these matters is the Company's Board of Directors; with the assistance of various governance and control functions it has put in place to monitor and manage the business.

The Solvency II Standard Formula is used throughout to determine the Solvency Capital Requirements. The Company's financial year runs to 31 December each year and it reports its results in Euro.

The appendices to the report also contain, in adherence with the regulations, the six specific Quantitative Reporting Templates (QRTs). The specific details are laid out across the various sections of the report.

Business Background

Saol Assurance Designated Activity Company ("Saol" or the "Company") is an Irish life assurance company offering protection, pensions and savings and investment products to the Irish market.

The Company was incorporated on 10 August 2021 as AIB JV Designated Activity Company and is wholly owned by Saol Assurance Holdings Limited ('the Holding Company') which in turn is owned 50:50 by Allied Irish Banks, public limited company, ("AIB") and Canada Life Irish Holding Company Limited ("CLIHC").

On 17 February 2023, the Central Bank of Ireland granted the Company authorised status as a life undertaking under the European Communities (Life Assurance) Framework Regulations, 1994. The financial year ended 31 December 2023 is the first year end the Company will report as a regulated entity and this is our first Solvency and Financial Condition Report.

The Company, which operates under the trading name AIB life, launched in May 2023 through AIB distribution channels, and offers AIB customers a range of life, protection, pensions, savings and investment products through qualified financial advisors deployed in the AIB retail branch network distribution channels.

Strategic Context

In 2021, Allied Irish Banks, public limited company, ("AIB") recognized the opportunity to launch a disruptive wealth proposition to the Irish market, leading with increased customer choice and a focus on deeper and more innovative ways of customer engagement. This review capitalised upon the success of its retail business and its digital channel capability. AIB partnered with Canada Life Irish Holding Company Limited ("CLIHC") to establish a greenfield insurance business to meet this customer-focused opportunity. AIB had an existing distribution agreement with Irish Life Assurance since 2012, and CLIHC is part of the same Group as Irish Life Assurance.

The new business was established to be cloud-based, using digital-led platforms to provide a seamless omnichannel customer experience addressing modern consumers' evolving needs and expectations and engaged in providing financial wellbeing products in the Protection, Savings and Investments, and Pre and Post retirement markets to customers sourced through AIB's physical and digital distribution channels.

The Company, which operates under the trading name AIB life, launched in May 2023 through AIB distribution channels. From incorporation in 2021 to regulatory authorisation in February 2023 and launch in May, the Company was engaged in a build and launch programme across the business ecosystem, and focused on regulatory approvals, go-live of internal systems, phased launch of a new suite of products, commencement of distribution and related governance activities.

In AIB life 'we believe that everybody deserves to be financially secure', and this represents our Purpose. This informs our Vision that 'we are trusted to help people along their path to financial security, one step at a time'.

AIB life provides new, streamlined products to the marketplace, making it simple for consumers to access them. It seeks to de-mystify the complexity of financial products by communicating using transparent language the customer understands, engaging and exciting the existing customer base that sits within AIB to provide a holistic approach to their financial wellbeing needs, and focusing attention on building lasting relationships with them, utilizing advanced customer engagement tools and digital platforms to do so over time.

AIB life is a central proposition to deliver on AIB's ambition to be at the centre of their customers' financial lives and to help them achieve the life they are after. A sustainable Investment offering will be the core of the customer proposition. One of the biggest impacts an individual can have on Climate Change is choosing where they invest their pension and savings. At AIB life, our headline Fusion Fund range is Article 8, and we provide Article 8 and Article 9 options across our wider fund shelf.

Irish Life Investment Managers, our investment managers, since becoming a signatory in 2010, have been committed to the United Nations Principles for Responsible Investment, leveraging their scale as a global asset manager to influence and change company behaviours. They are the first asset manager in Ireland to publish a Task Force on Climate Related Disclosures Report and in 2022 created a bespoke, custom voting policy with focus on board independence, board diversity and climate change.

We are working with ILIM to expand our range of Article 9 funds including a Green Bond and potentially other equity funds for inclusion in the multi-asset range and as a stand-alone offering.

A combination of an attractive customer proposition and choice, effective interactive customer engagement, self-serve functionality, easy-to-do top-ups and access via digital channels are expected to drive increased customer preference and represent the drivers of the new business volume assumptions for future years of the Company have been set with reference to this growth strategy.

We have established a DE&I Committee and formulated a DE&I strategy which aligns to the Vision and Purpose of the Company.

We engaged with a DE&I partner to provide a data-led DE&I baseline measure for the Company through an employee engagement survey and learning platform. For the year ahead, there is a focus on three key DE&I categories (We Includes Me, Multi-national Inclusion, Inclusivity Through Life-stages) with targeted 2024 goals for each. These have been informed by the employee survey and a number of fundamentals in achieving these goals are already in progress.

As mentioned above, from 2012 until 2023, there was a distribution agreement in place between AIB and Irish Life Assurance for AIB to distribute Irish Life Assurance policies. Following High Court and Central Bank approval, an element of the business written under this distribution agreement was successfully transferred to the Company on 1 November 2023. On the date of transfer the portfolio had €1.8bn assets under management and approximately 25,000 policyholders.

The report is composed of a number of elements:

Section A. Business

This section provides an understanding of the business of the Company.

At year end 31 December 2023 the Company's Solvency Capital Requirement (SCR) coverage was 174%. We report a solvency capital value of €134.2m, which is above the €77.2m Solvency Capital Requirement (SCR). We calculate our SCR using the Standard Formula set by the European Insurance and Occupational Pension Authority (EIOPA). Solvency capital is controlled and reported in line with a capital management policy and metrics as detailed in section E.

Summary of our capital position

Available Own Funds	Year End 31 December 2023 €m
Tier 1 – unrestricted	
Share Capital and Share Premium	284.60
Issued Funds	-
Reconciliation Reserve	(150.43)
Available Own Funds	**134.17**
Foreseeable Dividends and Distributions	-
Total available own funds to meet the SCR	**134.17**
Tier 1 – unrestricted	134.17
Tier 1 – restricted	-
Eligible own funds to meet SCR	**134.17**
Solvency Capital Requirement (SCR)	77.21
Solvency ratio	**173.77%**
Minimum Capital Requirement (MCR)	19.30
Eligible own funds as a percentage of MCR	**695.09%**

Under IFRS the Company made a loss of €36.1m in 2023 with Gross Written Premiums of €81.5m for the year ended 31 December 2023. The loss incurred is in line with budget expectations due to the development of the business during 2023.

Section B. System of Governance

The Board and management are committed to effective corporate governance and have established a comprehensive framework for the Company's operations. The key component of this framework is the Board, which has ultimate responsibility for the implementation and maintenance of an effective corporate governance framework, and the various Board and management committees through which the Board discharges its Legal and Fiduciary responsibilities.

The Board is responsible for the Internal Control Framework and the Company operates a 'three lines of defence' model where (1) the Business, (2) Risk Management, Compliance, Actuarial and (3) Independent Audit work together to ensure that risk management is effective.

The Risk Management Framework determines risk appetite, establishes risk policies, identifies and manages the risks to the Company's objectives and monitors the capital requirements. All of this is captured by the Risk Management Framework and Own Risk and Solvency Assessment (ORSA) activities that are carried out throughout the year with oversight by the Board.

Section C. Risk Profile

The principal risks faced by the Company are Underwriting risk, Market risk, Credit risk, Liquidity risk and Operational risk. This section covers these and any other material risks and how they are mitigated.

Risk is managed using a three lines of defence model.

- **First Line of Defence:** The First Line of Defence (1st LoD) are the ultimate owners of the risk and have primary risk management as well as risk-taking responsibility and accountability through day-to-day risk identification, measurement, management, monitoring and reporting embedded within ongoing business processes.

- **Second Line of Defence:** Oversight functions in the business include Risk, Actuarial and Compliance. These oversight functions are accountable for the independent oversight of risk-taking. Finance also has oversight responsibilities as a non-primary risk-taking function.

- **Third Line of Defence:** Internal Audit's primary responsibility is to the Company's Board of Directors through the Board Audit Committee.

The Company assesses its risk exposure by measuring its SCR using the Standard Formula, which is the method of calculating the amount of capital that the Company is required to hold against its risk profile.

This table presents the total solvency capital required (SCR) and breaks this down by risk sub-module.

Breakdown of SCR	Year End 31 December 2023 €m
Market Risk	47.5
Counterparty Default Risk	3.9
Life Underwriting Risk	45.9
Health Underwriting Risk	1.2
Total Before Diversification	**98.6**
Diversification Effects	(22.9)
Basic SCR (BSCR)	**75.6**
Operational Risk	1.6
Total SCR	**77.2**

Section D. Valuation for Solvency Purposes

This section of the report details the value of Assets and Liabilities for Solvency II purposes as at 31 December 2023 and a description of the bases and methods used for valuation purposes. The Company reports under IFRS for Financial Statement purposes. Any significant valuation differences between IFRS and Solvency II non-technical provision assets and liabilities are set out in sections D.1 and D.3. Section D.2 details the approach used to value technical provisions. These have been reviewed by our Head of Actuarial Function and approved by our Board.

Section E. Capital Management

This section includes the objectives, policies and processes employed by the Company for managing its own funds as well as the Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR) as at 31 December 2023.

The Company uses the Standard Formula to calculate its SCR. The Company manages its capital with a view to maintaining solvency at a level which enables the Company to carry out its business plan and meet growth objectives, within its risk appetite.

The Board reviewed and approved this report on 27th March 2024.

Bryan O'Connor
Executive Director and CEO

A. Business and Performance

The section of the report covers the activities of the Company for the period to 31 December 2023.

A.1 Business

A.1.1 Business overview

The Company was incorporated on 10 August 2021. The Company is wholly owned by Saol Assurance Holdings Limited (the Holding Company) which in turn is owned 50:50 by Allied Irish Banks, public limited company, (AIB) and Canada Life Irish Holding Company Limited (CLIHC).

On 17 February 2023 the Central Bank of Ireland granted Saol Assurance DAC (formerly AIB JV Designated Activity Company) authorised status as a life undertaking under the European Communities (Life Assurance) Framework Regulations, 1994. The financial year ended 31 December 2023 is the first year-end the Company will be reporting as a regulated entity, and this is our first Solvency and Financial Condition Report.

Company Name

Saol Assurance Designated Activity Company
6th Floor
2 Grand Canal Square
Dublin 2
D02 A342.

Name and contact details of the supervisory authority who is responsible for financial supervision of the Company:

Central Bank of Ireland
New Wapping Street
North Wall Quay
Dublin 1.

Name and contact details of the external auditor of the Company is:

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2.

Ownership Structure

The legal structure of ownership is shown below. Saol Assurance Designated Activity Company is a 100% subsidiary of Saol Assurance Holdings Limited, which itself is a joint venture between AIB p.l.c. and CLIHC.

The ultimate parent companies are AIB Group p.l.c. (incorporated in Ireland) and Power Corporation of Canada (incorporated in Canada).

Principal activities

The Company which operates under the trading name AIB life, launched in May 2023 through AIB distribution channels, and offers AIB customers in Ireland a range of life, protection, pensions, savings and investment products through the AIB retail branch and direct channels.

Significant business or other events during the reporting period

On 31 January 2023, the Company changed its name from AIB JV Designated Activity Company to Saol Assurance Designated Activity Company.

On 17 February 2023 the Central Bank of Ireland granted the Company authorised status as a life undertaking under the European Communities (Life Assurance) Framework Regulations, 1994. Authorisation was granted in respect of life assurance, pension and linked investment products.

On 15 May 2023 a distribution agreement was signed between AIB p.l.c. and the Company. AIB is the distribution partner of the Company’s product range through its digital, advice and retail networks.

From incorporation in 2021 to regulatory authorisation in 2023 the Company was engaged in a build and launch programme focused on the regulatory approval, go-live of internal systems, launch of a new suite of products, commencement of distribution and related governance activities.

Summary of share capital:

From 2012 until 2023, there was a distribution agreement in place between AIB and Irish Life Assurance for AIB to distribute Irish Life Assurance policies to its customer base. This agreement ceased on the commencement to trade of AIB life.

It was also proposed that a portfolio transfer would take place, transferring a block of unit-linked life assurance policies sold under this distribution agreement from Irish Life Assurance to Saol Assurance DAC. Following High Court and Central Bank of Ireland approval this portfolio transfer was successfully executed on 1 November 2023. On date of transfer the portfolio had €1.8bn of unit-linked life assurance and approximately 25,000 policyholders.

Shares Issued (Ordinary + Share premium class)	Value €
269,579	284,600,000

General Market Environment

Economic recovery: The post-pandemic economic rebound boosted disposable income levels, driving interest in life insurance as a means of financial security.

Ageing populations and longer lifespans: Ireland has experienced a steady increase in its elderly population, leading to greater awareness and demand for pension and retirement planning products.

Retirement savings gap: Ireland is experiencing a strained public pension pool of funding in addition to material gaps in the retirement plan coverage.

Rising interest rates: Increased demand from consumers for flexible and attractive long-term savings options.

Consumer financial wellbeing: Dramatically higher consumer interest in Financial Wellbeing, particularly in the wake of the global pandemic.

Digital transformation: Insurance companies are investing heavily in digitizing their processes, enhancing customer experiences, and expanding their online distribution channels.

Growth opportunities in the insurance market: The Life and Pensions Assurance market in Ireland experienced steady growth from 2021 to 2023, despite challenges posed by the pandemic and low interest rates. The market's future prospects appear promising, driven by favourable demographic and employment trends and technological advancements. To succeed in this dynamic landscape, insurers must prioritize customer-centricity, digital innovation, and compliance with evolving regulations.

Company Values

As a business, we have agreed a core set of Values.

We includes me
At the most basic level we exist to improve peoples' lives, we are better at it when we work together. We strive to create an environment where each of us feels like we belong, can be at our best and is valued for our unique perspectives and talents.

Customer-obsessed
Making our customers' lives easier is the number one priority so we keep them front of mind in everything we do. We always aim to keep things simple, straightforward and personalised to our customers' needs.

Courageously creative
We are reshaping the financial sector in Ireland by offering something genuinely different to the public. We need to be brave enough to stand out from the crowd and push the boundaries of conventional thinking, to find new and better ways to help people achieve financial security.

Future fit
We are a progressive, purposeful business that aims to have a positive impact on society. This means looking ahead and taking action now to be ready for whatever the future throws at us. We aim to always prioritise the long-term security and wellbeing of ourselves, our customers and our environment ahead of short-term gain.

With passion
If we're going to do something, we do it properly – bringing energy, commitment and focus to deliver amazing results. This means look after ourselves and each other so we can give our best. And most importantly, it means injecting a sense of fun and enjoyment to the good work we do.

Environmental and Social background:

(i) Responsible Investment Offering:

At AIB life, our headline Fusion Fund range is Article 8, and we provide Article 8 and Article 9 options across our wider fund shelf.
Article 8 funds: Funds that promote environmental or social characteristics.

Article 9 funds: Funds that have sustainable investment as their objective.

Irish Life Investment Managers (ILIM), our investment managers, since becoming a signatory in 2010, have been committed to the United Nations Principles for Responsible Investment (UNPRI), leveraging their scale as a global asset manager to influence and change company behaviours. They are the first asset manager in Ireland to publish a Task Force on Climate Related Disclosures (TCFD) Report and in 2022 created a bespoke, custom voting policy with focus on board independence, board diversity and climate change.

(ii) Diversity, Equity and Inclusion (DE&I):

We have established a DE&I Committee and formulated a DE&I strategy which aligns to the vision and purpose of the Company. We engaged with a DE&I partner to provide a data led DE&I baseline measure for the Company through an employee engagement survey and learning platform. For the year ahead, there is a focus on three key DE&I categories (We Includes Me, Multi-national Inclusion, Inclusivity Through Life-stages) with targeted 2024 goals for each. These have been informed by the employee survey and a number of fundamentals in achieving these goals are already in progress.

A.2 Underwriting Performance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board (IASB) and adopted by the European Union ("IFRS"). The information contained in this section is provided on an IFRS basis.

Underwriting performance

All policies written by the Company during 2023 were to policyholders in the Republic of Ireland.

Key products sold:

- Income Protection including bill cover. The bill cover element of product is classified as health insurance.
- Mortgage and life insurance protection.
- Pension products including PRSA and pension bonds.
- Savings and Investment products.

The table below shows the premiums, claims, expenses, and change in technical provisions, combined with the investment return split by business line. We refer to the total of these items as the Underwriting Result in this report.

Underwriting Result 2023

€m	Health Insurance	Index-linked and unit-linked insurance	Other Life insurance	Total
Premiums earned (net of reinsurance)	0.23	80.70	0.43	81.35
Claims (net of reinsurance)	-	(34.61)	-	(34.61)
Expenses	(15.14)	(26.18)	(16.01)	(57.32)
Portfolio Transfer	-	1,812.36	-	1,812.36
Change in Technical Provisions	(0.39)	(1,891.34)	(1.78)	(1,893.51)
Investment Return	-	112.75	0.51*	113.26
Underwriting Result	**(15.30)**	**53.68**	**(16.85)**	**21.53**

*Shareholder investment return assigned to 'Other Life insurance'.

- Total premiums written in 2023 totalled €81.35m consisting of €80.7m on unit-linked business, €0.23m Health insurance and €0.43m other life insurance.
- Claims incurred €34.61m relates to surrenders in Q4 2023 on unit-linked business. The profile of the policies transferred as part of portfolio transfer is more mature and claims are in line with expected run off of the book.
- Total expenses for the Company amounted to €57.32m and this includes both acquisition and maintenance costs in addition to the build costs incurred in the launch of the company in 2023.
- As noted in section A.1 a portfolio transfer took place on 1 November 2023 and the value transferred was €1.81bn.
- Change in technical provisions totalled €1,893.51m in the period. This includes unit-linked technical provisions as a whole €1,966.04m, Risk Margin (RM) €36.49m offset by negative Best Estimate Liability (BEL) €108.69m and Reinsurance Recoverable €0.38m.

A.3 Investment Performance

Investment return comprises all investment income and movements in realised and unrealised investment gains and losses.

A significant portion of the Company's investment asset portfolio relates to unit-linked policies. For this segment investment performance (positive and negative) is effectively passed on to our policyholders. Hence, any movement in asset values are offset by changes to policyholder liabilities.

Outside of the unit-linked business the Company holds assets which are expected to perform in line with our Best Estimate Liabilities (BEL), this is to ensure we have enough capital to offset our required regulatory technical provisions and enough cash to discharge our current liabilities.

The following tables outline the investment performance of the Company's non-linked and unit-linked investments in 2023. The tables are prepared as per the available guidance for QRT S09.01.

Non-Linked Investments

The table below outlines the investment performance and investment income for each class of asset for the year.

Asset Class €m	Dividends	Interest	Rent	Net Gains and (Losses)	Unrealised Gains and (Losses)	Total
Bonds	-	0.26	-	0.04	0.29	0.59
Derivatives	-	-	-	(0.37)	0.01	(0.36)
Equity and Collectives	-	-	-	0.33	(0.05)	0.28
Total	**-**	**0.26**	**-**	**(0.00)**	**0.25**	**0.51**

Investment income for non-linked investments in 2023 was a gain of €0.51m. This consists of:

- €0.26m coupon income on government and local agency bonds.
- Realised gains and losses offset, consisting of €0.37m realised loss on hedge derivatives offset by €0.04m realised gains on government bonds. €0.33m realised gains on equity & collective assets held by the shareholder for seeding unit funds purposes.
- €0.29m unrealised gains on government and local agency bonds, €0.05m unrealised loss on equities offset by €0.01m unrealised gains on hedge derivatives.

The Company holds assets which are expected to perform in line with our Best Estimate Liabilities. This is to ensure we have enough capital to offset our required regulatory technical provisions and enough cash to discharge our current liabilities. The core objective of the shareholder fund is to invest and manage the shareholder capital of the Company. The fund holds a well-diversified and liquid portfolio of cash and high-quality fixed interest securities and is highly liquid. The investments of the fund are restricted to cash and highly rated EUR denominated bonds. As part of the set-up of policyholder funds the Company directly invested in initial units of the investment funds (seed units). A hedge was established to cover the equity risk on these investments. These units are sold once the fund reaches sufficient scale.

Assets by class: Non-Linked		
Asset Class	**2023 €**	**Percentage of Overall fund**
Collective Funds	1,831,146	2.0%
Cash	61,310,576	66.9%
Direct Equity	-	0%
Government Bonds	28,312,694	30.9%
Derivatives	10,262	0.01%
Property, Plant and Equipment	94,774	0.1%
Future Margins	55,520	0.1%
Total	**91,614,972**	**100%**

Unit-Linked Investments

The Unit-Linked Investments portfolio comprises deposits, bonds, equities, collective investments, property, derivatives, loans and mortgages.

Asset Class €m	Dividends	Interest	Rent	Net Gains and (Losses)	Unrealised Gains and (Losses)	Total
Cash and Deposits	-	2.43	-	-	(3.62)	(1.19)
Bonds	-	-	-	2.47	-	2.47
Equities and Collectives	1.70	-	-	23.55	73.94	99.19
Derivatives	-	-	-	18.17	3.96	22.13
Property	-	-	0.89	-	(10.74)	(9.85)
Total	**1.70**	**2.43**	**0.89**	**44.19**	**63.54**	**112.75**

Investment income for unit-linked investments in 2023 was a gain of €112.75m. This consists of:

- €1.7m dividend income on equity securities.
- €2.43m deposit income on interest yielding deposit accounts.
- €0.89m rental income from the unit linked property fund.
- €44.19m realised gains on equity, collective investment securities derivatives and bonds.
- €63.54m unrealised gains on equity and collectives including property fund valuations.

As noted above we have seen positive returns across our policyholder funds broadly spread across various asset categories. Our Fusion Funds and indexed Multi-Asset Funds performed in line with benchmark measures, with the majority performing positively in comparison to their benchmark. Equity markets finished 2023 strongly as the markets speculated about the level and timing of interest rate cuts in 2024. The S&P 500 is at a historical high albeit with risks associated with ongoing geo-political tensions and the uncertain inflationary environment. Bond yields for high credit quality Eurozone countries have decreased due to expectations of interest rate cuts in light of stabilising inflation.

Interest income on debt securities and other fixed income securities and deposits with credit institutions is recognised using the effective interest method.

Dividends are included as investment income on the date that the shares become quoted ex-dividend. Rents and interest income and expenses are included on an accruals basis.

Realised gains and losses on investments are calculated as the difference between net sales proceeds and purchase price. Unrealised gains and losses on investments recognised in the year represent the difference between the fair value at the balance sheet date and their purchase price.

Assets by class: Unit-Linked

Asset Class	2023 €	Percentage of Overall fund
Collective Funds	1,029,560,817	52%
Cash	252,271,975	13%
Direct Equity	546,288,108	28%
Government Bonds	-	0%
Derivatives	5,647,689	0%
Property, Plant and Equipment	73,110,993	4%
Future Margins	59,162,301	3%
Total	**1,966,041,883**	**100%**

A.4 Performance of other activities

There are no items of note.

A.5 Any other information

The Company completed a Section 13 transfer from Irish Life Assurance and this was integrated into the Company on 1 November 2023. The value of the unit-linked assets under management transferred was €1.81bn.

B. System of Governance

B.1 General information on the system of governance

B.1.1 Governance structure

The Board is responsible for the effective, prudent and ethical oversight of the Company and is ultimately responsible for compliance with all applicable legislative and regulatory requirements and guidelines. The primary objectives of the Company are set out in the current Company constitution. The Board retains primary responsibility for establishing and maintaining appropriate policies and an effective corporate governance system to achieve the Company's strategic objectives. The Board supervises the management of the business and affairs of the Company and exercises, as appropriate, the powers vested in and exercisable by the Board pursuant to applicable laws and regulations. Without limiting the generality of the foregoing, the Board has the following duties and responsibilities, which it may discharge either directly or indirectly through one or more Committees of the Board. In fulfilling its duties and responsibilities, the Board will rely on the information, advice and recommendations provided to it by management, but will exercise independent judgment.

The following matters are specifically reserved to the Board and may not be dealt with by committees of the Board or by management:

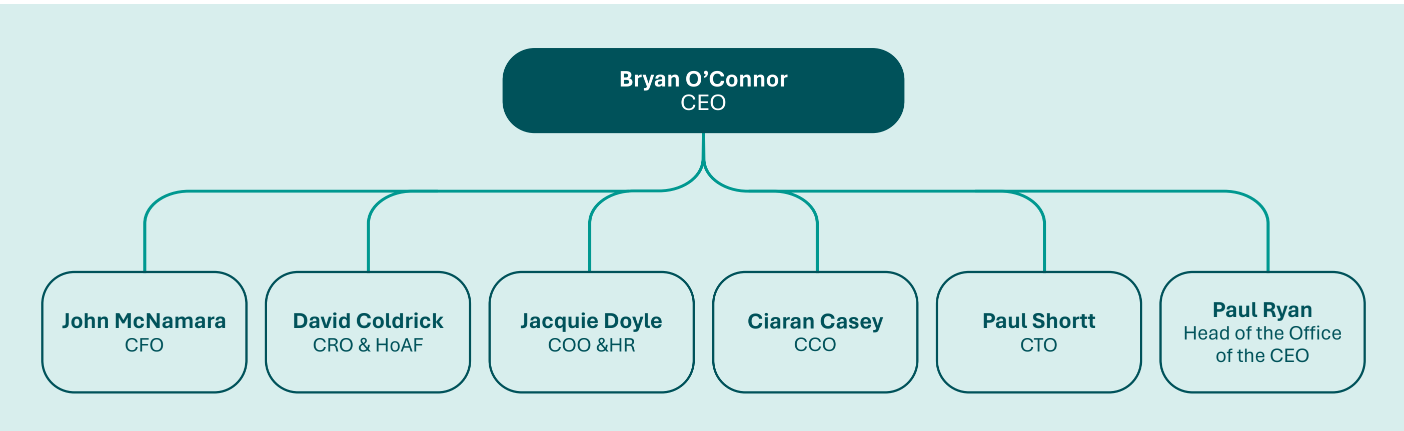
- Matters that, by law or company regulation, must be dealt with by the Board, including the approval and sign-off of regulatory returns and accuracy certifications.
- Complying with the provisions of Section 225 of the Companies Act 2014 in respect of the directors' compliance statement (if required in a given financial year).
- Complying with the provisions of Section 167 of the Companies Act 2014 in respect of the establishment of an audit committee (if required in a given financial year).
- Adopting, amending or repealing the Memorandum and Articles of Association in whole or part.

The Board operates in accordance with its terms of reference and also in compliance with the Central Bank of Ireland (the "CBI") Corporate Governance Requirements for Insurance Undertakings (2015) (the "Requirements"), the CBI's fitness and probity standards (a code issued under section 50 of the Central Bank Reform Act 2010) originally published on 1st September 2011 and last reissued in 2014 as amended, substituted or supplemented from time to time (the "Standards") and the Solvency II Directive (Directive 2009/138/EC) (as amended) and the Shareholder Agreement. These include requirements in relation to the composition of the Board and its Committees. The Company submits a compliance statement to the Central Bank each year.

The Board has established three Board committees, the Audit Committee, the Risk Committee and the Remuneration and Nomination Committee. Each has a written terms of reference and rules, with respect to composition, delegated tasks and responsibilities and reporting requirements to the Board.

The Board appointed Chief Executive Officer (CEO) has ultimate executive responsibility for the operation, compliance and performance of the Company.

In addition, there is a Management Committee called the Executive Committee. The role of the Executive Committee (the "ExCo" or the "Committee") is to assist the CEO in overseeing the Company's overall performance and delivery. The ExCo is made up of a small group of senior business leaders who support the CEO in driving the business forward through constructive challenge and collaborations. It focuses on strategic leadership, management and direction and ensuring the most effective prioritisation of resources. The ExCo also ensures that the Company maintains a strong risk and control environment, that the relevant regulatory requirements are complied with and promotes a high standard of conduct throughout the business, all informed by a customer-first lens.

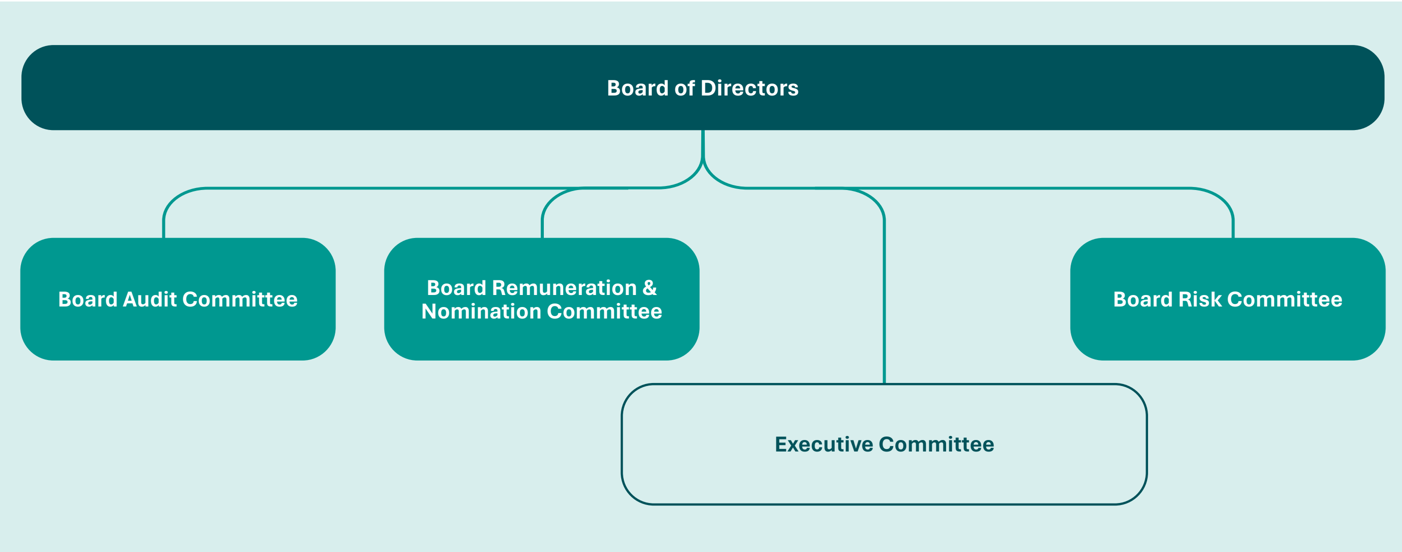


B.1.2 Board and Committee Structure

The Board is responsible for promoting the long-term success of the Company. The system of governance throughout the Company aids effective decision-making and supports the achievement of the Company's objectives for the benefit of its customers, shareholder and ultimate shareholders.

The Board has established the previously detailed committees and delegated responsibilities to assist in its oversight of risk management and the approach to internal controls. The duties of the Board and of each of its committees are set out in their respective terms of reference. The terms of reference list both those items that are specifically reserved for decision by the Board and those matters that must be reported to the Board.

The diagram below shows the Board and the various committees, and the table details their main function and responsibilities.



	Main Function / Responsibility
Board of Directors	Responsible for the effective, prudent and ethical oversight of the Company and is ultimately responsible for compliance with all applicable legislative and regulatory requirements and guidelines.
Board Risk Committee	Responsible for the provision of oversight and advice to the Board on the current risk exposures of the Company, its future risk strategy and for ensuring compliance with the Company's legislative and regulatory obligations.
Board Audit Committee	Responsible for assisting the Board in discharging its responsibilities for monitoring the integrity of the Company's financial statements, the adequacy and effectiveness of the systems of internal control, the effectiveness, performance and objectivity of the internal and external auditors and for ensuring compliance with the Company's legislative and regulatory obligations (responsibility shared with the risk committee).
Board Remuneration and Nomination Committee	Responsible for the determination and operation of the overall remuneration policy and procedures and for recommending Board, Board Committee and Senior Executive appointments; and for making recommendations to the Board, as appropriate, to endeavour to ensure consistency with high standards of corporate governance.
Executive Committee	To assist the CEO in overseeing Company's overall performance and delivery.

Composition of the Board and Board Committees

The composition of the Board and Board Committees is summarised in the table below:

Members	Position	Board	Board Audit Committee	Board Risk Committee	Board Remuneration and Nomination Committee
Thomas Foley	Independent Non-Executive Director and Chair of the Board	Y	-	Y	Y
Elizabeth Buckley	Independent Non-Executive Director and Chair of the Risk Committee	Y	Y	Y	-
Rosemary Commons	Independent Non-Executive Director and Chair of the Audit Committee	Y	Y	Y	Y
Gerard Davis	Non-Executive Director	Y	Y	Y	-
Sylvia Cronin	Independent Non-Executive Director and Chair of the Remuneration and Nomination Committee	Y	-	Y	Y
Anik Chaumartin	Independent Non-Executive Director	Y	Y	Y	-
Bryan O'Connor	Chief Executive Officer and Executive Director	Y	-	-	-
John McNamara	Chief Financial Officer and Executive Director	Y	-	-	-
Company Secretary is **Jeanne Morgan-Doyle**					

Directors' Fees

Independent Non-Executive Directors ("INEDs") receive an annualised fee in respect of their Board duties. Further fees are paid for membership and, where appropriate, chairing the Board and committees. The Chairman and INEDs do not participate in any incentive or performance plans or pension arrangements and do not receive an expense allowance. INEDs are reimbursed for reasonable expenses, and any tax arising on those expenses is settled directly by the Company.

Key Functions

The Company's risk management, compliance, internal audit and actuarial functions are the key functions in the system of governance. Holders of key functions are authorised to operate free from influences which may compromise their ability to undertake their duties in an objective, fair and independent manner.

Each of these Key Function holders:

- Operates under the ultimate responsibility of, and reports to the Board or Board Committee as appropriate.
- Cooperates with the other functions, where appropriate, in carrying out their respective roles.
- Is able to communicate, at their own initiative, with any staff member and have the necessary authority, resources and expertise and have unrestricted access to all relevant information necessary to carry out their responsibilities.
- Promptly reports any major problem in their respective area of responsibility to the Board.

There should be as much independence between functions as possible and the individuals carrying out the internal audit function do not assume any responsibility for any other function.

The Company has written policies in place in relation to risk management, internal audit, compliance and the actuarial function and further information on these functions is contained within sections B3 (Risk Management), B4 (Compliance Function), B5 (Internal Audit) and B6 (Actuarial Function). The implementation of Key Functions within the Company is explained below.

As well as the required Key Functions, the Board has designated Finance as a function which is of specific importance to the sound and prudent management of the Company. The Finance function reports to the Board Audit Committee. The Actuarial, Risk management and Compliance functions report to the Board Risk Committee whilst Internal audit reports to the Board Audit Committee.

B.1.3 Remuneration practices

Our remuneration policy is designed to ensure that we attract and retain competent, experienced and skilled people and to motivate them to contribute to meeting our overall Company objective of generating value for shareholders and policyholders over the long-term. Our policy ensures that our remuneration practices are in line with our business and risk management strategy, risk profile, objectives, risk management practices, values and the long-term interests and performance of the Company. It promotes the achievement of goals in a manner consistent with the Company's Code of Conduct. Our remuneration policy is available to all employees via our online communications hub.

The remuneration policy is supported by our Performance Management process which consists of three core elements: Achievement of company goals, achievement of personal goals and alignment of core values and behaviours, including conduct standards. This process is jointly owned by the individual and their line manager and built on the foundation of open and frequent dialogue.

The remuneration and nomination committee ensures we comply with the policy each year. Data provided to the committee includes salary benchmarking for the industry, assessment of achievement against company goals, proposed award of variable pay for achievement of both company goals and salary and variable pay awards for senior executives.

All remuneration packages consist of a base salary, annual variable pay, wellness benefits and retirement benefits. A limited number of senior positions may also include a long-term incentive. The proportion of each element in the overall package will vary based on the role and reflects the skills and experience of the individual. Base salaries are aligned to the market. For employees not in oversight roles, variable pay reflects both the Company performance and the individual's personal performance. Company performance is not a factor in the variable pay of individuals in senior oversight roles. Base salaries are set at a level to prevent employees from being dependent on variable pay awards. There are no stock options available.

Supplementary pension or early retirement schemes

The remuneration policy does not offer any supplementary pension or early retirement schemes.

Material transactions during reporting period

There were no material transactions with senior management of the Company during the period outside of remuneration and related insurance policies.

B.2 Fit and Proper requirements

We are committed to meeting all our fit and proper obligations. We ensure that everyone subject to these obligations has the necessary qualifications, knowledge, skills and experience to carry out their role (fitness assessment); and is honest, ethical, financially sound and acts with integrity (probity assessment).

There is a role profile for all such roles. Typically, the role profile sets out the accountabilities for the job and the level of knowledge, skills and experience needed to do it. We have a Fit and Proper Policy which the Board reviews and approves annually. If we become aware of any concerns about fitness and probity of someone in a role subject to the Fit and Proper Policy, we will investigate and take appropriate action.

The Fit and Proper Policy sets out the process for the fit and proper assessments that determine a person's fitness, probity and financial soundness. Before we appoint anyone who effectively runs the Company or one of its key functions, we carry out due diligence to make sure that person is fit and proper for the role.

The due diligence checks for assessing whether a person is fit and proper and is financially sound are set out in the Policy. These checks align to the Central Bank of Ireland's Guidance on Fitness and Probity Standards as follows:

- Evidence of compliance with Minimum Competency Code (where applicable).
- Evidence of professional qualifications where relevant.
- Evidence of Continued Professional Development (CPD) where relevant.
- Record of interview and application.
- Reference checks.
- Record of previous experience.
- Record of experience gained outside of Ireland.
- Confirmation of directorships held.
- Record of other employments.

The due diligence around probity and financial soundness checks takes the form of self-certification and independent checking. We ask potential employees and directors to complete a questionnaire on their probity and financial soundness. We then carry out independent directorship, judgements, negative news and regulatory sanction searches.

Most of the applicable roles are Pre-Approval Controlled Functions (PCFs) as defined in the Central Bank Reform Act 2010 (sections 20 and 22) Regulations, 2011. In addition to our internal due diligence, before making appointments into these functions, they are pre-approved by the Central Bank. All those in a fit and proper role must reconfirm their adherence to the Fit and Proper standards and requirements every year. Additionally for those in senior roles we carry out independent checks to validate the individuals' responses. If we become aware of any concerns about the fitness and probity of someone in a role subject to the Fit and Proper Policy, we will investigate and take appropriate action, without delay.

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

Risk Management Framework

The Company's risk management framework is documented in the Board-approved Enterprise Risk Management Policy. This policy also establishes the responsibilities for the key components of the risk management system, details the three lines of defence model adopted by the Company, and establishes responsibilities and requirements for the first, second and third lines of defence.

The risk management framework is made up of the following key components:

	Main Function / Responsibility
Risk Culture	The system of values and behaviours which reflect our collective sense of responsibility to fulfil our commitments and promises and to safeguard our financial strength and reputation while growing shareholder value.
Risk Governance	The roles and responsibilities relating to risk governance.
Risk Appetite Framework	The Risk Appetite Framework articulates the Risk Strategy and Preferences, Risk Appetite Statement and Risk Limits.
Risk Processes	The risk management, governance and oversight process, design requirements, and methodologies related to: • Identification, assessment and prioritization • Measurement • Management and mitigation strategies • Monitoring • Reporting
Risk Infrastructure and Policies	The organisational structure ensures resources and risk systems in place are adequate and appropriate to support the ERM framework. A consistent approach to risk management is taken across key risk types supported by risk policies, standards and guidelines.

The Chief Risk Officer (CRO) has primary responsibility for implementing the risk management system. The Risk Function monitors and reports on all risks. This includes reporting risk exposures and compliance with risk limits to the Board and management risk committees every quarter.

Risk appetite and strategy

The Company has a Board-approved Risk Appetite Framework in place which includes the following key elements:

- The Risk Strategy which takes the risks to which the Company is exposed and articulates the preference and strategy for the assumption, management and mitigation of each risk.
- The Risk Appetite Statement which defines the aggregate level and types of risk that the Company is willing to accept in order to achieve its business objectives.
- The Risk Limits which translate the Risk Appetite Statement into specific metrics and constraints for each of the defined Risk Types.
- The related governance, roles and responsibilities.

The key objectives in the Risk Appetite Statement are set out below.

- **Strong capital position:** The Company will maintain a strong balance sheet to ensure it meets its policyholder obligations and other financial commitments.
- **Strong liquidity:** The Company will maintain high quality, diversified investment portfolios with sufficient liquidity to meet the demands of policyholder, financing and corporate obligations under normal and stressed conditions.
- **Maintaining the Company's reputation and managing conduct risk:** The Company seeks to maintain a high standing and positive reputation with its customers, counterparties, creditors and other stakeholders. This includes building and maintaining trust, fair treatment of customers, full consideration of corporate social responsibility, and effective management of sustainability and reputational risks.
- **Mitigated earnings volatility:** The Company will manage its risks to avoid substantial volatility in its earnings with a view to meeting the annual earnings and dividend plans while maintaining appropriate levels of solvency.

The Board reviews and approves the Risk Appetite Framework at least annually.

Risk management processes: identification, assessment and treatment

The Company has a range of processes in place to ensure that the risks to which it is exposed can be readily and adequately identified, measured, monitored, managed and reported on.

Risk Identification

Risks are identified using a variety of tools and processes including:

- Risk universe – the Company's risk universe defines each of the risks that the Company is or may be exposed to and facilitates idea generation.
- Risk and Control Self-Assessment (RCSA) – the quarterly RCSA process requires risk owners to identify the risks that they are responsible for and to document the inherent risk, controls in place and residual risk in respect of the risks.
- Key risk reporting – the Risk Function reports on the Company's material risks on a quarterly basis and this supports risk identification.

- Emerging risk identification process – the Company's emerging risks are presented to management and the Board on a quarterly basis, supported by an annual deep dive exercise to support and promote robust emerging risk identification.
- Scenario testing – the annual scenario testing design process examines all of the material risks that the Company is exposed to and as such supports risk identification.
- Assurance oversight activities – independent oversight from the Risk Function, Compliance Function and Internal Audit provides assurance that all material risks are identified.

Risk Measurement

Risks are measured using a variety of methods including:

- Capital – the Company holds capital which is calculated using the Solvency II Standard Formula approach; this defines the expected loss arising from each relevant risk type in one in every 200 years.
- Standard formula appropriateness assessment – considers whether the standard formula is a suitable approach to calculate the Company's capital requirement for each risk type.
- Liquidity Coverage Ratio (LCR) – the LCR is used to calculate the liquidity position of the Company.
- Operational risk materiality matrix – operational and conduct risks are measured using a consistent approach based on the Company's operational risk materiality matrix.
- Scenario Testing – scenario testing is used to measure the impact of adverse events occurring and may consider the impact on solvency, liquidity, earnings, reputation and/or customer impact.

Risk Management

The Company identifies and prioritizes risk exposures and develops risk mitigation strategies to address these prioritized risk exposures to ensure that they are addressed in a proactive and timely manner. The Company considers both specific and macro risk mitigation strategies including hedging for known risk exposures and proactive management of issues informed by the risk identification process.

Risk management relates to the selection and implementation of approaches to accept, reject, transfer, avoid or control risk, including mitigation plans taking into consideration the Risk Appetite Framework, relevant risk policies and standards.

Risk Monitoring and Reporting

The Company has established processes in place to monitor its material risk exposures against the relevant requirements and risk limits. Risk monitoring against approved risk limits ensures that management is informed of potential issues in a timely manner, allowing actions to be taken where necessary. Emerging risk monitoring is also in place. Risk event monitoring ensures that operational risk events are logged and reported, and that adequate root cause analysis and remediating actions are undertaken.

The aim of risk reporting is to present an accurate and timely picture of current and emerging risk issues and exposures and their potential impact on business activities and risk profile. Risk reporting includes the following key reports:

- CRO Report – the quarterly CRO Report includes a view of both current material risks and emerging risks and also provides the up-to-date position against risk appetite limits for all risk types.
- Assurance Reporting – material findings arising from the Risk Function, Compliance Function and Internal Audit reviews are reported to the relevant committees as they arise.
- ORSA Report – the ORSA Report is produced at least annually and provides a holistic view of the risks that the Company is exposed to including scenario testing to identify weaknesses in the business plan and an overall solvency needs assessment.

Risk Function

The Risk Function, led by the CRO, is responsible for the design and implementation of the Risk Management Framework. The CRO – or delegate from the Risk Function – sits on each of the key management committees operated by the Company. The Function reports to the Board and its sub-committees on the aggregate risk profile of the business and the position against risk appetite on a regular basis and provides independent oversight and analysis of risk-taking activities within the Company. The Risk Function also performs the ORSA at least annually.

ORSA

ORSA Process

The Own Risk and Solvency Assessment (ORSA) is a key tool within the risk management framework and is embedded within the decision-making process of the Company. The ORSA evaluates our risk profile and solvency position in relation to business operations, strategy and plan.

The ORSA is a year-round collection of processes, integrating our risk management framework with capital management and business planning. The annual ORSA report projects our solvency resources for the following five years, under a base case and a range of scenarios. The base case scenario reflects the approved business strategy and plans whilst the chosen scenarios are designed to test the robustness of the business plan under stressed conditions.

The Board, with support from the Board Risk Committee, owns and directs the ORSA. The Board-approved ORSA Policy sets out the roles and responsibilities for completing the ORSA. The CRO conducts the ORSA process, producing the ORSA report and maintaining the ORSA record. The Board and Board Risk Committee steer this process, and review and approve the key aspects of the process at various points throughout the year. The annual ORSA process culminates in the ORSA report, which the Board reviews and approves prior to submission to the Central Bank of Ireland.

The Actuarial Function supports the Risk Function in producing various aspects of the ORSA – in particular the capital projection and scenario testing calculations. The Head of Actuarial Function also gives an Opinion on the ORSA to the Board.

ORSA Frequency

A regular ORSA is undertaken and approved by the Board annually. A non-regular ORSA may be performed following the occurrence of a material event at an interim date between annual ORSA reports or following a significant change in the Company's risk profile or appetite.

Assessment of Own Solvency Needs

The ORSA includes an assessment of the Company's own solvency needs including whether the Company's capital target is appropriate. The own solvency needs refers to the capital the Company determines is required to support the business strategy and plans.

This assessment is carried out using the Standard Formula to evaluate the regulatory capital requirements and by assessing whether the Standard Formula is appropriate given the risk profile of the business.

The target level of capital is then assessed through the use of scenario testing to check if there are any scenarios that would result in a breach of the regulatory capital requirements.

The Company's 2023 ORSA concluded that the Standard Formula is an appropriate basis for calculating the Company's capital requirement and that the Company's current capital target is appropriate in light of the scenario testing performed.

B.4 Internal Control system

Internal Control framework

The Company's Internal Control Policy provides details of the internal control framework, a set of processes which gives reasonable assurance that the following objectives will be achieved:

- Effective and efficient operations.
- Reliable financial and management reporting.
- Compliance with applicable laws and regulations.

The Company's internal controls are key to managing significant risks and fulfilling our business objectives. The following five components underpin the internal control system:

1. **Control Environment:** This is the set of standards, processes and structures that provide the basis for carrying out internal control across the Company. It sets the tone of the organisation, influencing the integrity, ethical values and control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.
2. **Risk Assessment:** This is the dynamic and iterative process for identifying and assessing relevant risks to the achievement of the objectives, and forming a basis for determining how the risks should be managed.
3. **Control Activities:** These are the actions established through policies and procedures which minimise risk and support the achievement of business objectives.
4. **Information and Communications:** This supports the identification, capture and exchange of internal and external information in a form and time frame that enables people to carry out their responsibilities.
5. **Monitoring Activities:** These are the ongoing evaluations to ascertain whether all components of the internal control system are present and functioning. This process assesses the quality of internal control performance over time.

The Internal Control Policy also details the minimum requirements in each of the five areas above and requires that there is a combination of preventive, detective, directive and corrective control processes in place.

Compliance Function

Overview

This independent second-line function is separate from business operations and looks at them objectively. It ensures that mechanisms are in place to comply with regulations by assessing, monitoring and testing the effectiveness of our regulatory compliance management controls across the Company. It is led by the Head of Compliance. The Head of Compliance reports directly to the Board Risk Committee on the oversight of compliance and currently has a dual reporting line to the Chief Risk Officer and to the Chief Executive Officer.

Main responsibilities

These are outlined in the Compliance Policy which is reviewed and approved annually by the Board Risk Committee.

They include:

- Establishing and maintaining a sound compliance framework for the independent oversight and management of our regulatory compliance risks.
- Providing advice and guidance to the business units and group functions on regulatory developments and other compliance matters, including advice and oversight on new and changing regulatory requirements.
- Promoting a risk culture that stresses integrity and effective compliance risk management throughout the Company.
- Carrying out risk-based monitoring to assess the Company's compliance requirements and procedures and how well the Company follows them.
- Preparing the compliance plan and putting it into action.
- Co-ordinating relationships with regulators.
- Reporting each quarter to the Board Risk Committee.
- Training staff and directors on relevant compliance matters.

Governance

The Board Risk Committee reviews the Compliance Policy annually and makes sure the Compliance Function complies with it. The Committee also assesses the Compliance Function's performance each year.

B.5 Internal Audit function

The Internal Audit function reports to the Board Audit Committee (BAC) and acts as the third line of defence and, as set out in the Head of Internal Audit charter, is responsible for carrying out a risk-based, independent assessment of the adequacy, effectiveness and sustainability of the governance, risk management and control processes. The PCF Functional holder is outsourced to KPMG. A full programme of reviews was undertaken in 2023.

The Head of Internal Audit (HoIA) will report functionally to the BAC and administratively to the Chief Financial Officer.

To establish, maintain and assure that the Company's Internal Audit function has sufficient authority to fulfil its duties, the BAC acts to:

- Approve the Internal Audit Charter.
- Approve the risk-based Internal Audit Plan.
- Receive communications from the HoIA on the Internal Audit function's performance relative to its plan and other matters.
- Approve decisions regarding the appointment and removal of the HoIA.
- Make appropriate enquiries of management of the HoIA to determine whether there is inappropriate scope or resource limitations.

The HoIA and Internal Audit function is not authorised to do the following:

- Perform any operational duties for the Company or its affiliates.
- Initiate or approve accounting transactions external to Internal Audit.
- Direct the activities of any Company employee not employed by Internal Audit, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist Internal Audit.
- Act as a voting member on any Company committee.

Management is responsible for maintaining internal controls, including proper accounting records and other management information suitable for the efficient and effective operation of the Company. It is also responsible for implementing the agreed upon recommendations of Internal Audit. Internal Audit is not responsible for management activities that it audits and will not assume responsibility for the design, installation, operation or control of any business processes.

Independence and Objectivity of Internal Audit

The objectives and performance review of the HoIA are determined by the Chairperson of the BAC. The BAC approves the budget and resource plan for the Internal Audit function on an annual basis. The HoIA has direct and unrestricted access to the BAC and meets with the Chairperson of the BAC periodically, without management being present.

The Internal Audit function is independent of the business management activities of the Company. Internal Audit is not involved directly in revenue generation or in the management and financial performance of any business line. Internal Audit has no direct operational responsibility or authority over any of the activities audited. Accordingly, it will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair an Internal Auditor's judgement or independence.

The HoIA confirms the independence of Internal Audit to the BAC on an annual basis and discloses any impairment to independence or objectivity (in fact or appearance) appropriately.

B.6 Actuarial function

Actuarial Function

The primary objective of the Actuarial function is to establish and monitor sound actuarial processes, practices, and the application of sound professional judgement for the Company. This includes ensuring compliance with all related internal policies, professional standards, and regulatory guidelines. The function is fully performed in-house.

Primary Responsibilities

These are set out in the Head of Actuarial Function mandate, which is approved by the Board Audit Committee. The key duties include:

Technical Provisions

- Coordinate the calculation of Solvency II technical provisions.
- Maintain a written policy covering the Company's approach to calculating technical provisions and an overview of the reserving process.
- Ensure the appropriateness of the methodologies, assumptions and data.
- Inform the Board of the reliability and adequacy of the technical provisions.

Capital Requirements

- Coordinate the calculation of the Solvency Capital Requirement and Minimum Capital Requirement.

Risk Management System

Contribute to the effective implementation of the Company's risk-management system by:

- Providing risk modelling, stress and scenario testing, and solvency assessments to the Board Risk Committee and the Risk and Compliance Management Committee (RCMC) as required and providing input on the Company's financial risks.
- Providing appropriate input to the Company's ORSA process.
- Providing an actuarial opinion to the Board on the ORSA process, covering the adequacy of the risks considered and stress tests applied, the appropriateness of the financial projections and whether the Company is continuously complying with the requirements regarding the calculation of technical provisions and the potential risks arising from uncertainties in this calculation.

Product Design and Pricing

- Provide general oversight of new product development and changes to existing business where relevant.
- Develop and maintain an Underwriting Policy and monitor compliance with this policy.
- Provide an annual opinion to the Board on the underwriting policy.

Reinsurance

- Provide general oversight of ceded reinsurance activities.
- Monitor compliance with Company's Reinsurance and Risk Mitigation Policy.
- Provide an annual opinion to the Board on the adequacy of the reinsurance arrangements.

Financial reporting

- Act as Reporting Actuary for the Company and compute the technical provisions for life insurance business for inclusion in the financial statements.
- Prepare various actuarial liability and capital related disclosures for the financial statements, including items such as sensitivity tests, exposure reports and assumption change descriptions.

Actuarial planning

- Promote and participate directly in strategic planning and acquisition analysis.
- Determine which emerging issues (internal and external) are relevant to Company's current and future actuarial needs.
- Provide actuarial input to the business unit strategy, including provision of actuarial analysis/management reports in a manner that can be easily understood by the business units.

Experience studies

- Provide direction and leadership on the Company's experience studies including mortality, morbidity, and persistency.
- Review experience and ensure that the methodologies and assumptions are appropriately adjusted to reflect emerging experience.

Asset and Liability Management (ALM) Oversight

- Provide oversight of ALM strategy and risk measurement including matching and hedging positions, rectification of breaches, stress testing and selection of methods and assumptions.

Capital and IFRS Developments

- Monitor and contribute to ongoing company discussions in respect of the regulatory capital framework and relevant ongoing developments in Solvency II and IFRS.

B.7 Outsourcing

Outsourcing Policy

The Company has a Board-approved Outsourcing Policy in place which sets out the principles and requirements for managing outsourcing arrangements. The Outsourcing Policy sets out the oversight and governance requirements the Company must comply with to ensure adherence to local regulatory requirements.

The Board and senior management retain ultimate responsibility for any functions and activities that are outsourced. They have the necessary expertise to manage outsourcing risks and oversee outsourcing arrangements.

The Outsourcing Policy sets out the following general principles for managing outsourcing risks:

- **Due Diligence:** Outsourced/Supplier arrangements will be subject to robust and proportionate procurement and due diligence processes prior to agreement.
- **Responsibility / Expertise:** The Board and senior management shall retain the necessary expertise to manage risks and provide appropriate oversight of arrangements; and ultimate responsibility for the underlying activities subject to outsourcing continues to reside with the Company.
- **Diversification:** The Company will avoid excessive concentrations of risk arising from outsourcing.
- **Intra-group arrangements:** The same processes, controls, and governance are required for intragroup outsourcing and third-party outsourced service providers.
- **Governance:** Outsourcing will not be allowed to: materially impair the governance system; unduly increase operational risk so as to no longer be in line with the Company's risk appetite or impair the ability of the Central Bank of Ireland to monitor compliance.
- **Contract Design:** Contracts put in place with third parties should be robust and should be effective in limiting Company's liability.
- **Service Levels:** Outsourcing will not be allowed to undermine the service provided to policyholders.
- **Conflicts of Interest:** Conflicts of Interest are effectively managed.
- **Customer:** The Company's customers should not be adversely affected by the use of outsourcing.

Critical or important outsourced arrangements

The Company outsources a range of activities consistent with its outsourcing strategy. The following table provides details of the critical or important arrangements:

Provider	Services Provided	Jurisdiction
Tata Consultancy Services Ireland Limited	Policy administration services	Ireland
Tico Mail Works Limited	Mail and Print room services	Ireland
EValue Limited	Provision of digital tools / calculators to handle customer advice journeys	UK
Irish Life Investment Managers Limited	Investment Management Services; Fund Accounting Services.	Ireland
Irish Life Financial Services Limited	Policy administration services	Ireland
KPMG	PCF Role - Head of Internal Audit	Ireland
Lane Clark & Peacock Ireland Limited	PRSA Actuary	Ireland

The Company has a robust approach to overseeing its outsourcing service providers, in line with the CBI's guidance on outsourcing. The core elements of this oversight are:

- Regular, minuted service reviews, including review of service levels where applicable.
- Regular reviews of Due Diligence, Information Security and Business Continuity Planning arrangements.
- Quarterly reporting of Service Governance to the Executive Committee and Board.

B.8 Any other information

No other issues to note.

C. Risk Profile

This section provides information on the key risks that the Company is exposed to including how we assess and manage the different risks.

The Company uses a variety of tools and processes to assess risks both quantitatively and qualitatively.

For risks that require capital to be held under the Solvency II regime, the Company uses the Solvency II Standard Formula approach to assess the risks and calculate the Solvency Capital Requirement (SCR). Liquidity risk is assessed by comparing the amount of liquid assets held by the Company to the expected cash-flow requirements over different time horizons. The remaining risks are typically assessed on a qualitative basis, for example through the regular Risk and Control Self-Assessment (RCSA) process.

The assessments above are complemented by an annual assessment of the appropriateness of the Standard Formula. For risks where the Standard Formula does not fully capture the risk profile, an exercise is performed as part of the ORSA process to assess whether any additional capital should be held over and above the SCR.

Finally, the Company also uses scenario testing to assess the key risks as part of the ORSA process.

C.1 Underwriting risk

Key Underwriting Risks

The key underwriting risks that the Company is exposed to are as follows:

Lapse risk

The Company is exposed to the risk of policyholders ending their contracts earlier than expected, resulting in the loss of the future profits expected to emerge on those policies.

Mortality risk

The Company is exposed to the risk of mortality experience being higher than expected, resulting in higher claims than expected from policies providing death benefits.

Morbidity risk

The Company is exposed to the risk of morbidity experience being higher than expected, resulting in higher claims than expected from policies providing serious illness and income protection benefits.

Expense risk

The Company is exposed to the risk that future expenses are higher than expected, including the effect of higher than expected expense inflation.

Catastrophe risk

The Company is exposed to mortality or morbidity experience being higher than expected caused by catastrophic events, for example a pandemic or extreme weather event resulting in high rates of illness or death amongst the population.

Risk Assessment and Mitigation

The Company uses a variety of techniques to assess, manage and mitigate underwriting risks.

Own Risk and Solvency Assessment (ORSA)

The Company assesses all material risks, both qualitatively and quantitatively, as part of the annual ORSA process.

Risk limits

As part of the Risk Appetite Framework, the Company has a range of risk limits that measure the risk exposure arising from different sources of underwriting risk. Monitoring against the limits allows the Company to identify material deviations from the business plans or from the appetite for each risk.

Scenario testing

The Company uses scenario testing as part of the ORSA process to assess risk exposures and their potential impact. Scenario testing can also be useful in helping us decide how to mitigate our exposure to risk.

Reinsurance

The Company makes extensive use of reinsurance to reduce its exposure to mortality and morbidity risk.

Assumption/experience monitoring

The Company monitors actual experience against expected experience regularly, allowing the underwriting assumptions used for reserving and pricing purposes to be updated as appropriate.

Underwriting

The Company's underwriting process includes an assessment of insurance risks before we issue policies. This assessment includes a medical underwriting assessment and a financial assessment for certain product types. The Company also carries out underwriting assessments when a claim is made.

Product pricing

The Company controls the development of new products and the pricing of new and existing products to minimise the risk of underwriting risks at a loss.

Risk Concentration

The Company's key underwriting concentration risks are:

- The Company operates solely within the Republic of Ireland and a significant portion of the Irish population lives in the greater Dublin area, so the underwriting risk exposure is relatively concentrated to a specific place. This risk is accepted as part of the Business Strategy.
- Individual policyholders with large sums assured can give rise to a concentration risk to the Company. This risk is actively managed by using reinsurance. The Company reinsures large policies so that the retained sum assured is limited to a set maximum amount.
- The Company sells policies through a single distributor. This introduces a concentration risk with respect to sales volumes. If sales volumes are lower than projected, the level

of expenses per policy would be higher than expected. This risk is managed through ongoing close engagement with the distributor and through ongoing monitoring of sales volumes against plan.

Sensitivity Analysis and Stress Testing

As part of the ORSA process, the Company carries out stress and scenario testing which includes stress testing for underwriting risks. For the 2023 ORSA, the solvency position was recalculated under a number of adverse scenarios related to underwriting risk. The analysis indicated that the Company could withstand a range of adverse scenarios over the plan horizon.

C.2 Market risk

Key Market Risks

The key market risks that the Company is exposed to are as follows:

Equity risk

Whilst the Company has no significant direct shareholder investments in equity markets, it is exposed to the risk of falling equity prices within the unit linked funds. A fall in equity prices would lead to a reduction in the value of unit linked assets and the expected future charges that accrue to the Company in respect of these funds.

Interest rate risk

The Company is exposed to changes in interest rates in circumstances where a change in rates has a different impact on the assets recognised on the balance sheet relative to the change in liabilities recognised on the balance sheet. The Company monitors the interest rate exposure against set risk limits.

Currency risk

Whilst the Company has no significant direct shareholder foreign currency exposures, it is exposed to the risk of changes in currency exchange rates within the unit-linked funds. A fall in unit-linked fund values as a result of currency movements would lead to a reduction to the expected future charges that accrue to the Company in respect of these funds.

Property risk

Whilst the Company has no significant direct property exposures, it is exposed to the risk of a fall in the value of properties held within the unit-linked funds. A reduction in the value of properties held within the Company's unit-linked funds would lead to a reduction in the value of unit-linked assets and the expected future charges that accrue to the Company in respect of these funds.

Spread risk

The Company's shareholder assets include a holding of European government bonds. A widening of spreads on the bonds would reduce the value of the assets. The Company is also exposed to the risk of widening spreads on the credit assets held within the unit-linked funds. Widening spreads would result in a reduction in the value of bonds held within the Company's unit linked funds, which would lead to a reduction in the value of unit linked assets and the expected future charges that accrue to the Company in respect of these funds.

Risk Assessment and Mitigation

The Company uses a variety of techniques to assess, manage and mitigate market risks.

Own Risk and Solvency Assessment (ORSA)

The Company assesses all material risks, both qualitatively and quantitatively, as part of the annual ORSA process.

Risk limits

As part of the Risk Appetite Framework, the Company has a range of risk limits that measure the risk exposure arising from different sources of market risk. Monitoring against the limits allows the Company to identify material deviations from the business plans or from the appetite for each risk.

Scenario testing

The Company uses scenario testing as part of the ORSA process to assess risk exposures and their potential impact. Scenario testing can also be useful in helping us decide how to mitigate our exposure to risk.

Prudent investment strategy

The Company has a Board-approved Investment Policy in place which lays out the requirements with respect to investment management activities in order to ensure that such activities are undertaken in accordance with the Prudent Person Principle as defined in the Solvency II regulations. The Company invests unit-linked assets to match the surrender value of unit-linked policies in line with the fund objectives and information communicated to policyholders. The shareholder investment assets are invested predominantly in highly rated European government bonds of appropriate durations and cash. The Company has restrictions in place in respect of the assets in which investments may be made and has concentration limits in place in respect of its shareholder asset holdings.

Risk Concentration

The Company has limits in place to limit its exposure to individual counterparties.

Sensitivity analysis and stress testing

As part of the ORSA process, the Company carries out stress and scenario testing which includes stress testing for market risks. For the 2023 ORSA, the solvency position was recalculated under a number of adverse scenarios related to market risk. The analysis indicated that the Company can withstand a range of adverse scenarios over the plan horizon.

C.3 Credit risk

Key Credit Risks

Credit risk relates to risks from a counterparty's potential inability or unwillingness to meet its obligations. The Company's counterparties include cash counterparties, reinsurers, policyholders and derivative counterparties.

The key credit risks that the Company is exposed to are as follows:

Cash counterparty risk

The Company places shareholder assets on deposit with financial institutions and it is exposed to the risk of downgrade or default of those institutions. The Company is also exposed to the risk of default by a cash counterparty within the unit-linked funds. A default of a cash counterparty within the Company's unit-linked funds would lead to a reduction in the value of unit-linked assets and the expected future charges that accrue to the Company in respect of these funds.

Reinsurer counterparty risk

The Company mitigates its underwriting risk by putting reinsurance arrangements in place and it is exposed to the risk of downgrade of default by a reinsurer.

Risk Assessment and Mitigation

The Company uses a variety of techniques to assess, manage and mitigate credit risks.

Own Risk and Solvency Assessment (ORSA)

The Company assesses all material risks, both qualitatively and quantitatively, as part of the annual ORSA process.

Risk limits

As part of the Risk Appetite Framework, the Company has a range of risk limits that measure the risk exposure arising from different sources of credit risk including limits on the exposure to individual cash counterparties. Monitoring against the limits allows the Company to identify material deviations from the business plans or from the appetite for each risk.

Scenario testing

The Company uses scenario testing as part of the ORSA process to assess risk exposures and their potential impact. Scenario testing can also be useful in helping us decide how to mitigate our exposure to risk.

Prudent investment strategy

The Company has a Board-approved Investment Policy in place which lays out the requirements with respect to investment management activities in order to ensure that such activities are undertaken in accordance with the Prudent Person Principle as defined in the Solvency II regulations. The Company invests unit-linked assets to match the surrender value of unit-linked policies in line with the fund objectives and information communicated to policyholders. The shareholder investment assets are invested predominantly in high rated European government bonds and cash. The Company has restrictions in place in respect of the assets in which investments may be made and has concentration limits in place in respect of its shareholder asset holdings.

Reinsurance

The Company only puts reinsurance arrangements in place with counterparties that meet specific creditworthiness requirements and the Company monitors the financial strength of our reinsurers.

Risk Concentration

The Company has limits in place to limit its exposure to individual investment cash counterparties. The Company uses a single bank for operational banking purposes and this can give rise to a concentrated exposure when significant amounts are held in the operational bank accounts. This risk is managed through the use of a creditworthy counterparties, regular counterparty monitoring and by ensuring that the balances held in the accounts are maintained at appropriate levels.

Sensitivity analysis and stress testing

As part of the ORSA process, the Company carries out stress and scenario testing which includes stress testing for credit risks. For the 2023 ORSA, the solvency position was recalculated under a number of adverse scenarios related to credit risk. The analysis indicated that the Company can withstand a range of adverse scenarios over the plan horizon.

C.4 Liquidity risk

Key Liquidity Risks

Liquidity risk refers to the risk arising from the Company's inability to generate the necessary funds to meet its cash outflow obligations as they fall due. The key sources of liquidity risk include:

- Higher than expected mortality or morbidity claims.
- Higher than expected company expenses.
- Higher than expected commission payments.
- Inability to convert assets into cash within the required timeframe.
- Lower than expected unit-linked fee income.
- Reinsurer default.

Risk Assessment and Mitigation

The Company uses a variety of techniques to assess, manage and mitigate liquidity risks.

Own Risk and Solvency Assessment (ORSA)

The Company assesses all material risks, both qualitatively and quantitatively, as part of the annual ORSA process.

Risk limits

As part of the Risk Appetite Framework, the Company has a range of risk limits that measure the risk exposure arising from liquidity risk. Monitoring against the limits allows the Company to identify potential liquidity strains early, allowing timely action to be taken where necessary.

Scenario testing

The Company uses scenario testing as part of the ORSA process to assess risk exposures and their potential impact. Scenario testing can also be useful in helping us decide how to mitigate our exposure to risk.

Funding process

For day-to-day liquidity needs, the Company maintains adequate funds in operational bank accounts. The Finance Function monitors and maintains the bank balances daily and ensures adequate funding for policyholder claims, intermediary commission payments, expenses and other sources of ongoing liquidity needs. For unit-linked policies, claims are funded by selling the unit-linked assets.

Liquidity Coverage Ratio

The Company uses the Liquidity Coverage Ratio to monitor liquidity risk. This metric compares the amount of liquid assets available to the Company against the cash-flow requirements over a particular time horizon (typically 12 months) and is calculated in both a base case and a stressed scenario. The metric is monitored regularly.

Investment strategy

The Company's shareholder investment strategy entails investing in highly liquid assets, typically high rated European government bonds and cash.

Financial Reinsurance

The Company has a financial reinsurance arrangement in place which allows the Company to access future unit-linked income in advance.

Risk Concentration

The Company manages its liquidity concentration risk by holding assets across a range of high-quality counterparties.

Sensitivity analysis and stress testing

As part of the ORSA process, the Company carries out stress and scenario testing which includes stress testing for liquidity risks. For the 2023 ORSA, the liquidity coverage ratio was recalculated under a number of adverse scenarios. The analysis indicated that the Company can withstand a range of adverse scenarios over the plan horizon.

Expected profit included in future premiums

At the end of 2023, expected profit included in future premiums (EPIFP) was €2.5m, which reflects the expected profits on the non-linked protection portfolio only, since no future unit-linked contributions are considered in the Solvency II assessment.

C.5 Operational risks

Key Operational Risks

Operational risk is the risk to the Company arising from inadequate or failed internal processes, people and systems or from external events. Conduct risk refers to the risk from inadequate or failed processes that threaten the fair treatment of customers.

The key operational risks that the Company is exposed to are as follows:

- Business processing risk which refers to the risk arising in respect of the administration of insurance policies and related investment activities.
- IT risk which refers to the risk arising in respect of the Company's IT infrastructure and includes cyber risk, data risk and the risk related to the availability of key systems.
- People risk as it relates to the Company's ability to hire and retain key staff.
- Outsourcing risk which refers to the risk arising from the Company's use of outsourcing to perform certain tasks.
- Regulatory Risk.

Risk Assessment and Mitigation

The Company accepts limited operational and other risks as part of the business model. There are controls in place to mitigate these risks through integrated and complementary policies, procedures, processes and practices, keeping in mind the cost/benefit trade-off.

The Company monitors and controls operational risk using the following tools and processes:

- Regular Risk and Control Self-Assessment (RCSA) process including the identification of risks outside tolerance and the development of plans to bring those risk back inside tolerance.
- Ongoing risk event logging and reporting including root cause analysis to improve processes.
- Ongoing operational risk issue and action management and tracking.
- Monitoring and reporting of operational risk including against the relevant operational risk appetite limits.
- Independent oversight of operational risk is performed by the Risk Function, Compliance Function and Internal Audit.
- As part of the annual ORSA process, operational risk is assessed both qualitatively and quantitatively.
- Scenario testing is performed in respect of operational risk as part of the annual ORSA process.

Risk Concentration

The Company's use of outsourcing gives rise to a concentration risk in respect of a number of critical or important outsource providers. This risk is managed in line with the Company's Outsourcing Policy including through a robust procurement process, through ongoing oversight and through the use of exit planning. The Company is also exposed to key person risk given its relatively small staff headcount. This risk is managed through cross training, succession planning and through the implementation of contractual notice periods for key staff.

Sensitivity analysis and stress testing

As part of the ORSA process, the Company carries out stress and scenario testing which includes stress testing in relation to operational risk events.

C.6 Other material risks

No other items to note.

C.7 Any other information

C.7.1 Use of Special Purpose Vehicles

The Company does not have any SPVs.

D. Valuation for Solvency Purposes

D.1 Assets

As at 31 December 2023, the asset value for each asset type on the Company's Solvency II Balance Sheet is found in the table below:

Asset type (€m)	Note	IFRS Value	Valuation Adjustment	Reclass Adjustment	Solvency II Value
Deferred acquisition costs	1	2.25	(2.25)	-	-
Intangible Assets	2	160.82	(160.82)	-	-
Property, Plant and Equipment	3	0.09	-	-	0.09
Property (other than for own use)		-	-	-	-
Equities		-	-	-	-
Government Bonds	4	28.51	-	(0.20)	28.31
Corporate Bonds		-	-	-	-
Collateralised Securities		-	-	-	-
Investment Funds	5	1.88	(0.05)	-	1.83
Derivatives	6	0.01	-	-	0.01
Deposits other than cash equivalents		-	-	-	-
Unit Linked Assets	7	1,966.04	-	(59.16)	1,906.88
Loans and Mortgages		-	-	-	-
Reinsurance recoverable	8	-	0.32	-	0.32
Insurance and intermediary receivables	9	0.68	-	-	0.68
Reinsurance receivables		-	-	-	-
Receivables (trade, not insurance)	10	3.61	0.01	55.98	59.60
Cash and Cash equivalents	11	60.87	0.82	(0.38)	61.31
Any other assets, not elsewhere shown	12	0.56		1.89	2.45
Total Assets		**2,225.33**	**(161.97)**	**(1.87)**	**2,061.49**

As at 31 December 2023, the value for each liability type on the Company's Solvency II Balance Sheet is found in the table below:

Liability type (€m)	Section	IFRS Value	Valuation Ad-justment	Reclass Adjustment	Solvency II Value
Technical Provisions – Health	D2	-	0.21	-	0.21
Technical Provisions – Life	D2	(4.00)	6.28	-	2.28
Technical Provisions – Unit Linked	D2	1,966.04	(74.7)	-	1,891.34
Reinsurance Payables	D3	6.37	0.16	-	6.53
Insurance and intermediary payables	D3	19.14	(0.10)	(1.87)	17.16
Derivatives	D3	-	-	-	-
Current Tax Liabilities	D3	0.07	-	(0.07)	-
Actuarial Funding	D3	2.37	(2.37)	-	-
Deferred Investment Revenue	D3	2.74	(2.74)	-	-
Other Liabilities	D3	9.73	-	0.07	9.80
Total Liabilities		**2,002.45**	**(73.26)**	**(1.87)**	**1,927.32**
Equity/Own Funds		222.88	(88.71)	-	134.17
Total Liabilities plus Equity		**2,225.33**	**(161.97)**	**(1.87)**	**2,061.49**

Key valuation bases, assumptions and methodology differences for each asset type

The asset values shown in the Solvency II balance sheet presented below are at "economic value". In general, the following definition is used for economic value:

- Assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction.
- Liabilities shall be valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction.

The following hierarchy is used by the Company to derive the economic value of an asset or liability, excluding the determination of the economic value of insurance liabilities.

- **Level 1:** The best evidence of the economic value is a quoted price in an active, deep, liquid and transparent market (mark to market model) for identical assets or identical liabilities. If quoted prices exist for similar assets or liabilities, the value of these should be used with an adjustment to reflect the prices.
- **Level 2:** If a quoted price does not exist or the market is deemed not to be active, the Company uses a valuation technique in determining the economic value. The Company will use a valuation technique which is commonly used in the industry (best practices) and will use market observable inputs (mark to market model). Level 2 also comprises market quotes for products with similar characteristics.
- **Level 3:** If the key inputs of the valuation technique are not observable in the market or deemed not to be reliable, the Company will use its own inputs as basis for the variables (markto-market model). If a model is used to value a financial liability, the input parameters regarding the own credit standing may not be changed after the initial assessment.

When measuring the economic value, the Company will take into account any characteristic of the asset or liability including any restriction on the sale or use of the assets.

The table below shows the valuation hierarchy used to put a value on the Company's assets:

	Level 1	Level 2	Level 3	Total 2023
Valuation Hierarchy	**€ m**	**€ m**	**€ m**	**€ m**
Government Bonds	-	28.51	-	28.51
Property Funds	-	-	73.08	73.08
Equity security investments	1,505.29	9.41	63.06	1,577.76
Future	3.77	-	-	3.77
FX forwards	-	1.85	-	1.85
Cash and cash equivalents	369.04	-	-	369.04
Total	**1,878.10**	**39.77**	**136.14**	**2,054.01**

When possible, the "look through" principle is used, in order to group all investments with similar risks together at the same balance sheet item. A look through procedure considers an investment at the most granular level of detail and distinguishes all risks involved. The Company looks for the economic substance of the (financial) instrument.

Note 1: Deferred Acquisition Costs

IFRS	Solvency II
Acquisition costs for investment contracts represent those costs directly associated with acquiring new investment management service contracts. The Company defers these costs to the extent that they are expected to be recoverable out of future revenues to which they relate.	Deferred Acquisition Costs have been valued at Nil for Solvency II purposes in line with Article 12 of the Delegated Act.

Note 2: Intangible Assets

IFRS	Solvency II
The Company's Intangible Assets include Assets Under Development capitalised and the Irish Life Assurance portfolio transfer present value of in-force business (PVIF) intangible in accordance with the relevant regulations.	Intangible Assets have been reduced to nil for Solvency II purposes in line with Article 12 of the Delegated Act which states that intangible assets should be valued at nil for Solvency II purposes, unless the intangible asset can be sold separately, and the Company can demonstrate that there is a value for the same or similar assets derived in accordance with Article 10(2) of the Delegated Act.

Note 3: Property, plant and equipment held for own use

IFRS	Solvency II
Property, plant and equipment comprises of laptops owned by the Company. Property, plant and equipment is reported at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Depreciation is calculated on a straight-line basis on cost less estimated residual value, to write property, plant and equipment off over their anticipated useful lives using the following annual rates or useful life: • Laptops – 3 years.	No valuation difference.

Note 4: Government Bonds

IFRS	Solvency II
Bonds include Sovereign and Non-Sovereign. The Company values bonds based on the fair value determined by referring to quoted market bid prices. These are primarily from third-party independent pricing sources. If there are price movements above specified tolerances, the Company makes sure those movements are correct by checking a second pricing source. Where prices are not quoted in an active market, the Company determines fair values by valuation models. The Company maximises the use of observable inputs and minimises the use of unobservable inputs when measuring the fair value. The Company uses a 'mark to market model' valuation basis to determine a value appropriate to the industry sector. The model uses public bond spread data as a proxy for current spreads on fixed-interest assets. The Company then uses this to develop a yield curve to discount the cash flows underlying the private placement to obtain its value.	No valuation difference.

Note 5: Investment Funds - Collective Investments Undertakings

IFRS	Solvency II
These may include unit funds, property partnerships, special purpose vehicles, etc. The Company values these assets at fair value based on a quoted market price where the asset is traded. If not traded on an active investment exchange, they are valued at the most recent price published by the fund manager.	No valuation difference

Note 6: Derivatives

IFRS	Solvency II
Derivatives principally include currency forward rate contracts, currency swaps and futures contracts. The Company values exchange traded derivatives by using the closing price from the exchange in which they are traded. The Company values foreign exchange traded derivatives using a market feed of forward points and corresponding interest rates.	No valuation difference

Note 7: Assets held for index-linked and unit-linked contracts

The Company holds unit-linked assets for the benefit of policyholders. They are made up of several kinds of investment assets such as Property, Equities, Bonds, Derivatives and Deposits.

Both the Solvency II balance sheet and the IFRS statutory balance sheet present unit-linked assets as one line.

Investment Property

This means property the Company is holding for long-term rental yields and capital growth. It can be land or buildings.

IFRS	Solvency II
The Company carries investment properties at fair value, with changes in fair value included in the income statement within investment return. External chartered surveyors value property at least once a year at fair value in accordance with IAS 40 Investment Property and IFRS 13 Fair Value Measurement. This is in line with the RICS Valuation - Professional Standards 2020 published by the Royal Institution of Chartered Surveyors (RICS) in the U.K. and Ireland and follows the guidelines on the most appropriate way to value property. Fair value is based on the highest and best use of the property, taking into account all of its particular attributes, including occupational tenancies, and prevailing market conditions.	No valuation difference

Equities

Equities include common shares, preferred shares and investments in collective investment schemes.

IFRS	Solvency II
Equities include common shares and preferred shares. The Company values quoted equities based on the fair value determined by the closing bid price from the exchange where they are principally traded. Management value unquoted equities in accordance with principles set down by the European Venture Capital Association. The external manager values unlisted unit trusts using the latest published Net Asset Value (NAV).	No valuation difference

Bonds

Bonds include government bonds, corporate bonds and collateralised securities

IFRS	Solvency II
Bonds include government bonds, corporate bonds and collateralised securities. The Company values bonds based on the fair value determined by referring to quoted market bid prices, except in a minority of instances where bonds are valued on a mid-basis in line with market convention. These are primarily from third-party independent pricing sources. If there are price movements above specified tolerances, the Company makes sure those movements are correct by checking a second pricing source. Where prices are not quoted in an active market, the Company determines fair values by valuation models. The Company maximises the use of observable inputs and minimises the use of unobservable inputs when measuring the fair value. The Company uses a 'mark to market model' valuation basis to determine a value appropriate to the industry sector. The model uses public bond spread data as a proxy for current spreads on fixed interest assets. The Company then uses this to develop a yield curve to discount the cash flows underlying the private placement to obtain its value.	No valuation difference

Derivatives

Derivatives principally include currency forward rate contracts, currency swaps and futures contracts.

IFRS	Solvency II
Derivatives include Over-The-Counter derivatives (OTC), exchange traded derivatives, foreign exchange traded derivatives, currency forward rate contracts, futures contracts, forward rate agreements and options. The Company uses the bid value supplied by the counterparty to value OTC Derivatives. The Company values exchange traded derivatives by using the closing price from the exchange in which they are traded. The Company values foreign exchange traded derivatives using a market feed of forward points and corresponding interest rates.	No valuation difference

Deposits

Deposits other than cash equivalents means deposits the Company hold for investment purposes. Cash and cash equivalents means cash in a bank or deposit account held ready to use for business operations.

IFRS	Solvency II
The Company values deposits at their face value.	No valuation difference

Note 8: Reinsurance Recoverable

Total Reinsurance Recoverable on Health and Life.

IFRS	Solvency II
Included within Technical Provisions life.	Valued under Solvency II technical provision rules and separate reporting line.

Note 9: Insurance and intermediary receivables

Includes outstanding premiums that policyholders are due to pay the Company as well as Tax and Government Levy payable.

IFRS	Solvency II
The Company records receivables at their fair value, net of any amounts deemed as doubtful debts.	No valuation difference.

Note 10: Receivables (trade, not insurance)

Includes management fees due from unit-linked funds.

IFRS	Solvency II
The Company records receivables at their fair value, net of any amounts deemed as doubtful debts.	No valuation difference.

Note 11: Cash and Cash Equivalents

Includes Cash the Company has in a bank or deposit account held ready to use for business operations.

IFRS	Solvency II
The Company value Cash and Cash Equivalents at their face value.	Impact of IFRS 17 is adjusted on insurance contracts.

Note 12: Any other assets, not elsewhere shown

Includes prepayments and other debtors.

IFRS	Solvency II
The Company records receivables at their fair value, net of any amounts deemed as doubtful debts.	No valuation difference.

D.2 Technical Provisions

Overview

The Technical Provisions as outlined in the Solvency II balance sheet (Section D.1) represent the value of the Company's liabilities stemming from the policies it has written. The Company's technical provisions have been calculated following the methodologies and procedures documented in the Solvency II Directive, the Delegated Regulations, and the additional guidance provided by the European Insurance and Occupational Pensions Authority (EIOPA).

The Company's Technical provisions are calculated for each of its lines of business, which currently include:

- Non-linked life protection business, including term assurances and whole of life assurances.
- Non-linked health protection business, including specified illness cover and income protection.
- Unit-linked investment and savings business including regular and single premium investment and pension business and retirement bonds.

Liabilities shall be valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction (without adjustment to take account of the Company's own credit standing).

In this context, the Solvency II technical provisions of the Company for the lines of business outlined above comprise:

- The Gross Best Estimate Liability (BEL), which represents the present value of liabilities owing to policyholders other than the unit reserves mentioned below.
- The Risk Margin, which represents the cost of having to hold solvency capital in excess of the BEL, to facilitate administering the portfolio of policies to their run-off.
- The Unit Reserves for Unit-Linked contracts sold.
- The Reinsurance Recoverable, which represents the value of policyholder liabilities that has been ceded to reinsurers.

A summary of the Company's Solvency II Technical provisions is presented in the table below:

Line of Business – 2023 €'000	Gross Best Estimate Liability	Risk Margin	Unit Reserves	Reinsurance Recoverable	Total Technical Provisions net of recoverable
Non-Linked Life	(1,797)	4,077	-	(496)	1,784
Non-Linked Health	(725)	936	-	178	389
Unit-Linked	(106,176)	31,478	1,966,042	-	1,891,344
Total	**(108,698)**	**36,491**	**1,966,042**	**(318)**	**1,893,517**

Gross Best Estimate Liability

Best Estimate Liabilities (BEL) are the best estimate of the value of the Company's obligations under the policies it has written.

The Gross Best Estimate Liabilities represent the probability-weighted average of future policy cash-flows, excluding any expected reinsurance payables or recoveries, and taking account of the time value of money (expected present value of future cash-flows), using the relevant risk-free interest rate term structure.

Risk Margin

The Risk Margin reflects the extra premium that another insurer would expect to receive in order for it to take on and meet the Company's insurance obligations in relation to the portfolio. It represents the additional cost that the other insurer would bear in funding the required capital for the non-hedgeable risks for the portfolio.

The Risk Margin is calculated by first determining the capital required in respect of the non-hedgeable risks of the portfolio for each projected future year until the portfolio has run off, allowing too for diversification effects.

In line with allowable Solvency II approaches, the projected, future-year capital requirements are found using a risk drivers approach, whereby the time zero individual capital assessments are run down in-line with relevant underlying factors to arrive at capital values for each point in time. The aggregation of the assessed future capital occurs after the individual capital elements have been projected first.

The cost of holding capital in each future year is then calculated using the Cost of Capital approach, The rate used to determine this cost is called the Cost-of-Capital rate. The Cost-of-Capital rate as per Article 77(5) of the Delegated Act is set at 6%.

The Risk Margin takes account of the time value of money and is ultimately the present value of the cost of capital for all projected years using the relevant risk-free interest rate term structure.

Unit Reserves

The unit reserves are the value of the liabilities that represent the account values for each unit-linked savings and investment policy. The value is calculated from the market values of the assets to which the values of the contracts are linked.

Reinsurance Recoverable

The Company reinsures some of its mortality and morbidity risk exposures with a reinsurance partner which enables it to reduce its exposure to these risks.

To do so, the Company pays the reinsurer a premium in respect of the risks covered, and in exchange the reinsurer pays the specified proportion of any policyholder claims incurred in the reinsured portfolio.

The Reinsurance Recoverable is the probability-weighted average of future reinsurance cash-flows, taking account of the time value of money. It is the expected present value of future reinsurance cash-flows, using the relevant risk-free interest rate term structure.

The same cash-flow projection methodology, model, and assumptions that was used to derive the Best Estimate Liability is again used to determine the relevant timings and probabilities of the expected reinsurance cash-flows.

Solvency II Technical Provisions and Reinsurance Recoverable bases, methodology and assumptions

The Company calculates its Best Estimate Liability and Reinsurance Recoverable in line with Solvency II regulations and uses a projection of future cash-flows based on central assumptions. Central assumptions means that there is an equal probability that the assumption is understated versus overstated, and represents the expected outcome based on the data available to the Company at the time.

These are the three main categories of assumptions The Company uses to work out the Best Estimate Liability and Reinsurance Recoverable:

- Demographic assumptions.
- Expense assumptions.
- Economic assumptions.

Demographic assumptions include assumptions about the rate at which policyholders are expected to die at different ages, how long policyholders are expected to live, and the rate at which the policyholders are expected to let their policies lapse.

Expense assumptions include assumptions about ongoing maintenance and investment expenses. The expense assumptions have been set based on the most recent expense information, market research and expert judgement.

The main economic assumptions are:

- The discount rate.
- The rate of investment return on unit-linked funds.
- Expense inflation.

The rate of investment return used to calculate the progression of unit-linked funds uses the risk-free yield curve specified by the EIOPA. The same risk-free curve is used to discount the value of future cash-flows for calculating the Best Estimate Liability. No volatility adjustment is used for calculating the BEL or Risk Margin.

For both the policies administered by the Company and the policies administered by its outsourced administration partners, the assumption concerning the inflation of future expenses is based on both short and long term assumptions about how the Company expects prices and wages to increase over time.

Level of uncertainty associated with the value of technical provisions.

The technical provisions are calculated based on expected future cash-flows. The Company calculates these expected future cash-flows based on several assumptions which are briefly outlined above.

Since assumptions are typically based on past experience, with allowance for expected demographic trends and future management actions, there is some inherent uncertainty in these assumptions as applied to future periods. Actual experience may differ from the assumptions over time, and this may result in the Company having to change its assumptions in the future.

Some of the key sources of uncertainty within the technical provisions are:

- The mortality and morbidity rates used in calculating expected future cashflows i.e. the rate at which policyholders will die or get ill respectively. An increase in these rates will give rise to an increase in technical provisions. This has a more significant impact on non-linked protection policies which have insurance benefits that depend on policyholders dying or becoming ill. This uncertainty is largely mitigated through The Company's use of reinsurance arrangements.
- The lapse rate used in calculating expected future cashflows i.e. how many policyholders will let their policies lapse in each future year. An increase in these rates will give rise to an increase in technical provisions. This is because the Technical Provisions allow for the expected value of future profits, which will go down if more policyholders let their policies lapse. This is particularly important for Unit-Linked policies for which account is taken of future annual management charges which drive that product's profitability.
- The assumed fixed and variable expenses which represent the Company's expectation of how its policy servicing and overhead costs are allocated across policies by policy count or policy size. An increase in the company's expense assumptions will give rise to an increase in technical provisions.

The Company's technical provisions also vary depending on market movements, notably:

- Changes in interest rates. Since the Company's business is profitable, its best estimate liability is in fact an asset of the company. An increase in interest rates, reduces the value of this asset and thus increases technical provisions.
- Changes in equity and property markets. Equity and property assets are large components of the portfolios backing the unit-linked contracts. As such they have an impact on future profits on that unit-linked business through their influence on the level of annual management charges that can be collected. So these markets have an impact on our Technical Provisions. If equity or property values fall, this will reduce future profits on the unit-linked business and increase the technical provisions.

Differences between Solvency II technical provisions and insurance contract liabilities and investment contract liabilities included in the financial statements

The financial statements are now broadly aligned to Solvency II methodologies, however there are differences in the technical provisions calculated. The slight differences in methods and assumptions result in the Solvency II technical provisions (net of reinsurance) being lower by €68 million than those shown in the financial statements. This results in a higher net asset value under Solvency II. However, the solvency capital requirements are calculated by applying stresses to this higher net asset value.

The table below compares the Solvency II valuation of technical provisions (net of reinsurance) with the IFRS valuation of Technical Provisions as at 31 December 2023.

€m	2023		
Valuation differences - Technical Provisions	**IFRS value**	**Solvency II value**	**Variance**
Unit-linked technical provisions	-	1,891.34	1,891.34
Non-unit linked technical provisions	(4.00)	2.17	6.17
Investment contract liabilities	1,966.04	-	(1,966.04)
Total technical provisions	**1,962.04**	**1,893.51**	**(68.53)**

The main differences in the assumptions used for the financial statements and Solvency II are:

For Unit-Linked Business:

The Solvency II technical provisions for unit-linked business include:

- The value of the assets underlying the unit linked contracts.
- The present value of future profits arising on these unit-linked contracts, up to the contract boundary.
- An allowance for the risk associated with the contracts (the 'Risk Margin').

In the financial statements, unit linked business is recorded as Investment Contract Liabilities:

- These liabilities are effectively set equal to the value of the assets underlying the unit-linked contracts.
- The future profits on the contracts are not recognised in the financial statements.
- The Risk Margin component is not included in the valuation of liabilities in the financial statements.

For Non-Linked Business:

Under Solvency II the technical provisions include:

- The discounted present value of all cashflows up to the contract boundary and an allowance for the risk associated with the contracts (the Risk Margin).

For the financial statements the technical provisions include:

- The present value of cashflows, however the time-horizon of the cashflows can continue beyond the contract boundaries used for Solvency II reporting.
- The Risk Margin component is not included in the valuation of liabilities in the financial statements.

D.3 Other Liabilities

This section describes the following other liabilities which the Company has valued for Solvency II purposes, together with any differences in comparison to the IFRS financial statements.

- Derivatives.
- Insurance and intermediary payables.
- Reinsurance payables.
- Payables (trade, not insurance).

As at 31 December 2023, the value for each other liability type on the Company's Solvency II Balance Sheet is found in the table below:

Liability type (€m)	Note	IFRS Value	Valuation Adjustment	Reclass Adjustment	Solvency II Value
Reinsurance Payables	1	6.37	0.16	-	6.53
Insurance and intermediary payables	2	19.14	(0.10)	(1.87)	17.16
Derivatives	-	-	-	-	-
Current Tax Liabilities	3	0.07	-	(0.07)	-
Actuarial Funding	4	2.37	(2.37)	-	-
Deferred Investment Revenue	5	2.74	(2.74)	-	-
Other Liabilities	6	9.73	-	0.07	9.80
Total Other Liabilities		**40.41**	**(5.05)**	**(1.87)**	**33.49**

Note 1: Reinsurance Payables

Reinsurance Payables refers to the balance due to the reinsurer in respect of the risk transferred as well as Net Contingent Advance Claims in respect of Financial Reinsurance.

IFRS	Solvency II
The Company records reinsurance payables on an accruals basis to account for premiums and claims activity that has not yet been agreed with the reinsurer.	No valuation difference. Impact of IFRS 17 is eliminated on insurance contracts.

Note 2: Insurance and intermediary payables

Insurance and intermediary payables refers to outstanding payables such as Levy, Exit Tax, Medical Fees and Refunds.

IFRS	Solvency II
The Company records payables on an accruals basis.	IFRS 17 adjustments eliminated under Solvency II.

Note 3: Current Tax Liabilities

Current Tax Liabilities include balances due to Revenue as a result of reverse charge VAT.

IFRS	Solvency II
The Company records payables on an accruals basis.	No valuation difference.

Note 4: Actuarial Funding

Actuarial Funding relates to funding held back to cover expenses for unit purchasing.

IFRS	Solvency II
The Company records Actuarial Funding in line with funding fees and contribution charges.	Actuarial Funding has been valued at nil for Solvency II purposes.

Note 5: Deferred Investment Revenue

Deferred Investment Revenue relates to unearned premiums on Savings and Investments and PRSA policies.

IFRS	Solvency II
The Company records Deferred Investment Revenue at fair value.	Deferred Investment Revenue has been valued at nil for Solvency II purposes.

Note 6: Other Liabilities

Other Liabilities mainly include accruals.

IFRS	Solvency II
The Company records Other Liabilities on an accruals basis.	No valuation difference.

D.4 Alternative methods for valuation

The Company does not use alternative valuation techniques.

D.5 Any other information

No other items to note.

E. Capital Management

E.1 Own Funds

Own funds are the value that our assets exceed our liabilities, where the value of our liabilities includes technical provisions.

Capital Management Policy

The Capital Management policy is set by the Board of Directors. The policy is designed to ensure that the Company's capital position is managed so that it is aligned with its strategic objectives, the scale and nature of its business, its risk appetite and risk profile.

The objectives of the Company's Capital Management Policy ("the Policy") are to:

- Specify requirements relating to the capital management process to enable effective measurement and management of solvency.
- Specify requirements relating to governance and oversight as they relate to capital management.
- Define principles of reporting and escalation.
- Set out guidance with the purpose of describing the role of capital management.
- Ensure adherence to the regulatory capital requirements and guidelines.

The Company operates a Risk Management System to identify, measure, manage, monitor and report risks which might impact on the level of capital held, the execution of its business plans and the ultimate achievement of its strategic objectives. As part of that system, a suite of policies sets out requirements to manage risks in line with the Board's risk strategy.

Capital Strategy

The Company will manage its capital with a view to maintaining solvency at a level which enables the Company to carry out its business plan and meet growth objectives, within its risk appetite. The Company will, through its risk management framework, identify all material risks potentially requiring capital to be held. It will actively and regularly review its capital ratios and the quality of its capital. The Company will seek to manage its total aggregated capital to ensure it has sufficient capital, liquidity and reserves to meet its liabilities as they fall due and to meet regulatory requirements, even under stressed conditions.

Breakdown of Own Funds

Own funds are divided into three tiers based on their permanence and how well they can absorb losses. Tier 1 funds are the highest quality. Our entire tier 1 capital is available to meet our Minimum Capital Requirement (MCR) and Solvency Capital Requirement (SCR).

Summary of our capital position

Capital Class	Year End 31 December 2023 € m
Tier 1 - unrestricted	
Share Capital and Share Premium	284.60
Issued Funds	0.00
Reconciliation Reserve	(150.43)
Other	0.00
Available Own Funds	**134.17**
Foreseeable Dividends & Distributions	0.00
Total available own funds to meet the SCR	**134.17**
Eligible own funds to meet SCR	**134.17**
Solvency Capital Requirement (SCR)	77.21
Solvency ratio	**173.77%**
Minimum Capital Requirement (MCR)	19.30
Eligible own funds as a percentage of MCR	**695.09%**

The Company invests its own funds in a combination of government and government agency bonds, cash and a small element of shareholder seed units in unit-linked funds which are fully admissible for tier 1 own funds.

Share capital and share premium

This capital consists of the total balance of shares issued to our parent company (Saol Assurance Holding Limited) consisting of ordinary and share premium share classes. All shares were issued for cash proceeds. This has been treated this as tier 1 capital to meet the Company's MCR and SCR. This is because the share capital meets the requirements of Article 71 of the Delegated Regulation (EU) 2015/35 in that it is undated, it is available to absorb losses and it ranks after all other claims if the business were to be wound up.

Share premium represents the excess of amounts received for share issues over the par value of those shares for the Company.

Reconciliation Reserve

As at 31 December 2023, the Company had a reconciliation reserve of €150.4m. It equals the excess of assets over liabilities per the Solvency II balance sheet, reduced for paid up share capital, capital contributions and foreseeable dividends. The Company judged this to be tier 1 capital to meet it's MCR and SCR. A reconciliation is included below between equity per IFRS financial statements to Own Funds under Solvency II.

Eligible own funds to cover SCR and MCR

The Company reviewed the relevant guidelines to decide the eligible elements of own funds and views all our own funds classes to be eligible.

At 31 December 2023 the Company had €134.2m of own funds eligible to meet both its SCR and MCR. The entire amount is classified as tier 1 capital.

Own funds eligible to meet SCR and MCR

Capital Class	Year End 31 December 2023 € m
Own Funds	
Tier 1	134.17
Solvency Capital Requirement	77.21
Solvency Ratio	**173.77%**
Minimum Capital Requirement	19.30
Eligible own funds as a percentage of MCR	**695.09%**

Restrictions on Own Funds to meet Capital Requirements

These are regulatory restrictions on the proportion of capital requirements that can be met by Tier 2 and 3 basic Own Funds in determining the eligible Own Funds to meet the SCR and MCR capital requirements. The Company did not hold tier 2 or 3 capital classes at 31 December 2023.

Reconciliation from IFRS to Solvency II

A quantitative and qualitative explanation of any material differences between equity as shown in the Company's IFRS balance sheet and the excess of assets over liabilities as calculated for Solvency II purposes is set out below.

The main differences between the equity in IFRS balance sheet and the Solvency II Own Funds arise due to:

- The way insurance contract liabilities (including reinsurance assets) and investment contract liabilities are valued under IFRS differs from how technical provisions are valued under Solvency II.
- Intangible Assets (Capitalised Expenses and Portfolio Transfer PVIF) are valued as nil under Solvency II.
- Deferred Acquisition Costs and Deferred Income Reserve are valued as nil under Solvency II.
- Deferred tax liabilities are adjusted to reflect the impact on tax when assets and liabilities are valued differently.

This table shows the difference between the equity under IFRS and Solvency II Own Funds at the year end.

IFRS shareholder equity to Solvency II Own Funds	Year End 31 December 2023 € m
Shareholder Equity	222.83
Difference in technical provisions	72.15
Difference in valuation of intangible assets	(160.81)
Deferred tax	-
Solvency II eligible Own Funds	**134.17**

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Solvency Capital Requirement

Under Solvency II regulations, insurance companies are required to hold capital based on a risk-based capital assessment. The level of capital to be held is calculated by considering the capital required for the Company to withstand several different shocks.

The Company calculates its SCR using the standard formula. The SCR includes:

- The Basic Solvency Capital Requirement (BSCR).
- The SCR for operational risk.

The Company calculates the BSCR using these four risk modules:

- Market.
- Counterparty (default).
- Life underwriting.
- Health underwriting.

Each stress or shock impact calculated to obtain the overall SCR was produced separately on a full calculation basis. The Company does not use any of the simplifications allowed in the Delegated Acts when calculating the SCR.

The results from each of these risk modules are combined using the prescribed standard formula correlation matrices.

The next table presents the total solvency capital required (SCR) and breaks this down by risk sub-module.

Breakdown of SCR	Year End 31 December 2023 € m
Market Risk	47.5
Counterparty Default Risk	3.9
Life Underwriting Risk	45.9
Health Underwriting Risk	1.2
Total Before Diversification	**98.6**
Diversification Effects	(22.9)
Basic SCR (BSCR)	**75.6**
Operational Risk	1.6
Total SCR	**77.2**

Minimum Capital Requirement

The MCR is the minimum level of capital below which the financial resources are not allowed to fall. It is calculated based on a simple formula, based on a percentage of technical provisions and capital at risk. The MCR is subject to a floor of 25% of SCR and a cap of 45% of SCR.

The tables below show the inputs to and calculation of the MCR:

Year End – 31 December 2023			
Item	Amount € m	Factor	Contribution to MCR
Unit-linked insurance obligations	1,858.4	0.70%	13.0
Other life and health obligations	0.0	2.10%	0.0
Capital at risk	1,713.8	0.07%	1.2
Total Linear MCR	-	-	**14.2**
MCR Cap (45% of SCR)	-	-	**34.7**
MCR Floor (25% of SCR)	-	-	**19.3**
Minimum Capital Requirement	-	-	**19.3**

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The company does not use the duration-based equity risk sub-module, which is optional under the Solvency II regulations.

E.4 Differences between the standard formula and any internal model used

The Company uses the standard formula to calculate the SCR.

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

During 2023 the Company was in compliance with the SCR and MCR requirements.

E.6 Any other information

There is no additional information about our capital management to disclose in this report.

Appendices
Quantitative Reporting Templates

Appendix 1: S.02.01.02 Balance sheet

Assets		Solvency II value
		C0010
Goodwill	R0010	0
Deferred acquisition costs	R0020	0
Intangible assets	R0030	0
Deferred tax assets	R0040	0
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	94,774
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	30,154,099
Property (other than for own use)	R0080	0
Holdings in related undertakings, including participations	R0090	0
Equities	R0100	0
Equities - listed	R0110	0
Equities - unlisted	R0120	0
Bonds	R0130	28,312,694
Government Bonds	R0140	28,312,694
Corporate Bonds	R0150	0
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	1,831,143
Derivatives	R0190	10,262
Deposits other than cash equivalents	R0200	0
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	1,906,879,559
Loans and mortgages	R0230	0
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	0
Reinsurance recoverables from:	R0270	317,816
Non-life and health similar to non-life	R0280	0
Non-life excluding health	R0290	0
Health similar to non-life	R0300	0
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	317,816
Health similar to life	R0320	(178,015)
Life excluding health and index-linked and unit-linked	R0330	495,831
Life index-linked and unit-linked	R0340	0

Appendix 1: S.02.01.02 Balance sheet (continued)

Assets		Solvency II value
		C0010
Deposits to cedants	R0350	0
Insurance and intermediaries receivables	R0360	684,326
Reinsurance receivables	R0370	0
Receivables (trade, not insurance)	R0380	59,596,197
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	61,310,576
Any other assets, not elsewhere shown	R0420	2,450,495
Total assets	**R0500**	**2,061,487,843**

Appendix 1: S.02.01.02 Balance Sheet (continued)

Liabilities		Solvency II value
		C0010
Technical provisions - non-life	R0510	0
Technical provisions - non-life (excluding health)	R0520	0
Technical provisions calculated as a whole	R0530	0
Best Estimate	R0540	0
Risk margin	R0550	0
Technical provisions - health (similar to non-life)	R0560	0
Technical provisions calculated as a whole	R0570	0
Best Estimate	R0580	0
Risk margin	R0590	0
Technical provisions - life (excluding index-linked and unit-linked)	R0600	2,490,694
Technical provisions - health (similar to life)	R0610	210,876
Technical provisions calculated as a whole	R0620	0
Best Estimate	R0630	(724,885)
Risk margin	R0640	935,761
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	2,279,818
Technical provisions calculated as a whole	R0660	0
Best Estimate	R0670	(1,797,292)
Risk margin	R0680	4,077,110
Technical provisions - index-linked and unit-linked	R0690	1,891,344,495
Technical provisions calculated as a whole	R0700	1,966,042,030
Best Estimate	R0710	(106,175,953)
Risk margin	R0720	31,478,419
Other technical provisions	R0730	0
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	0
Pension benefit obligations	R0760	0
Deposits from reinsurers	R0770	0
Deferred tax liabilities	R0780	0
Derivatives	R0790	0
Debts owed to credit institutions	R0800	0
Debts owed to credit institutions resident domestically	ER0801	0
Debts owed to credit institutions resident in the euro area other than domestic	ER0802	0
Debts owed to credit institutions resident in rest of the world	ER0803	0
Financial liabilities other than debts owed to credit institutions	R0810	0
Debts owed to non-credit institutions	ER0811	0
Debts owed to non-credit institutions resident domestically	ER0812	0
Debts owed to non-credit institutions resident in the euro area other than domestic	ER0813	0
Debts owed to non-credit institutions resident in rest of the world	ER0814	0
Other financial liabilities (debt securities issued)	ER0815	0

Insurance & intermediaries payables	R0820	17,162,509
Reinsurance payables	R0830	6,525,772
Payables (trade, not insurance)	R0840	9,796,863
Subordinated liabilities	R0850	0
Non-negotiable instruments held by credit institutions resident domestically	ER0851	0
Non-negotiable instruments held by credit institutions resident in the euro area other than domestic	ER0852	0
Non-negotiable instruments held by credit institutions resident in rest of the world	ER0853	0
Non-negotiable instruments held by non-credit institutions resident domestically	ER0854	0
Non-negotiable instruments held by non-credit institutions resident in the euro area other than domestic	ER0855	0
Non-negotiable instruments held by non-credit institutions resident in rest of the world	ER0856	0
Subordinated liabilities not in Basic Own Funds	R0860	0
Subordinated liabilities in Basic Own Funds	R0870	0
Subordinated liabilities - no split between not in BOF and in BOF (Statutory column)		0
Any other liabilities, not elsewhere shown	R0880	0
Total liabilities	**R0900**	**1,927,320,334**
Excess of assets over liabilities	**R1000**	**134,167,509**

Appendix 2: S.05.01.21 Premiums, claims and expenses by line of business

		Line of Business for: life insurance obligations					
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations
		C0210	C0220	C0230	C0240	C0250	C0260
Premiums written							
Gross	R1410	288,602.05	0	80,696,821.07	519,781.68	0	0
Reinsurers' share	R1420	62,593.88	0	0	91,666.19	0	0
Net	**R1500**	**226,008.17**	**0**	**80,696,821.07**	**428,115.49**	**0**	**0**
Premiums earned							
Gross	R1510	288,602.05	0	80,696,821.07	519,781.68	0	0
Reinsurers' share	R1520	62,593.88	0	0	91,666.19	0	0
Net	**R1600**	**226,008.17**	**0**	**80,696,821.07**	**428,115.49**	**0**	**0**
Claims incurred				0			
Gross	R1610	0	0	34,611,405.64	0	0	0
Reinsurers' share	R1620	0	0	0	0	0	0
Net	**R1700**	**0**	**0**	**34,611,405.64**	**0**	**0**	**0**
Changes in other technical provisions							
Gross	R1710	210,876.11	0	78,976,126.95	2,279,818.00	0	0
Reinsurers' share	R1720	(178,015.31)	0	0	495,831.18	0	0
Net	**R1800**	**388,891.42**	**0**	**78,976,126.95**	**1,783,986.82**	**0**	**0**
Expenses incurred	**R1900**	**15,140,174.90**	**0**	**26,178,865.31**	**16,012,940.95**	**0**	**0**
Other expenses	**R2500**	**0**	**0**	**0**	**0**	**0**	**0**
Total technical expenses	**R2600**	**0**	**0**	**0**	**0**	**0**	**0**
Total amount of surrenders	**R2700**	**0**	**0**	**34,611,405.64**	**0**	**0**	**0**

Appendix 2: S.05.01.21 Premiums, claims and expenses by line of business (continued)

		Life reinsurance obligations		Total
		Health reinsurance	Life reinsurance	
		C0270	C0280	C0300
Premiums written				
Gross	R1410	0	0	**81,505,204.80**
Reinsurers' share	R1420	0	0	**154,260.07**
Net	**R1500**	**0**	**0**	**81,350,944.73**
Premiums earned				
Gross	R1510	0	0	**81,505,204.80**
Reinsurers' share	R1520	0	0	**154,260.07**
Net	**R1600**	**0**	**0**	**81,350,944.73**
Claims incurred				
Gross	R1610	0	0	**34,611,405.64**
Reinsurers' share	R1620	0	0	**0.00**
Net	**R1700**	**0**	**0**	**34,611,405.64**
Changes in other technical provisions				
Gross	R1710	0	0	**81,466,821.06**
Reinsurers' share	R1720	0	0	**317,815.87**
Net	**R1800**	**0**	**0**	**81,149,005.19**
Expenses incurred	**R1900**	**0**	**0**	**57,331,981.16**
Other expenses	**R2500**	**0**	**0**	
Total technical expenses	**R2600**	**0**	**0**	**57,331,981.16**
Total amount of surrenders	**R2700**	**0**	**0**	**34,611,405.64**

Appendix 3: S.12.01.01 Life and Health SLT Technical Provisions

				Index-linked and unit-linked insurance		
			Insurance with profit participation		**Contracts without options and guarantees**	**Contracts with options or guarantees**
			C0020	**C0030**	**C0040**	**C0050**
Technical provisions calculated as a whole		**R0010**	**0**	**1,966,042,029.57**	**0**	**0**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole		R0020	0	0	0	0
Technical provisions calculated as a sum of BE & RM						
Best Estimate						
Gross Best Estimate		**R0030**	**0**	**0**	**(106,175,953.37)**	**0**
Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default		R0040	0	0	0	0
Recoverables from reinsurance (except SPV and Finite Re) before adjustment for expected losses		R0050	0	0	0	0
Recoverables from SPV before adjustment for expected losses		R0060	0	0	0	0
Recoverables from Finite Re before adjustment for expected losses		R0070	0	0	0	0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		R0080	0	0	0	0
Best estimate minus recoverables from reinsurance/SPV and Finite Re		R0090	0	0	(106,175,953.37)	0
Risk Margin		**R0100**	**0**	**31,478,418.75**	**0**	**0**
Amount of the transitional on Technical Provisions						
Technical Provisions calculated as a whole		R0110	0	0	0	0
Best estimate		R0120	0	0	0	0
Risk margin		R0130	0	0	0	0
Technical provisions - total		**R0200**	**0**	**1,891,344,324.51**	**0**	**0**
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total		**R0210**	**0**	**1,891,344,324.51**	**0**	**0**
Best Estimate of products with a surrender option		R0220	0	(106,175,953.37)	0	0
Gross BE for Cash flow						
Cash out-flows	Future guaranteed and discretionary benefits	R0230	0	249,625.72	0	0
	Future guaranteed benefits	R0240	0	0	0	0
	Future discretionary benefits	R0250	0	0	0	0
	Future expenses and other cash out-flows	R0260	0	89,397,031.11	0	0
‘Cash in-flows	Future premiums	R0270	0		0	0
	Other cash in-flows	R0280	0	195,803,912.20	0	0
Percentage of gross Best Estimate calculated using approximations		**R0290**	**0**	**0**	**0**	**0**
Surrender value		**R0300**	**0**	**1,883,828,837.82**	**0**	**0**
Best estimate subject to transitional of the interest rate		**R0310**	**0**	**0**	**0**	**0**
Technical provisions without transitional on interest rate		R0320	0	0	0	0
Best estimate subject to volatility adjustment		**R0330**	**0**	**0**	**0**	**0**
Technical provisions without volatility adjustment and without others transitional measures		R0340	0	0	0	0
Best estimate subject to matching adjustment		**R0350**	**0**	**0**	**0**	**0**
Technical provisions without matching adjustment and without all the others		R0360	0	0	0	0
Expected profits included in future premiums (EPIFP)		**R0370**	**0**	**0**	**0**	**0**

Appendix 3: S.12.01.01 Life and Health SLT Technical Provisions (continued)

			Other life insurance			Total (Life other than health insurance, incl. Unit-Linked)
				Contracts without options and guarantees	Contracts with options or guarantees	
			C0060	C0070	C0080	C0150
Technical provisions calculated as a whole		**R0010**	**0.00**	**0**	**0**	**1,966,042,029.57**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole		R0020	0	0	0	
Technical provisions calculated as a sum of BE & RM						
Best Estimate						
Gross Best Estimate		**R0030**	**0**	**(1,797,292.40)**	**0**	**(107,973,245.77)**
Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default		R0040	0	496,752.38	0	**496,752.38**
Recoverables from reinsurance (except SPV and Finite Re) before adjustment for expected losses		R0050	0	496,752.38	0	**496,752.38**
Recoverables from SPV before adjustment for expected losses		R0060	0	0	0	
Recoverables from Finite Re before adjustment for expected losses		R0070	0	0	0	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		R0080	0	495,831.18	0	**495,831.18**
Best estimate minus recoverables from reinsurance/SPV and Finite Re		R0090	0	(2,293,123.58)	0	**(108,469,076.95)**
Risk Margin		**R0100**	**4,077,110.38**	**0**	**0**	**35,555,529.13**
Amount of the transitional on Technical Provisions						
Technical Provisions calculated as a whole		R0110	0	0	0	
Best estimate		R0120	0	0	0	
Risk margin		R0130	0	0	0	
Technical provisions - total		**R0200**	**2,279,817.98**	**0**	**0**	**1,893,624,142.49**
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total		**R0210**	**1,783,986.80**	**0**	**0**	**1,893,128,311.31**
Best Estimate of products with a surrender option		R0220	0	0	0	**(106,175,953.37)**
Gross BE for Cash flow						
Cash out-flows	Future guaranteed and discretionary benefits	R0230	8,635,638.69	0	0	**8,885,264.41**
	Future guaranteed benefits	R0240	0	0	0	**0.00**
	Future discretionary benefits	R0250	0	0	0	**0.00**
	Future expenses and other cash out-flows	R0260	8,616,129.18	0	0	**98,013,160.29**
‘Cash in-flows	Future premiums	R0270	18,961,130.13	0	0	**18,961,130.13**
	Other cash in-flows	R0280	87,930.13	0	0	**195,891,842.33**
Percentage of gross Best Estimate calculated using approximations		**R0290**	**0**	**0**	**0**	
Surrender value		**R0300**	**0**	**0**	**0**	**1,883,828,837.82**
Best estimate subject to transitional of the interest rate		**R0310**	**0**	**0**	**0**	
Technical provisions without transitional on interest rate		R0320	0	0	0	
Best estimate subject to volatility adjustment		**R0330**	**0**	**0**	**0**	
Technical provisions without volatility adjustment and without others transitional measures		R0340	0	0	0	
Best estimate subject to matching adjustment		**R0350**	**0**	**0**	**0**	
Technical provisions without matching adjustment and without all the others		R0360	0	0	0	
Expected profits included in future premiums (EPIFP)		**R0370**	**1,797,292.41**	**0**	**0**	**1,797,292.41**

Appendix 3: S.12.01.01 Life and Health SLT Technical Provisions (continued)

			Health insurance (direct business)			Total (Health similar to life insurance)
				Contracts without options and guarantees	Contracts with options or guarantees	
			C0160	C0170	C0180	C0210
Technical provisions calculated as a whole		**R0010**	**0**	**0**	**0**	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole		R0020	0	0	0	
Technical provisions calculated as a sum of BE & RM						
Best Estimate						
Gross Best Estimate		**R0030**	**0**	**(724,884.87)**	**0**	**(724,884.87)**
Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default		R0040	0	(177,427.32)	0	**(177,427.32)**
Recoverables from reinsurance (except SPV and Finite Re) before adjustment for expected losses		R0050	0	(177,427.32)	0	**(177,427.32)**
Recoverables from SPV before adjustment for expected losses		R0060	0	0	0	
Recoverables from Finite Re before adjustment for expected losses		R0070	0	0	0	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		R0080	0	(178,015.31)	0	**(178,015.31)**
Best estimate minus recoverables from reinsurance/SPV and Finite Re		R0090	0	(546,869.56)	0	**(546,869.56)**
Risk Margin		**R0100**	**935,761.17**	**0**	**0**	**935,761.17**
Amount of the transitional on Technical Provisions						
Technical Provisions calculated as a whole		R0110	0	0	0	
Best estimate		R0120	0	0	0	
Risk margin		R0130	0	0	0	
Technical provisions - total		**R0200**	**210,876.30**	**0**	**0**	**210,876.30**
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total		**R0210**	**388,891.61**	**0**	**0**	**388,891.61**
Best Estimate of products with a surrender option		R0220	0	0	0	
Gross BE for Cash flow						
Cash out-flows	Future guaranteed and discretionary benefits	R0230	4,461,784.44	0	0	**4,461,784.44**
	Future guaranteed benefits	R0240	0	0	0	
	Future discretionary benefits	R0250	0	0	0	
	Future expenses and other cash out-flows	R0260	2,828,668.31	0	0	**2,828,668.31**
‘Cash in-flows	Future premiums	R0270	7,950,834.72	0	0	**7,950,834.72**
	Other cash in-flows	R0280	64,502.90	0	0	**64,502.90**
Percentage of gross Best Estimate calculated using approximations		**R0290**	**0**	**0**	**0**	
Surrender value		**R0300**	**0**	**0**	**0**	
Best estimate subject to transitional of the interest rate		**R0310**	**0**	**0**	**0**	
Technical provisions without transitional on interest rate		R0320	0	0	0	
Best estimate subject to volatility adjustment		**R0330**	**0**	**0**	**0**	
Technical provisions without volatility adjustment and without others transitional measures		R0340	0	0	0	
Best estimate subject to matching adjustment		**R0350**	**0**	**0**	**0**	
Technical provisions without matching adjustment and without all the others		R0360	0	0	0	
Expected profits included in future premiums (EPIFP)		**R0370**	**724,884.87**	**0**	**0**	**724,884.87**

Appendix 4: 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 2015/35						
Ordinary share capital (gross of own shares)	R0010	269.59	269.59	-	-	-
Share premium account related to ordinary share capital	R0030	284,599,730.36	284,599,730.36	-	-	-
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	(150,432,490.96)	(150,432,490.96)	-	-	-
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**	**134,167,508.99**	**134,167,508.99**			

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**					

Appendix 4: S.23.01.01 Own Funds (continued)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	134,167,508.99	134,167,508.99	-	-	-
Total available own funds to meet the MCR	R0510	134,167,508.99	134,167,508.99	-	-	-
Total eligible own funds to meet the SCR	R0540	134,167,508.99	134,167,508.99	-	-	-
Total eligible own funds to meet the MCR	R0550	134,167,508.99	134,167,508.99	-	-	-
SCR	R0580	77,208,579.04	-	-	-	-
MCR	R0600	19,302,144.76	-	-	-	-
Ratio of Eligible own funds to SCR	R0620	173.77%	-	-	-	-
Ratio of Eligible own funds to MCR	R0640	695.09%	-	-	-	-

		Value
		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	134,167,508.99
Own shares (held directly and indirectly)	R0710	0
Foreseeable dividends, distributions and charges	R0720	0
Other basic own fund items	R0730	284,599,999.95
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds	R0740	0
Reconciliation reserve	R0760	(150,432,490.96)
Expected profits		
Expected profits included in future premiums (EPIFP) - Life Business	R0770	2,522,177.28
Expected profits included in future premiums (EPIFP) - Non Life Business	R0780	0
Total Expected profits included in future premiums (EPIFP)	**R0790**	**2,522,177.28**

Appendix 5: S.25.01.21 Solvency Capital Requirement - For undertakings using the standard formula

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	47,528,698.68	47,528,698.68	0
Counterparty default risk	R0020	3,871,270.38	3,871,270.38	0
Life underwriting risk	R0030	45,934,986.12	45,934,986.12	0
Health underwriting risk	R0040	1,218,122.92	1,218,122.92	0
Non-life underwriting risk	R0050	0	0	0
Diversification	R0060	(22,940,378.57)	(22,940,378.57)	0
Intangible asset risk	R0070	0	0	0
Basic Solvency Capital Requirement	**R0100**	**75,612,699.53**	**75,612,699.53**	

Calculation of Solvency Capital Requirement		
		C0100
Adjustment due to RFF/MAP nSCR aggregation	R0120	0
Total capital requirement for operational risk	R0130	1,595,879.51
Loss-absorbing capacity of technical provisions	R0140	0
Loss-absorbing capacity of deferred taxes	R0150	0
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0
Solvency Capital Requirement calculated on the basis of Art. 336 (a) of Delegated Regulation (EU) 2015/35, excluding capital add-on	**R0200**	**77,208,579.04**
Capital add-ons already set		
of which, capital add-ons already set - Article 37 (1) Type a	R0211	0
of which, capital add-ons already set - Article 37 (1) Type b	R0212	0
of which, capital add-ons already set - Article 37 (1) Type c	R0213	0
of which, capital add-ons already set - Article 37 (1) Type d	R0214	0
Consolidated Group SCR	**R0220**	**77,208,579.04**
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	0
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	77,208,579.04
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	0
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	R0450	4 - No adjustment
Net future discretionary benefits	R0460	0

Appendix 5: S.25.01.21 Solvency Capital Requirement - For undertakings using the standard formula (continued)

Approach to tax rate		
		Yes/No
		C0109
Approach based on average tax rate	R0590	2-No

Calculation of loss absorbing capacity of deferred taxes			
		Before the shock	After the shock
		C0110	C0120
DTA	R0600	0	0
DTA carry forward	R0610	0	0
DTA due to deductible temporary differences	R0620	0	0
DTL	R0630	0	0

Calculation of loss absorbing capacity of deferred taxes		
		LAC DT
		C0130
LAC DT	R0640	0
LAC DT justified by reversion of deferred tax liabilities	R0650	0
LAC DT justified by reference to probable future taxable economic profit	R0660	0
LAC DT justified by carry back, current year	R0670	0
LAC DT justified by carry back, future years	R0680	0
Maximum LAC DT	R0690	0

Appendix 6: S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

		Life activities	
MCR calculation Life		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	0	0
Obligations with profit participation - future discretionary benefits	R0220	0	0
Index-linked and unit-linked insurance obligations	R0230	1,858,443,853	0
Other life (re)insurance and health (re)insurance obligations	R0240	0	0
Total capital at risk for all life (re)insurance obligations	R0250	0	1,713,837,892

Overall MCR calculation		
		Value
		C0070
Linear MCR	R0300	14,208,793.49
SCR	R0310	77,208,579.04
MCR cap	R0320	34,743,860.57
MCR floor	R0330	19,302,144.76
Combined MCR	R0340	19,302,144.76
Absolute floor of the MCR	R0350	4,000,000.00
		C0070
Minimum Capital Requirement	R0400	19,302,144.76